

GLOSSARY OF TERMS

Addendum	A document modifying the terms and conditions of a contract.
Assessor	An expert with an in-depth knowledge of the issues covered by a grant programme who is engaged by a Contracting Authority to carry out a detailed written assessment of a grant application using published assessment forms. He/she cannot be a member of an Evaluation Committee.
Beneficiary country	The country or state outside the European Union with which the European Communities have an agreed programme of co-operation
Call for proposals	A public invitation by the Contracting Authority for the submission of project proposals by clearly identified types of applicants and within the framework of a specific EU policy programme.
Candidate	Any natural or legal person or group thereof applying to take part in a restricted procedure.
Conflict of interests	<p>Any event influencing the capacity of a candidate, tenderer or contractor to give an objective and impartial professional opinion, or preventing it, at any moment, from giving priority to the interests of the Contracting Authority. Any consideration relating to possible contracts in the future or conflict with other commitments, past or present, of a candidate, tenderer or contractor.</p> <p>These restrictions also apply to any sub-contractor and employees of the candidate, tenderer or contractor.</p>
Consortium	A grouping of eligible natural and legal persons which submits a tender or application to a tender procedure or a Call for Proposals. It may be a permanent, legally-established grouping or a grouping which has been constituted informally for a specific tender procedure or Call for Proposals. All members of a consortium (ie, the leader and all other partners) are jointly and severally liable to the Contracting Authority.
Contract	An agreement with specific terms between two or more persons or entities in which there is a promise to provide services and/or supplies in return for a valuable benefit known as consideration.
Contract award procedure	The procedure followed by a Contracting Authority to identify a suitable contractor to provide defined services and/or supplies and conclude a contract with that contractor.

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Contract budget	A summary of the costs of performing the contract. The total of these costs is the contract value.
Contract description	Brief outline (maximum 10 lines) of the contract for inclusion within a procurement notice and an explanatory note.
Contract value	The total budget of a contract.
Contracting Authority	The Commission, the State or the public or private legal person concluding the contract, as provided for in the Financing Memorandum.
Contractor	The tenderer selected at the end of a tender procedure for the award of contract.
Day	Calendar day.
Description of the Operation	A detailed description of a proposed project and its various activities (preparation, implementation, evaluation, etc).
Direct award	The award of one or more grants without organising a Call for Proposals. A direct award is only appropriate under certain, special circumstances and must always be the subject of an evaluation report.
Direct labour operations	Contracts executed by public or public-private agencies or services of the beneficiary country, where that country's administration possesses qualified managers.
European Commission	The Commission of the European Communities.
Evaluation committee	A committee made up of an odd number of members (at least three) possessing the technical and administrative capacities necessary to give an informed opinion on tenders or grant applications.
Expert	A person engaged by a contractor to provide the relevant expertise required for the proper performance of a contract.
Explanatory note	A summary attached to the front of a contract or addendum dossier explaining to the reader the purpose and background of the proposed contract or dossier
Financing agreement	An agreement between the EC and the beneficiary country (known as a financing memorandum in Phare and Ispa) which determines the objectives and scale of a future programme of assistance.
Financial offer	The part of a tender which contains all financial elements of the tender, including its summary budget and any detailed price breakdown or cashflow forecast required by the tender dossier.

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Financing Memorandum	An agreement between the EC and the beneficiary country (known as a financing agreement in the Financial Regulation and in all EC external aid programmes other than Phare and Ispa) which determines the objectives and scale of a future programme of assistance.
Framework contract	A fixed-term contract for the provision of an undetermined volume of a specific category of services.
General conditions	The general contractual provisions setting out the administrative, financial, legal and technical clauses governing the execution of all contracts of a particular type (services, supplies, works or grants).
Grant	A direct payment of a non-commercial nature by the Contracting Authority to a specific beneficiary to implement an action (or in some cases to finance part of its budget) in order to promote an EC policy aim.
Grant beneficiary	A recipient of a grant.
Grant programme	A programme which determines the objectives and scale of assistance in the form of grants for actions promoting EC policy aims
Guidelines for applicants	Document explaining the purpose of a Call for Proposals for grants. It includes the rules regarding who may apply, the types of actions and costs which may be financed, and the evaluation criteria. It also provides practical information on how to complete the application form, which annexes are required, and procedural and contractual rules.
Invitation to tender	Letter sent to selected candidates in a restricted procedure or simplified procedure inviting them to submit a tender
Mixed contract	A contract between the Contracting Authority and a service provider, supplier or construction firm covering two or more of the following: works, supplies and services.
Most economically advantageous tender	The best tender according to the criteria laid down for the contract in question, e.g. quality, technical properties, aesthetic and functional qualities, after-sales service and technical assistance, delivery date or performance period, the price or lowest price. These criteria must be published in the procurement notice or stated in the tender dossier.
Negotiated procedure	Procedure without prior publication of a procurement notice, in which the Contracting Authority consults the candidate or candidates of its choice and negotiates the terms of the contract with one or more of them (see sections 3.2.1.2, 4.2.1.2 and 5.2.1.3 of the Practical Guide).

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Open procedure	Procedure in which any natural or legal person or group thereof may submit a tender in response to a procurement notice.
Period	A period begins the day after the act or event chosen as its starting point. Where the last day of a period is not a working day, the period expires at the end of the next working day.
Procurement agent	A company procuring goods, services or works on behalf of the Contracting Authority.
Project manager	The person responsible for monitoring the implementation of a project on behalf of the Contracting Authority
Relevant media	Publication in the Official Journal of the European Communities and on the Internet is obligatory for all contracts covered by this Practical Guide. Publication in the press of beneficiary countries and, if need be, specialised publications may be necessary or advisable.
Restricted procedure	Procedure in which, after publication of a procurement notice, only candidates invited by the Contracting Authority may submit a tender.
Service contract	A contract between a service provider and the Contracting Authority for the provision of services such as technical assistance or studies.
Service provider	Any natural or legal person offering services.
Simplified procedure	Procedure without prior publication of a procurement notice, in which only candidates invited by the Contracting Authority may submit tender (see section 2.4.4 of the Practical Guide).
Special conditions	Clauses specific to the contract laid down by the Contracting Authority as an integral part of the contract, including amendments to the General Conditions.
Study contract	A service contract between a service provider and the Contracting Authority concerning, for example, identification and preparatory studies for projects, feasibility studies, economic and market studies, technical studies, evaluations and audits.
Supply contract	A contract between a supplier and the Contracting Authority for the purchase, lease, hire or hire-purchase (with or without an option to buy) of goods. It may also cover such tasks as installation, servicing, repairs, training and after-sales service.

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Technical assistance contract	A contract between a service provider and the Contracting Authority under which the service provider exercises an advisory role, directs or supervises a project, provides the consultants stipulated in the contract or acts as a procurement agent.
Technical offer	The part of a tender which contains all non-financial elements of the tender, ie, all elements other than the financial offer which are required by the tender dossier. The technical offer must not contain any financial indications.
Tender	A written or formal offer to supply goods or perform services for an agreed price
Tender dossier	The dossier compiled by the Contracting Authority and containing all the documents needed to prepare and submit a tender.
Tender procedure	The overall process of putting a contract out for tender, starting with the publication of a procurement notice and ending with the award of the tendered contract
Tenderer	Any natural or legal person or group thereof submitting a tender with a view to concluding a contract.
Technical specifications	The document drawn up by the Contracting Authority setting out its requirements and/or objectives in respect of the provision of supplies or works, specifying, where relevant, the methods and resources to be used and/or results to be attained.
Terms of reference	The document drawn up by the Contracting Authority setting out its requirements and/or objectives in respect of the provision of services, specifying, where relevant, the methods and resources to be used and/or results to be attained.
Works contract	A contract between a construction firm and the Contracting Authority for the execution of works or the building of a structure.