



PRAG Overview



European Commission
International Cooperation and Development
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What is the PRAG?

Practical Guide to procurement and grant award procedures for European Union external actions

It explains the contracting procedures applying to EU external actions financed by the EU budget and the European Development Fund (EDF) in 'direct management' and 'indirect management with beneficiary countries'.

The Financial Regulation

The 'PRAG' is conceived on the basis of the Financial Regulation (FR) applicable to the General Budget of the Union and to the EDF.

The 'PRAG' outlines the procedures for 'grants' (calls for proposals) and for 'procurement' : services, supplies and works.

Where do I find the PRAG?

**Public document, available at on the website
of DG International Cooperation and
Development : <http://ec.europa.eu/europeaid>**

<http://ec.europa.eu/europeaid/prag>



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About Funding

FUNDING

About Funding and Procedures

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How do we offer funding (Management modes)?

Procedures and Practical Guide (PRAG)

Funding recipients

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Audit and control

About Grants

About Procurement contracts

On-line services

Procedures for beneficiary countries and partners

Funding instruments & programming

The EU combines different types of support to countries in need. It provides funding in the form of grants to support projects and organisations furthering its development objectives. It also offers public contracts and provides budget and sector support.

GRANTS AND CONTRACTS

Grants are direct financial contributions provided to organisations, or to projects carried out by them. Most of the time, the Commission attributes them through calls for proposals.

[More information on grants](#)

Contracts are awarded through tendering procedures to purchase services, supplies or works.

Both contracts and grants are awarded for activities contributing to specific development goals.

[More information on contracts](#)

BUDGET SUPPORT

Budget support is an important tool to finance partner countries' development strategies. It consists of financial transfers to the national treasuries, and also involves policy dialogue and measures to assess the use made of these funds.

Budget support helps to deliver aid adapted to the needs identified by the countries themselves.

To benefit from budget support, a beneficiary country must demonstrate commitment to the fundamental values of human rights, democracy and the

USEFUL LINKS

- PADOR
- PRAG
- PROSPECT

TOOLS

PRAG



The Practical Guide explains contracting procedures for EU external aid contracts financed by the EU general budget (Budget) and the 10th European Development Fund (EDF).

[Consult PRAG](#)

E-LEARNING



E-learning course on the Practical Guide. Do you want to know more about EU external aid procedures? See our self



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 2014

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⚠ Application runs in JavaScript disabled mode

- 1. Introduction
- 2. Basic rules
- 3. Service contracts
- 4. Supply contracts
- 5. Works contracts
- 6. Grants
- 7. Legal Texts
- 8. List of Annexes



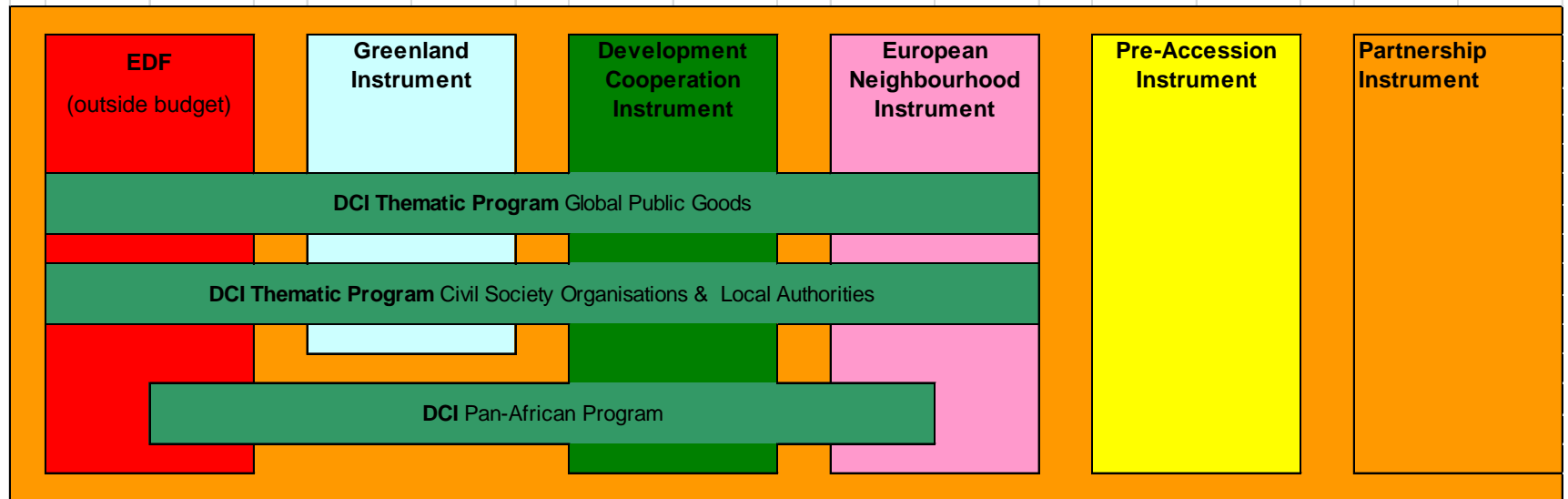
Practical Guide to Contract Procedures for EU External Actions

Heading IV Instruments

Instrument for Democracy & Human Rights

Instrument contributing to Stability and Peace

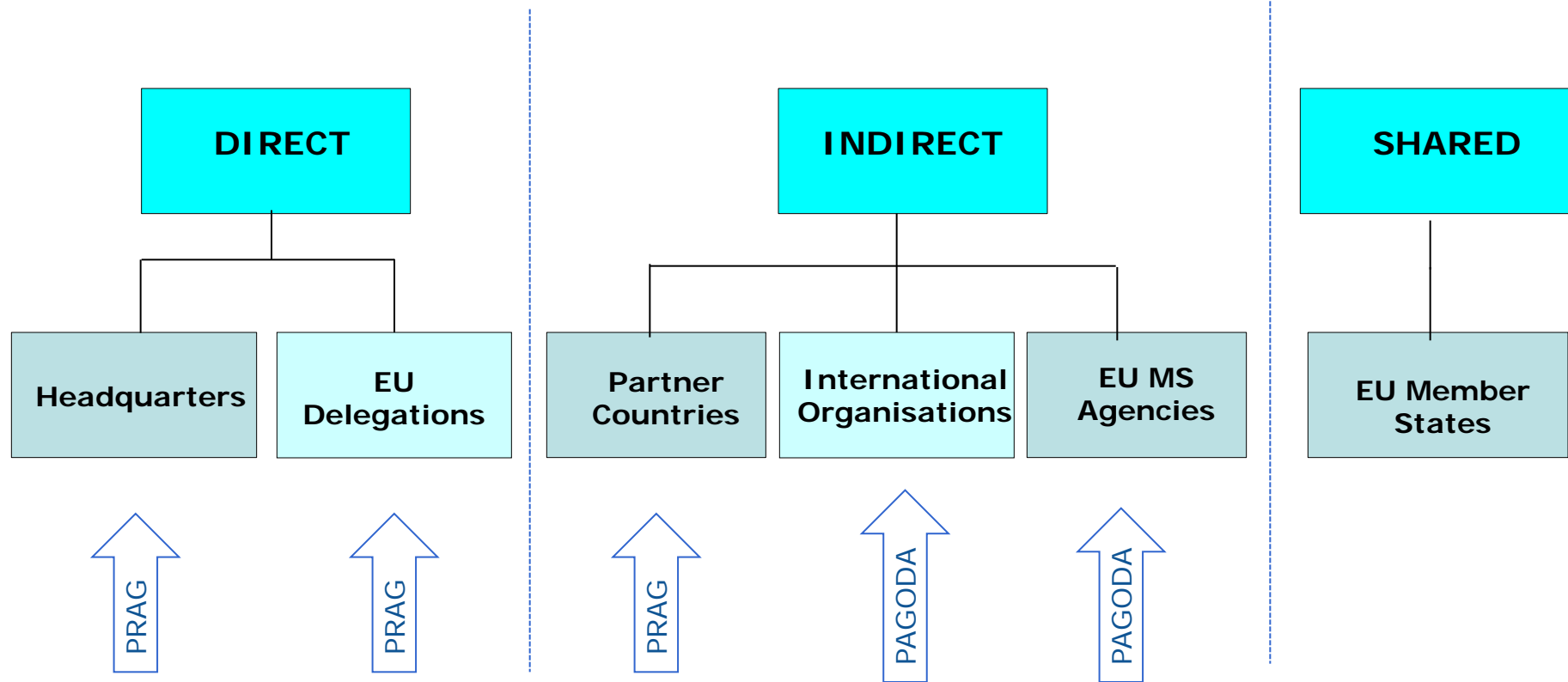
Instrument for Nuclear Safety



Other instruments

HUMA, CFSP, MACRO, EVHAC, CPFI, GUARANTEE FUND, AGENCIES, MARGIN

Management Modes



Aid delivery methods

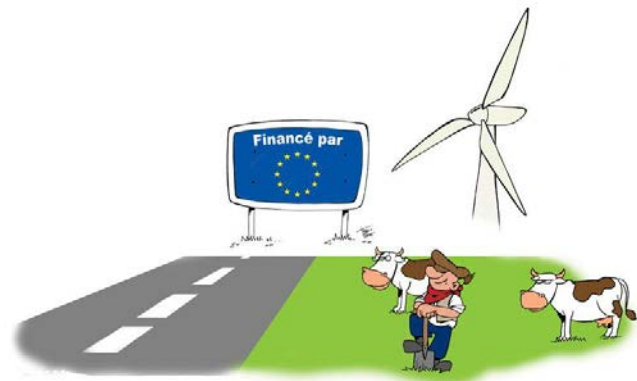
- *Budget support*

- *Trust Funds*

- *Grants = PRAG*

- *Procurement = PRAG*

- **Services** = technical assistance, studies, training,...
- **Supplies** = goods and equipment
- **Works** = buildings, infrastructures, etc



Core principles for contract award :

- Transparency
- Proportionality
- Sound financial management
- Equal treatment and non-discrimination
- Avoidance of any conflict of interests
- Non-retroactivity

Other important rules

- Nationality
- Origin
- Exclusion criteria
- Administrative and financial sanctions
- Visibility
- Preferences (EDF only)

Which procedure for which amount?

SERVICE CONTRACTS	<p>≥ EUR 300 000</p> <p>International restricted tender procedure</p>	<p>< EUR 300 000 but > EUR 20 000</p> <ul style="list-style-type: none"> - Framework contract BENEf 2013 <p>or</p> <ul style="list-style-type: none"> - Competitive negotiated procedure 		<p>≤ EUR 20 000</p> <p>Single tender</p> <p>A payment may be made against invoice without prior acceptance of a tender if the expenditure is ≤ EUR 2 500</p>	<p>Exceptional procedures:</p> <ul style="list-style-type: none"> - competitive dialogue - negotiated procedure
SUPPLY CONTRACTS	<p>≥ EUR 300 000</p> <p>International open tender procedure</p>	<p>< EUR 300 000 but ≥ EUR 100 000</p> <ul style="list-style-type: none"> - Local open tender procedure 	<p>< EUR 100 000 but > EUR 20 000</p> <ul style="list-style-type: none"> - Competitive negotiated procedure 		
WORKS CONTRACTS	<p>≥ EUR 5 000 000</p> <ul style="list-style-type: none"> - International open tender procedure <p>or</p> <ul style="list-style-type: none"> - International restricted tender procedure 	<p>< EUR 5 000 000 but ≥ EUR 300 000</p> <p>Local open tender procedure</p>	<p>< EUR 300 000 but > EUR 20 000</p> <p>Competitive negotiated procedure</p>		

Main steps of procurement procedures

1. Publication*
2. Shortlist**
3. Tender launch***
4. Tenders received
5. Evaluation
6. Contract Award
7. Contract Signature

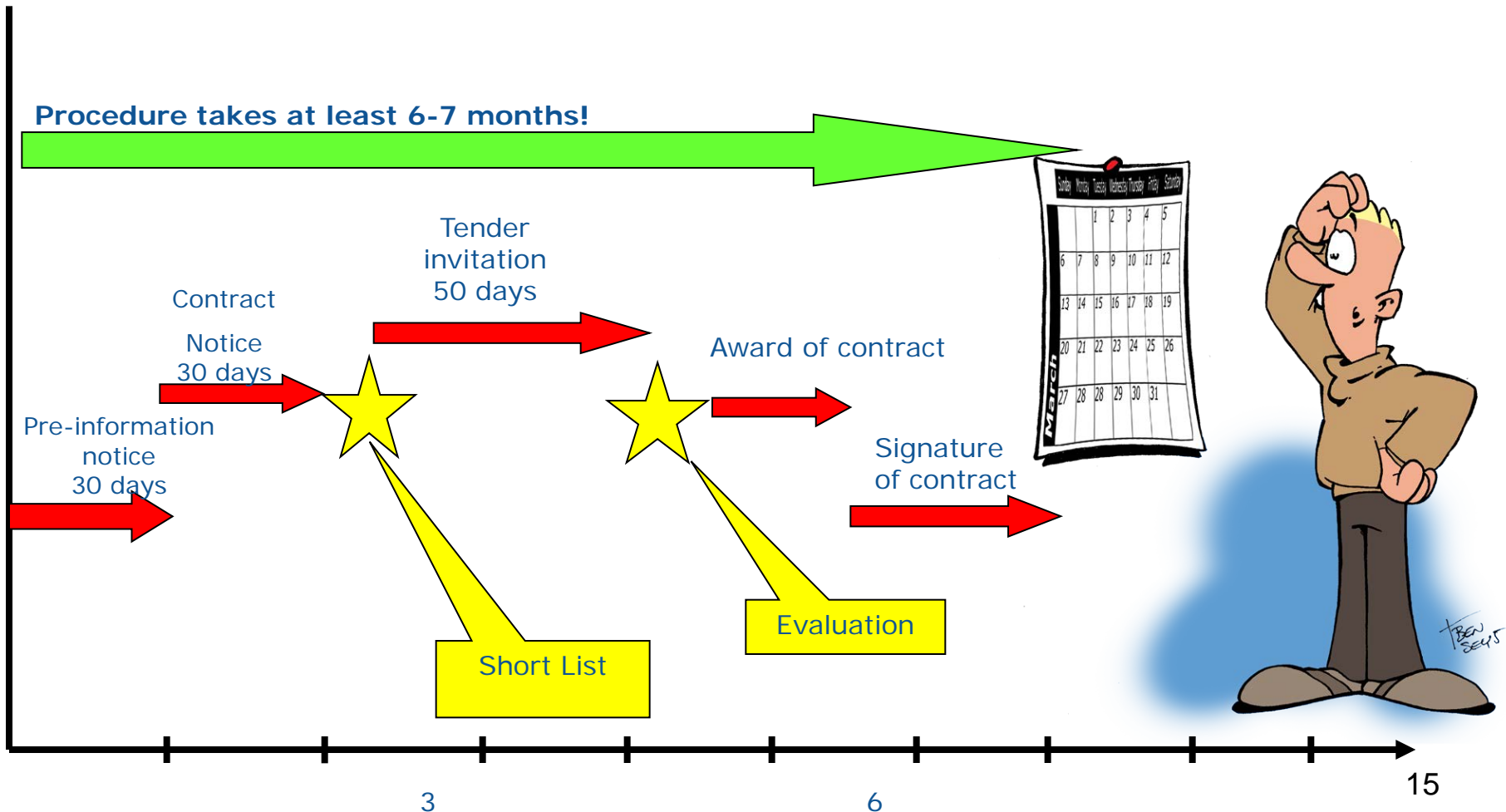


** Not for competitive negotiated, single tender, negotiated procedures.*

*** Only international restricted procedure for services or works.*

**** Not for open procedure.*

Time Line for Service Contract - international restricted



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Specificities per contract type

WORKS

Works contract:

Cover either the execution, or both the execution and design, of works or the realisation by whatever means of a work corresponding to the requirements specified by the contracting authority.

A "work" is the outcome of building or civil engineering works taken as a whole that is sufficient of itself to fulfill an economic or technical function.

SUPPLIES

Supplies contract:

They cover the purchase, leasing, rental or hire purchase (with or without option to buy) of goods.

The contract may include commissioning, spares, maintenance, after-sales service, training and/or other ancillary services.

SERVICES

Service contract:

Contract between a service provider and the Contracting Authority for the provision of services such as technical assistance or studies

Technical assistance:

The service provider is called on to play an advisory role, to manage or supervise a project, or to provide the expertise specified in the contract

Studies:

It includes studies for the identification and preparation of projects, feasibility studies, economic and market studies, technical studies and audits.

Funding opportunities : services

https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcor About Funding - European Co... Online Services - Online Ser...
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Programme	A. Programmes régionaux Afrique, Caraïbes et Pacifique Amérique latine Asie et Asie centrale Instrument for Pre-accession Assistance for Rural Development Partnership Instrument Pays en phase de préadhésion / Nouveaux Etats membres Voisinage Autres Autres	Publié avant le <input type="text"/>
Zone géographique (?)	B. Programmes thématiques Acteurs non étatiques et autorités locales Droits de l'homme Développement social et humain Environnement Instrument de stabilité Migration Sécurité alimentaire Sûreté nucléaire	Publié après le (?) <input type="text"/>
Type		<input type="checkbox"/> Travaux
Statut		<input type="button" value="Recherche"/>

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Type		<input type="button" value="Recherche"/>
Statut		



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Programme

Publié avant le

Zone géographique (?)



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Type

☐ Subventions

☐ Fournitures

☒ Services

☐ Travaux

Statut

☐ Clôturé

☒ Ouvert

☐ Prévu

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3 PAGODA

Cooperation with international organisations (eg UN, WB, FMI) and MS agencies (eg. AfD, GIZ, etc)

= indirect management

= PAGODA 2

= pillar assessed (grants or) delegation agreements



The financial regulation requires that the candidate (MS agency/international organisation) to be entrusted with tasks in indirect management demonstrates a level of financial management and protection of the EU financial interest equivalent to that of the Commission = ex-ante "pillar" assesment (accounting, procurement, audit, control, etc).

Under 'PAGODA', the international organisations and MS agencies apply their own procedures for procurement and grants.

Thank you !