



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

Supplier Information Booklet

INTRODUCTION

Welcome,

The purpose of this booklet is to help prospective suppliers to the Department of Jobs, Enterprise and Innovation to understand our procurement and purchasing processes.

In all our purchasing activities, we are committed to the procurement of supplies, services and works in the most efficient and effective way to achieve the best value for money for the taxpayer; consistent with optimising high quality outcomes in the delivery of our services and the achievement of our corporate goals.

Our Department is also conscious of its obligations to ensure that its procurement processes are open and transparent, and that all suppliers understand how to do business with us.

This booklet aims to provide prospective suppliers with an overview of our Department's procurement function, in terms of the regulatory landscape in which we operate, the types of procurement procedures we use, the timescales involved, our payment mechanisms and other issues related to our general procurement practices.

We also wish to provide our suppliers with a copy of our *Procurement Supplier Charter*, as set out on pages 13 and 14 of this booklet. The *Charter* underpins our commitments to you and outlines what you should expect when you do business with us. It also sets out the levels of service, standards and behaviour we expect in return from you!

On a final note this booklet has been prepared as part of our ongoing policy to encourage and facilitate suppliers in doing business with us.

Dr. Orlaigh Quinn
Secretary General
February 2017

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What is “Procurement”?

Procurement is the process through which the Department of Jobs, Enterprise and Innovation buys its supplies, services or works. We purchase a large amount of diverse goods and services from suppliers each year. Our Department’s procurement revenue spend in 2015 was approximately €2 million.

Governing Regulations

The Procurement Function of the Department of Jobs, Enterprise and Innovation operates in compliance with all relevant European, National and Local procurement legislation and guidelines. The Department’s procurement rules and procedures are governed by:

1. EU directives
2. National regulations & guidelines
3. Internal policies and procedures

Where Do We Advertise Our Tenders?

- The Department of Jobs, Enterprise and Innovation will often seek quotes from suppliers or service providers; where the value does not exceed €5,000 (Ex. VAT) for supplies and/or services, typically three written competitive quotes are invited.
- For supplies and/or services above €5,000 (Ex. VAT) and below €25,000 (Ex. VAT); typically five written competitive quotes are invited.
- All contracts above €25,000 (Ex. VAT) are advertised through the Irish Government procurement portal [e-Tenders](#) (in accordance with [Circular 10/2010](#) and [Circular 10/2014](#). All suppliers are encouraged to register with e-Tenders.
- If a contract is above European threshold (currently €135,000¹), it is advertised in the supplement to the Official Journal of the European Union [OJEU/TED](#) and also on [e-Tenders](#).
- Tender documents are made available at no cost on [e-Tenders](#) and any interested party can obtain them and submit a tender.
- Tenders are invited in *Euro* (€) only and only bids in *Euro* (€) will be accepted.
- All payments are made to suppliers by means of *Electronic Fund Transfer (EFT)*.
- It is our Department’s policy to use National Frameworks where possible. Suppliers are encouraged to tender for these Frameworks when advertised, typically by the

¹ Thresholds are revised every two years. Full and up to date thresholds can be checked on the EU public procurement website <http://www.simap.europa.eu/>.

[Office of Government Procurement \(OGP\)](#)). These Frameworks are also advertised on [e-Tenders](#) and/or [OJEU/TED](#).

EU Directives on Public Procurement:

In general, EU law sets out minimum harmonised public procurement rules in order to create a level playing field for all businesses across Europe. These rules, more commonly known as *Directives*, structure the way public procurement authorities or bodies purchase goods, works and services. Directives are then transposed into national legislation, where they apply to all tenders whose monetary value (excluding VAT) exceeds certain prescribed amounts. See [here](#) for more information.

We follow different types of procurement procedures depending on the monetary value of the proposed contract we wish to advertise.

See below for information on advertising thresholds and types of procedures involved.

Type of Procurement Process - Effective from 1st January 2016:

Table 1.1: Supplies & Services	
Less than €5,000 (Ex VAT)	Usually 3 written quotations from competitive suppliers or service providers
Between €5,000 - €25,000 (Ex VAT)	Usually 5 written quotations from competitive suppliers or service providers
Over €25,000 to EU Threshold (currently €135,000 ² - Ex VAT)	Must use formal tendering via national advertising e-Tenders using full OGP template RFT or voluntarily in OJEU . Must use OPEN procedure
Above EU Threshold (currently €135,000 ³ - Ex VAT)	Must be published first in OJEU before publication at national level via e-Tenders using full OGP template RFT. Choice of procedure

Note: ** All monetary values referred to in the above table are **Exclusive of VAT**

Tendering Timescales

² Thresholds are revised every two years. Full and up to date thresholds can be checked on the EU public procurement website <http://www.simap.europa.eu/>.

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We are bound to certain timescales under procurement regulations. Different rules apply to different procurement procedures, therefore the turnaround time between advertising and awarding a contract may differ depending on which procedures were followed. Where contracts are subject to EU rules and advertised in the [Official Journal of the European Union](#) (OJEU/TED), the advertising procedures are more time consuming and the process can take up to three or four months.

For more details on tendering timescales refer to Table 1.2 below.

Table 1.2: Tendering Timescales - Overview of minimum timescales in calendar days

Procedure Type	Minimum Time Limit	Fully Electronic Minimum Time Limit	PIN	Accelerated
Open Procedure	Minimum of 35 days for receipt of tenders	Minimum of 30 days	Minimum of 15 days - If preceded by suitable Prior Information Notice (PIN)	Minimum of 15 days - New accelerated open procedure - if urgent (whether or not suitable PIN published)
Restricted Procedure	Minimum of 30 days for requests to participate in Qualification (Step 1)	Minimum of 30 days to submit <u>initial tenders</u> (or 25 days if <u>electronic tendering</u> permitted)	Minimum time to submit tenders is 10 days - If preceded by suitable Prior Information Notice (PIN)	Minimum time to submit requests is 15 days , minimum time to submit tenders is 10 days - <u>Accelerated</u> restricted procedure - if urgent (whether or not suitable PIN published)
Competitive Procedure with Negotiation	Minimum of 30 days for requests to participate	Minimum of 30 days to submit <u>initial tenders</u> (or 25 days if <u>electronic tendering</u> permitted)	Minimum time to submit requests is 15 days If preceded by suitable Prior Information Notice (PIN)	Minimum time to submit requests is 15 days , minimum time to submit initial tenders is 10 days - <u>Accelerated</u> - if urgent (whether or not suitable PIN published)
Competitive Dialogue	Minimum of 30 days for requests to participate	Minimum of 30 days for requests to participate	No provision for time reduction following Prior Information Notice (PIN)	No provision for acceleration

Types of Notices:

Our Tender Notices are advertised on [e-Tenders](#) and include:-

- **Prior Information Notice (PIN)** – these are sometimes published in order to advertise to the market contracts which may be awarded over the next 12 months. PINS may be used for supplies, services and works. Publication of PIN Notices is compulsory only where the contract authorities take the option of shortening the time limit for receipt of tenders. In these instances, the PIN must have been dispatched more than 52 days and not more than one year prior to the call for competition (tender advertisement). Publication of a PIN does not constitute a guarantee or commitment to proceed to contract. PINs may also be used to invite parties to a technical dialogue to assist the organisation in developing a specification. It must be followed by a full contract notice if proceeding to a formal process.
- **Contract Notice** – when tenders are being sought, a Notice is published on [e-Tenders](#) in respect of individual contracts which come within the scope of the relevant Directives.
- **Contract Award Notice** – after individual contracts have been awarded, a Notice giving the result of the tender competition is published on [e-Tenders](#). In accordance with [Circular10/14 – Initiatives to assist SMEs in Public Procurement](#) issued by the Department of Public Expenditure and Reform, all contract award notices over €25,000 (Ex VAT) will be published on [e-Tenders](#).

Types of Procurement Procedures:

The type of procurement procedure that we will use will depend on the type and monetary value of our proposed contract. Table 1.3 below provides a descriptive summary of the main types of procurement procedures that may be used by contracting authorities when advertising a contract.

Table 1.3: Types of Procurement Procedures – Main Description Features

Procedure Type	Description of Procedure
Open Procedure	<ul style="list-style-type: none"> • A single stage approach where all interested parties may submit tenders.
Restricted Procedure	<ul style="list-style-type: none"> • A two stage approach whereby the initial requirement is to seek expressions of interest from the market regarding their financial and technical capacity (selection criteria). • Following evaluation a number (usually a minimum of 5) that are deemed qualified under the selection criteria will be invited to tender. • These tenders will then be assessed against the award criteria.
Competitive Dialogue	<ul style="list-style-type: none"> • Requirements are advertised by contracting authorities who may enter into dialogue with interested parties. <p>This procedure is used in the case of particularly complex contracts where the use of open or restricted procedures would not allow for successful award of contract.</p>
Competitive Procedure with Negotiation	<ul style="list-style-type: none"> • This procedure can only be used by contracting authorities in special circumstances for example where irregular or unacceptable tenders have been received in response to an Open or Restricted Procedure.

Procurement Compliance:

Our Suppliers must comply with a number of different statutory requirements.

These are described in more detail below.

Employment:

Suppliers to our Department are required to be compliant with Irish Employment Law.

In this regard, tenderers must provide a statement, where requested, confirming that they have taken account of their legal obligations regarding employment protection and working conditions relating to supplies, services and works contracts with the Department of Jobs, Enterprise and Innovation; and that the employees of the company are treated in full compliance with Irish Employment legislation and rights. This is usually provided in the form of a self-declaration document that forms part of *Schedule A: Terms and Conditions (Contractor's Obligations)* under the OGP suite of RFT and Contract templates. This legislation includes, but is not limited to [Employment Equality Acts 1998-2015](#), [National Minimum Wage Act 2000](#), [Organisation of Working Time Act 1997](#) and [Safety, Health and Welfare at Work Act 2005](#); and any other legal obligation deemed appropriate. The declaration will also include provision to ensure that any subcontractors used for the contract will also be treated by the same standards. Failure to provide a statement of compliance with all relevant legal employment requirements will render the tender non-compliant.

Tax Clearance Requirements:

Tax compliance is a standard requirement for all suppliers who do business with us. All payments made by our Department to *suppliers for the provision of goods and/or services* fall within the scope of the guidelines of [Finance Circular 43/2006](#) regarding tax clearance procedures – See [here](#) for more information. The tax clearance requirement applies even where the provision of goods and/or services is not the subject of a formal written contract.

In accordance with [Section 1095 of the Taxes Consolidation Act, 1997](#), where total payments to a supplier are expected to equal or exceed €10,000 (inclusive of VAT) in any 12 month period, the supplier is obliged to provide us with a Tax Registration Number and tax Clearance Access Number (TCAN). The €10,000 (inclusive of VAT) threshold applies to individual payments or cumulative payments over any 12 month period.

We are prohibited from transacting business with any supplier who cannot meet these requirements. Payments under a contract are conditional on the supplier being tax compliant.

Tax clearance certificates is the responsibility of the [Irish Revenue Commissioners](#) and applicants must deal directly with the [Irish Revenue Commissioners](#) in this regard.

Since January 2016 applicants to Revenue who apply for tax clearance and are tax compliant are given a Tax Reference Number (TCAN). This information is then given to the Public Service Body so that their tax status can be verified. Tax clearance will be regularly

reviewed by Revenue and where a customer becomes non-compliant the electronic tax clearance will be withdrawn. There are some exceptions to this i.e. Foreign suppliers. For more information - see [Revenue Commissioners - Tax Clearance](#).

Professional Services Withholding Tax:

Professional Service Withholding Tax (PSWT) is a tax on Professional Services at source in respect of relevant payments by Accountable Persons, to Specified Persons in relation to the provision of professional services.

PSWT is a deduction on account, made at the point of payment, of the final liability of the person who provides the professional service. It is deducted from the total amount of the payment for professional service involved, including, in general, any amount in respect of reimbursement of expenses, outlay or third party costs, but excluding any VAT charged by the person providing the service.

PSWT is not deductible from Stamp Duties Land Registry and mapping fees, Deed of Registration fees, Company Office fees or Court fees. The deduction of PSWT is determined by the nature of the service being provided. Guidance in relation to Professional Services may be obtained from the Department of Revenue website.

The rate at which PSWT is deducted is the standard rate of income tax in force at the date on which payment is made. This rate is currently set at 20%. In the case of an individual providing the service, they must provide us with his/her Personal Public Service Number (PPSN); in the case of a company, its tax reference number or in the case of a partnership, the partnership's tax number.

When PSWT is deducted the Department issue to the payee a F45 Certificate notifying the payee of the amount of Withholding Tax that has been deducted from the payment. The supplier can then submit this F45 Certificate to the Revenue Commissioners, who will determine whether a tax credit or tax refund is due to the supplier. More information is available [here](#).

Process if Tax Certification cannot be produced:

In the instances where a preferred supplier in the tendering process cannot produce the appropriate tax clearance, it may be necessary for us to:

- Postpone the awarding of the contract
- Award the contract to the next most suitable tenderer if appropriate
- Cancel the competition and hold a new competition if appropriate

Publication of Payments over €20,000:

In the [Programme for Government 2011-2016](#), the Government agreed that they would require the publication of all purchase orders greater than €20,000, with the intention of enhancing transparency in public sector procurement. This commitment was reiterated in the [Public Sector Reform Plan](#).

In keeping with this commitment, our Department publishes' details of payments made for goods and services valued at €20,000 or more. Information is published quarterly in arrears (six weeks after the quarter ends). See [Details of Payments over €20,000](#) for more information.

Freedom of Information:

[Freedom of Information \(FOI\)](#) legislation applies to our Department. Information may be requested on records relating to a tendering procedure under the [FOI Act 2014](#). Certain records may be exempt from the provisions of the Act on grounds of confidentiality or commercial sensitivity. Suppliers are requested to indicate, with supporting reasons, any information included with their tenders, which they wish to be regarded as confidential or commercially sensitive. It is also important to note that no category of tender related records is subject to either release or exemption as a class. This means that each record must be examined on its own merits. Under new publication requirements, which came into effect in 2016, all public sector bodies are obliged to publish certain sets of information in relation to "winning bids" in a public procurement procedure. For more details see: [Publication Scheme](#).

Payment Terms on Award of Contract:***EFT (Electronic Funds Transfer)***

All payments by the Department of Jobs, Enterprise and Innovation are made by EFT and suppliers will be required to complete a bank mandate setup form in order to facilitate payment transfers.

Invoices

All invoices must be forwarded to the relevant Business Unit and addressed to the relevant staff member who placed the original order for the goods/services. Invoices should include a valid Purchase Order (PO) number (where applicable), as well as a Contracts number (where applicable) (PO numbers are 10 characters in length, while Contracts Numbers are 6 characters in length).

Prompt Payment of Accounts Legislation

Payment of invoices by our Department is governed by the [Prompt Payment of Accounts Act, 1997](#), as amended by the [European Communities \(Late Payment in Commercial](#)

[Transactions\) Regulations 2012 European Communities \(Late Payment in Commercial Transactions\) Regulations 2012.](#)

Our Prompt Payment Policy

We are committed to making every effort to pay our suppliers promptly.

In order to assist us we ask suppliers to provide valid invoices, accurate bank account details and ensure that their Tax Clearance status with the [Irish Revenue Commissioners](#) is up to date.

Our payment of invoices is governed by the [Prompt Payment of Accounts Act, 1997](#) as amended by the [European Communities \(Late Payment in Commercial Transactions\) Regulations 2012](#).

15-Calendar Day Payment Requirement (from June 2009)

It is a Government requirement that all central Government Departments, the Health Service Executive, the local authorities and all other public sector bodies (excluding commercial Semi-State bodies) pay their suppliers within 15 calendar days of receipt of a valid invoice.

This arrangement does not alter contractual relationships and does not change the legal position in relation to late payments.

Every effort, **consistent with proper financial procedures**, is being made to ensure that all our suppliers are paid within this timeframe.

Prompt Payment Returns

We also publish quarterly statistical returns by all Central Government Departments of payments made to their suppliers within 15 calendar days.

You can view these details [here](#).

Late Payment Interest & Interest Rates

The [European Communities \(Late Payment in Commercial Transactions\) Regulations 2012](#) provide that “**interest**” shall be payable in respect of a late payment.

The Regulations, which apply equally to the public and private sector, provide an **entitlement to interest if payment**, in respect of a commercial transaction, is late.

For further information on Late Payment Interest & Applicable Interest Rates, click [here](#).

Invoice Queries

In general, we will advise suppliers of any queries and/or defects with an invoice that prevent us from making a payment. Once an invoice is approved for payment, we will endeavor to issue payment within 15 calendar days.

The Prompt Payment legislation does not oblige payment to be made to a supplier who has failed or refused to comply with a request to furnish Tax Clearance Access Number (TCAN).

If you have a query regarding an invoice or payment, please contact the relevant Business Unit and Departmental staff member who made the purchase by calling + (353) 1 631 2121 (Lo Call: 1890 220 222) or by e-mail to: firstname.lastname@djei.ie. The person who made the purchase will be best placed to answer your queries in the first instance.

Alternatively, if you do not have the details of the relevant Departmental staff member, you may wish to contact our *Payments & Receipts Section* located within our Finance Unit.

Queries can take time to resolve, so please don't wait until the payment due date to raise them!

ANNEX 1

Department of Jobs, Enterprise and Innovation

Procurement Supplier Charter

Our Corporate Procurement Objective:

We are committed to the procurement of supplies, services and works in the most efficient and effective way to achieve the best value for money for the taxpayer; consistent with optimising high quality outcomes in the delivery of our services to the citizens of this country and the achievement of our corporate goals.

We will operate our procurement function in accordance with the following values:

- Compliance with all relevant European, National and Local procurement legislation and guidelines.
- Value for Money – achieving the optimum balance of quality and whole life cost to meet our corporate business needs.
- Regard for the principles of European public procurement: *freedom of movement, freedom of establishment* and *freedom to provide services*; and the basic principles therein of *transparency, equal treatment, proportionality* and *mutual recognition*.
- Minimise exposure to procurement risk by the adoption of the appropriate risk management strategies.

The Department's commitment to Suppliers is to:

- Ensure appropriate contact points for procurement related enquiries are published in tender documentation and enquiries are responded to in a courteous and timely manner.
- Simplify the tender process where possible; publish guidance; provide clear specifications; only ask for information which is relevant and appropriate to the contract in question
- Offer constructive feedback to suppliers.
- Carry out procurement activity to the highest ethical standards and adhere to all relevant legislation.
- Use the approved OGP RFT and Contract template documents for procurements above €25,000
- Declare any conflicts of interest.
- Be transparent on the level of risk transfer to suppliers.
- Where possible and without compromising efficiency and value for money, we will break contracts into Lots, enabling smaller businesses to compete for opportunities.
- Where invoices are not in dispute, strive to meet contractual payment terms, in accordance with the [Prompt Payment of Accounts Act, 1997](#) (as amended).

- Work with suppliers throughout the life time of contracts to deliver value to both parties.
- Provide feedback mechanisms for current and potential suppliers to engage meaningfully with us.

The Supplier's commitment to the Department is to:

- Seek to deliver value for money, continuous improvement and innovative solutions throughout the life of the contract.
- Ensure compliance with all relevant legislation and recognise their duties under EU and Irish Law in respect of procurement activity.
- Operate with competency and efficiency and to the highest standards of professionalism and integrity, with particular regard to their own employees and suppliers/sub-contractors, but also in their dealings with the Department's staff.
- Ethically manage all elements of their supply chain including protection of workers' pay & conditions, non-use of child labour & commitment to environmental responsibility.
- Engage with feedback mechanisms provided by the Department to promote collaborative non-adversarial approach to dispute resolution.
- Inform the Department as early as possible when issues and problems arise, so that we can work together and find a mutually satisfactory solution.
- Conduct communications with the Department in a courteous and timely manner.
- Declare any conflicts of interest.
- Avoid engaging in any activity which might reasonably be interpreted as an attempt to affect the impartiality of the Department of Jobs, Enterprise and Innovation's employees.

Together we will endeavour to:

- Deliver quality goods, services and works on time & within budget.
- Reduce cost & eliminate waste through continued improvement of procurement practice.

Procurement Related Queries should be directed to:

Procurement Co-Ordination Unit
Business Services Unit
Department of Jobs, Enterprise and Innovation
23 Kildare Street
Dublin 2
D02 TD30

Finance Related Queries should be directed to:

Finance Unit,
Department of Jobs, Enterprise & Innovation,
65A Adelaide Road,
Dublin 2.
D02

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