EUROPEAN COMMISSION
DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Customs Policy, Legislation, Tariff
Customs systems & IT operations

TENDERING SPECIFICATIONS

TAXUD/2016/AO-02

Operations, integration and control of IT Service Management for IT systems

(ITSM3 Integration)

1. FOREWORD

The present Call for Tenders will be managed as described in the Guidebook for Tenderers "Submitting an offer in response to a call for tenders for IT services issued by the Directorate General for Taxation and Customs Union" (Annex 4), which is an integral part of the present Tendering Specifications.

2. BACKGROUND

DG TAXUD needs to renew the contractual sourcing for IT operation and IT service management. As of today, the contractual structure for these services is covered by three distinct Framework Contracts, each one being a separate Lot of the ITSM2 Call for Tender launched in 2012 (reference: TAXUD/2010/AO-13).

While it is the intention of DG TAXUD to keep the structure of three Framework Contracts and the overall distribution of services among them to source its IT operation & IT service management, DG TAXUD will issue three separate Call for Tenders (CfT) as to minimise the risk associated to Hand-Over/Take-Over between the incumbent and future contractors.

The following table summarises the past and future procurements processes.

Previous CfT TAXUD/2010/AO-13		Future CfTs	Overall Services
ITSM2	Lot1	ITSM3 Operations	IT service management, infrastructure and operations (closed on 15/03/2016)
	Lot2	ITSM3 Trans-European	Trans-European systems management & coordination (will be closed on 07/10/2016)
	Lot3	ITSM3 Integration*	Operations integration & control, consultancy and architecture

* Object of the present Call for Tenders (TAXUD/2016/AO-02)

Although the three ITSM3 contracts will follow separate Call for Tenders procedures they will synchronise at the moment of Take-Over and it is the objective that they enter into operational mode in a rapid sequence as the contracts for the three ITSM2 Lots have the same expiration dates.

2.1. IT organisation in DG TAXUD

The **Information Technology Steering Committee** (ITSC) of DG TAXUD acts to ensure high-level approval and authorisation for IT projects in line with the principles of good

management and financial governance, under the overall supervision of the IT governance bodies of the Commission.

The **Stakeholders** for DG TAXUD's IT systems are the Commission, National Administrations of Member States and Third party countries (e.g. the United States), the trader community and the public in general.

DG TAXUD's Information Technology Units (**A5** and **C5**) are responsible for administering the computerisation activities of DG TAXUD, in line with the policies of the DG and the IT policies of the Commission. This includes the provision of business-critical operational services and central IT systems necessary for the support of the National Administrations and Commission services.

The **mission** of the Information Technology Units is to:

- Operate and develop secure Information Systems (IS) and transmission services appropriate to business users in DG TAXUD, Commission services, National Administrations of Member States, Third party countries and in the society at large;

- Maintain and develop a coherent Information Systems Architecture compliant with the Commission standards policy, allowing interoperability of administrations in the EU and partner countries for the benefit of the customs and taxation policies.

- Provide and support efficient office automation facilities for approximately 550 staff of the DG TAXUD.

The **Unit C5** is divided in four sectors:

- **Resources and governance sector (C5/PS):** is a "horizontal" sector involved with governance, budget, contracts and project management, human resources and support to other sectors of DG TAXUD IT Units from Quality Assurance and Quality Control point-of-view; C5/PS will be in charge of the management of the relationship between DG TAXUD and the ITSM3 Trans-European contractor.

- **IT services for Indirect Taxation and Operations sector (C5/ITO):** advises, defines, develops and maintains, in close co-operation with the Member States and the policy units of DG TAXUD in charge of indirect taxation, the trans-European systems necessary for the implementation of indirect taxation policies. The sector also supervises the operation of direct <u>and</u> indirect taxation IT systems by co-ordinating with the Member States; so as to ensure the constant level of quality and correct functioning of these trans-European systems during their operational phase.

- **IT services for Direct Taxation and taxation IT Enterprise Architecture sector (C5/DTEA):** advises, defines, develops and maintains, in close co-operation with the Member States and the policy units of DG TAXUD in charge of direct taxation, the trans-European systems or other IT systems necessary for the implementation of direct taxation policies. The sector is also in charge of the IT collaboration with Member States for direct and indirect taxation, to develop an enterprise architecture and plan

that allows better collaboration between Member States for the common addressing of identified IT challenges.

- **Local Informatics Security Officer (LISO):** defines the DG TAXUD-specific Information Security Policy, oversees the development of security plans approved by DG TAXUD and monitors their implementation, develops information security awareness and training programmes, maintains an inventory of information systems, with a description of security needs, advises and reports on information systems security matters.
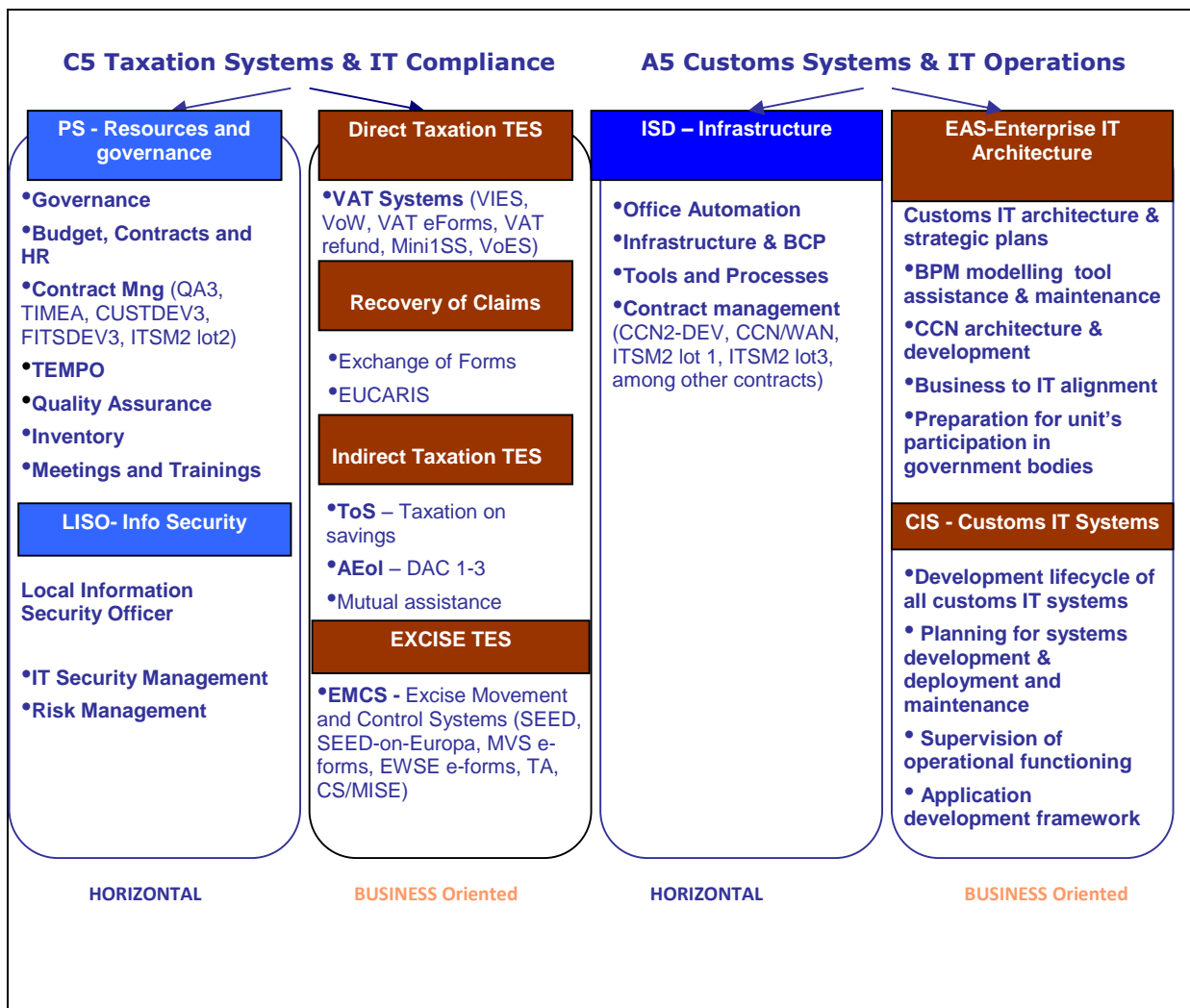

Figure 1: IT organisation in DG TAXUD

The **Unit A5** is divided into three sectors:

- **Infrastructure & Service Delivery (A5/ISD):** The sector is responsible for:
    - Managing the infrastructure used by the Information Systems in support of customs and taxation policies and DG TAXUD specific administrative processes.

    - Assuring continuity of operation and disaster recovery of the IT functions.

    - Operating the infrastructure allowing interoperability of administrations in the EU and partner countries for the benefit of the customs and taxation policies (CCN / CCN2).

    - Managing the IT Operations according a Confidentiality/Integrity/Availability compliance framework

    - Designing and implementing the IT operation processes in DG TAXUD and all its suppliers.

    - Supervise the provision of office automation services (supervise the supply of office automation equipment, user support, helpdesk, management of IT logistics including acquisition, move and decommissioning).

- **Customs IT Systems (A5/CIS)**: The sector is responsible for:
    - The system development life-cycle of all customs IT systems.

    - The maintenance of the operational planning for systems development and deployment.

    - The co-ordination of the implementation and maintenance of all customs IT systems in EU, in collaboration with internal and external stakeholders.

    - The supervision of their operational functioning and the production of related statistics, dashboards, etc.

    - The system development life-cycle methodology for all customs IT systems.

    - The application development framework of all customs applications.

    - The maintenance of a repository of all artefacts of customs IT systems.

    - The overall customs IT architecture and IT strategic plan.

- **Enterprise IT Architecture and Strategy (A5/EAS)**: The sector is responsible for:
    - Providing assistance to customs business units for the correct use of the modelling tool ARIS.

– Maintaining in ARIS, in close co-operation with the customs business units and CIS, a coherent view of the enterprise architecture, including its business data, business processes, business rules and technical IT plan.

– Providing advice to customs policy units for the optimal use of IT in reaching their policy objectives; to assure this duty, the section shall represent the unit in co-ordination groups created either internally or with the participation of Member States in view of policy co-ordination and development.

– The technical studies, architecture, development and maintenance of the CCN, CCN2, SPEED2 (and related Business Flows), as well as UUM&DS platforms.

– Participation in the triangle (three sectors) of architects whose purpose is to guarantee the overall coherence of IT architecture of Unit A5 within DG TAXUD.

– Preparing, organising and chairing the governance body with MS for middleware projects and systems: CCN/CSI, CCN2, UUM&DS: "IT Technology & Infrastructure Group".

– Participating in the preparation of the unit's involvement in governance bodies, such as the ECCG, the IT Steering Committee, the Customs Management Committee, etc.

In addition to the above, DG TAXUD **Unit A3** is in charge of **UCC and BPM functional structure** to define, in close co-operation with the Member States, the requirements and business process models of the customs IT systems related to the Union Customs Code (UCC) with its delegating and implementing provisions.

Some changes in this organisation may occur during the course of the **ITSM3 Integration** contract.

2.1.1. Multi Sourcing

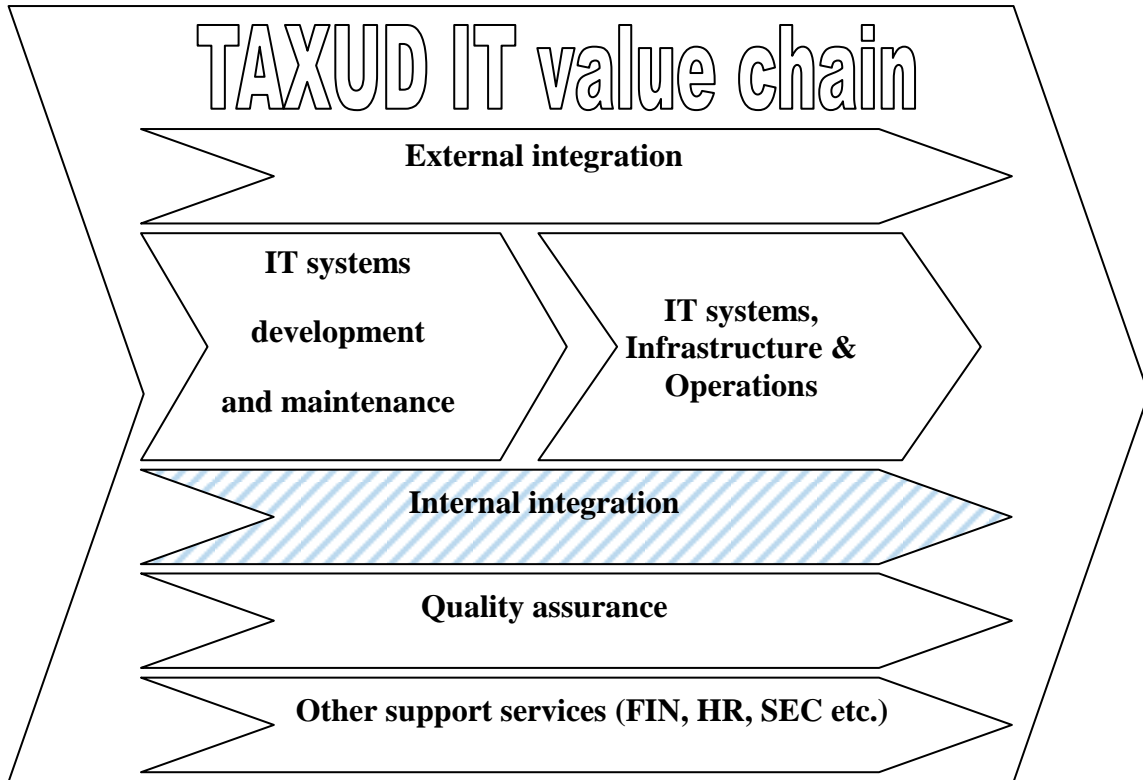The IT value chain of DG TAXUD is depicted below:

**Figure 2: DG TAXUD IT Value Chain**

Hence, the **ITSM3 Integration** (replacing ITSM2 Lot3) contractor deals with the shaded part of the above value chain, "Internal integration", **ITSM3 Operations** (replacing ITSM2 Lot1) with "IT systems, Infrastructure & Operations", and **ITSM3 TES Support** (replacing ITSM2 Lot2) with "External integration".
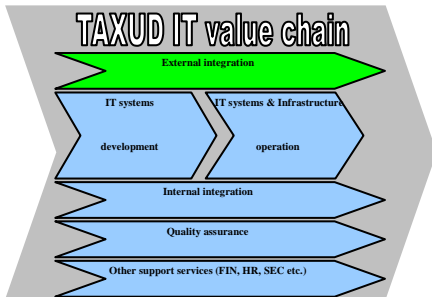
External Integration is defined as the set of activities that are needed to integrate DG TAXUD's IT systems with those of the NAs to deliver the expected business solutions. These comprise planning, scope definition, systems definition, and specification; follow up of NA activities, synchronisation, enterprise architecture town plan, and others.
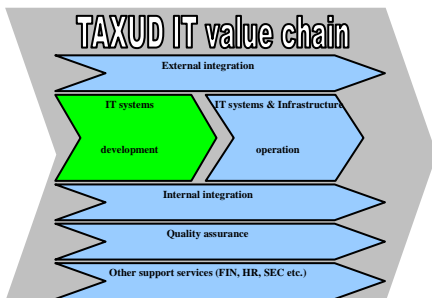

IT systems development and maintenance is one of the two main production activities of the IT units of DG TAXUD, it includes the multitude of development and maintenance activities for all Customs, Taxation, Excise systems as well as for CCN.
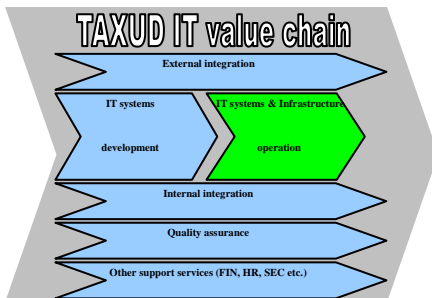

IT systems & Infrastructure operation is the second main production activity of the IT units of DG TAXUD, providing:

- The operations of all applications;
- A stable, documented, managed and secure ICT infrastructure.
- The setup and maintenance of harmonised processes and service management tools.
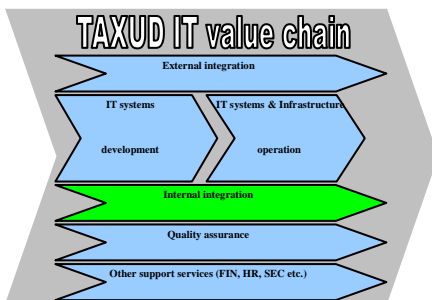
Internal integration is the set of activities that **TAXUD/A5** has to do <u>internally</u> to streamline and harmonise its architecture and services delivery. Much of this process is supported by TEMPO, internal governance arrangements, planning, reporting etc. The streamlining of operational interactions between DG TAXUD and its suppliers and among its suppliers themselves needs to be continuously maintained and improved so as to maintain and increase the maturity, efficiency and effectiveness of the organisation. This is the object of the **ITSM3 Integration** Call for Tenders.
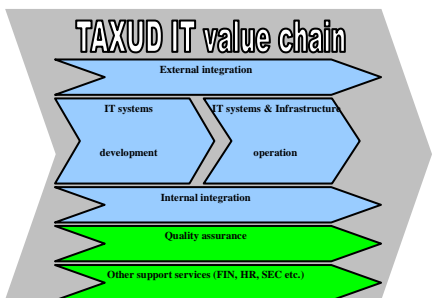
Quality Assurance and other support services (FIN, HR, SEC, etc.) are activities and processes that are shared activities between **TAXUD/A5** and **TAXUD/C5** and performed by the sector **TAXUD/C5/PS and TAXUD/C5/LISO**. QA is quality assurance and quality control of the IT services and deliverables supplied to DG TAXUD by all its suppliers including conducting regular security and quality audits of them.

2.1.2. *External contractors*

DG TAXUD relies on the Commission's DG for Informatics (DIGIT) for hosting part of the IT systems and for development of certain systems (e.g. UUM&DS and T-REX). In parallel, DG TAXUD **outsources the bulk of its IT activities to external service providers,** which are contracted through public procurement procedures in compliance with the Financial Regulation (such as this ITT). The products and services supplied are all subject to a systematic quality control and testing as part of the acceptance procedures.

Units **C5** and **A5** rely on several **external contractors** to perform their duties (refer to figure below for a graphical representation of the current contracts):

− Three development contractors (CUSTDEV3 for Customs; FITSDEV3 for Taxation; and CCN2-DEV for CCN, CCN2 and SPEED2 platforms and related business flows)
− Three IT service management contractors (ITSM2 Lot1, Lot2 & Lot3)
− One common network provider (CCN/WAN2)
− One quality assurance/control contractor (QA3)
− Several consulting contractors to perform strategic studies and analyses

The existing structure of DG TAXUD contracts (with the exception of DIGIT as there is no contract between DG TAXUD and DIGIT) is depicted in the diagrams below. Development services are delivered by the CCN2-DEV, CUSTDEV3, FITSDEV3 and ITSM2 contracts. Operations rely on ITSM2, CCN/WAN2 contracts and the data centre services of DIGIT.
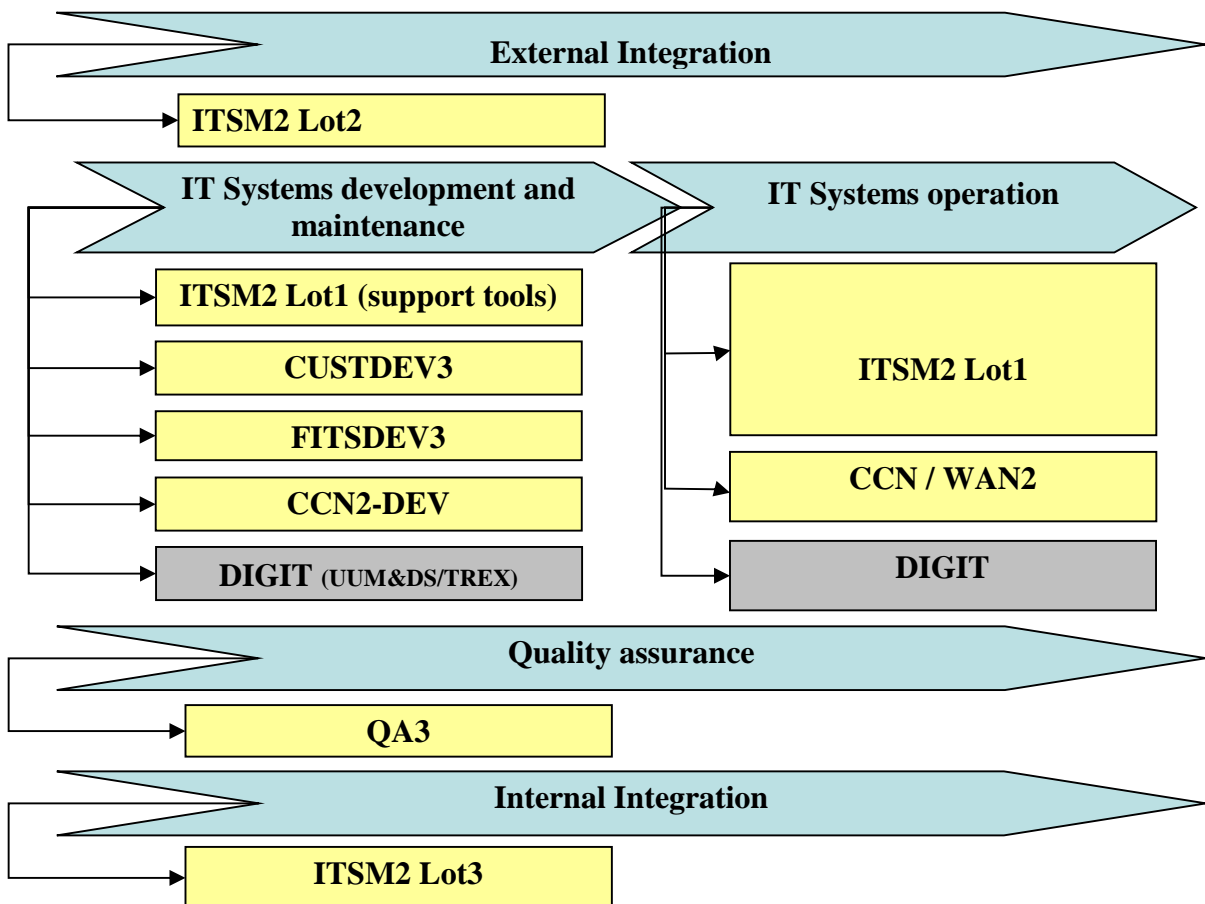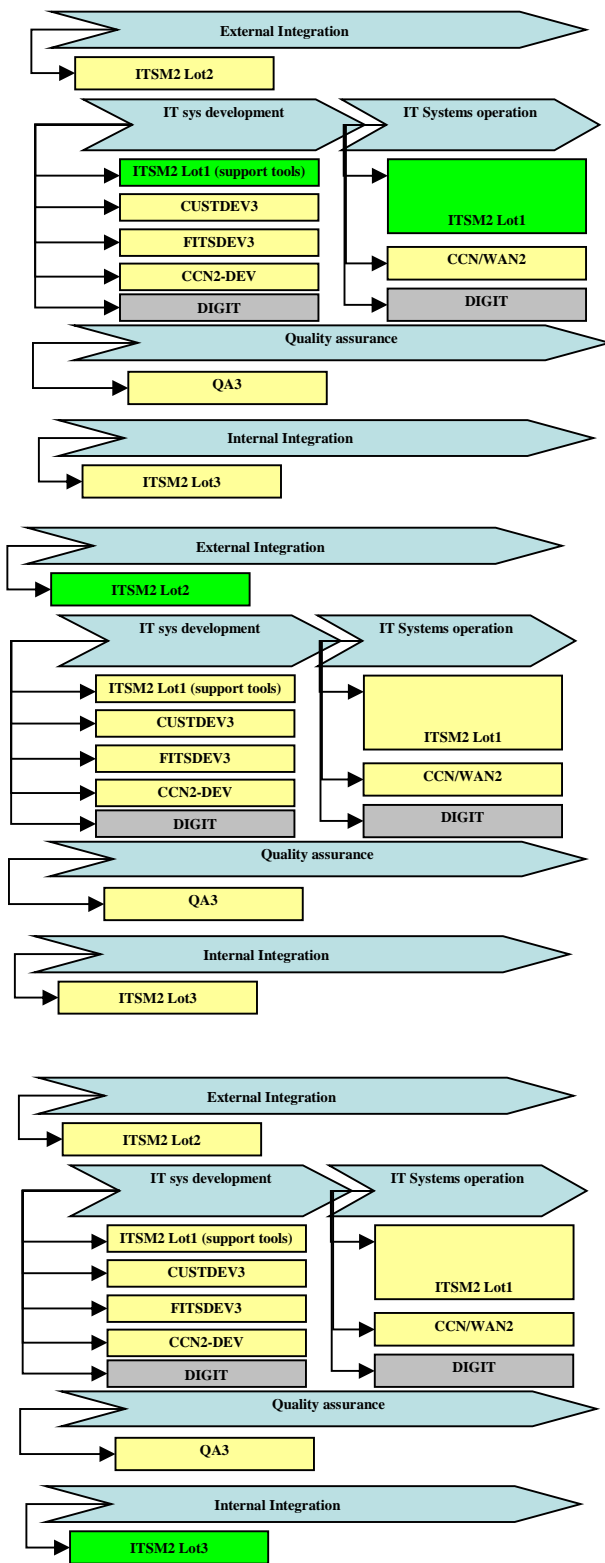
The **ITSM2 Lot1 contractor** (**to be replaced by ITSM3 Operations**) is the current provider of IT Service Management on behalf of DG TAXUD for excise, taxation, and customs business threads, including all CIs/Platforms managed by the CCN2-DEV contractor. The contract includes development and maintenance of "Service Management-related tools".

The **ITSM2 Lot2 contractor** (**to be replaced by ITSM3 Trans-European or "TES"**) provides support services for the co-ordination of implementation of trans-European systems in Members States.

The **ITSM2 Lot3 contractor** (**to be replaced by ITSM3 Integration, subject of this Call for Tenders**), provides operations integration and control, including application architecture board, architecture choice, product choice, overall change management across different Lots and benchmarking.
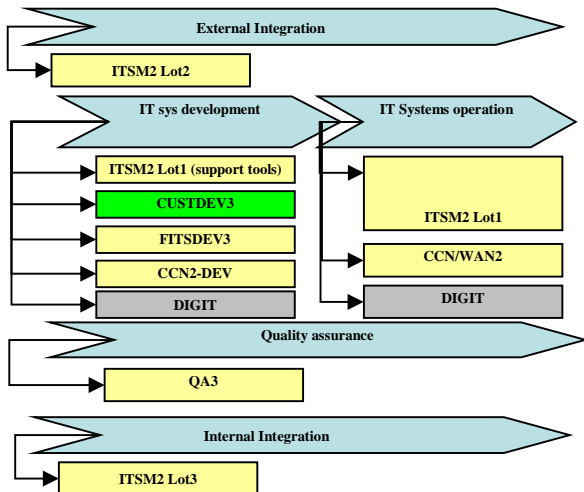
CUSTDEV3 is a development and maintenance contract, which consolidates all customs-related development. The CUSTDEV3 contractor provides specification, development, maintenance and support services for all customs IT systems.
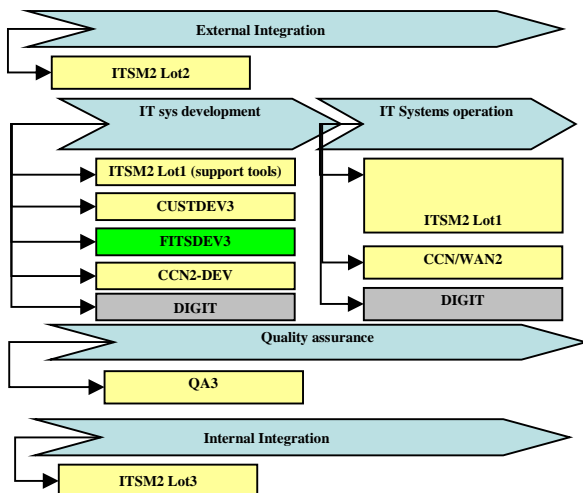
The **FITSDEV3** contractor provides specification, development and maintenance services for the taxation and excise systems and applications as it is currently in operation.
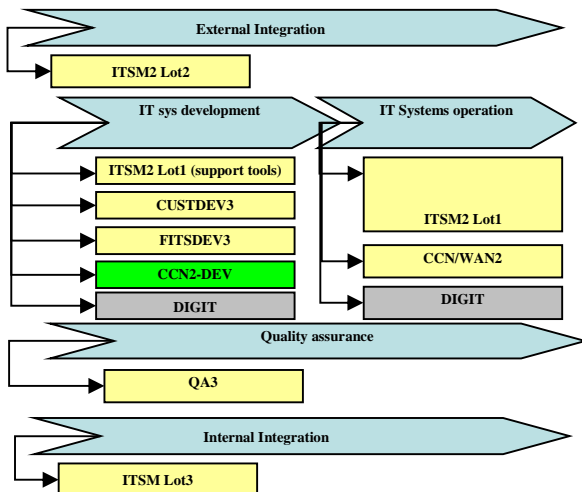
The **CCN2-DEV** contractor provides specification, development and maintenance services for the CCN/CSI, SPEED2 and CCN2 platforms.
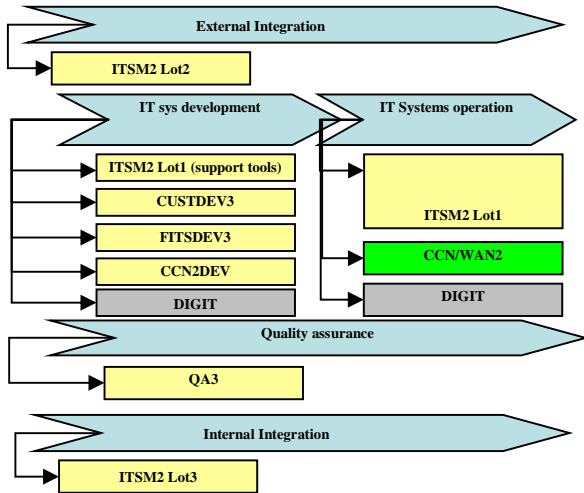
The **CCN/WAN2** contractor provides the private secured IP network services of CCN including their maintenance. DG TAXUD currently considers its migration towards TESTA-NG.
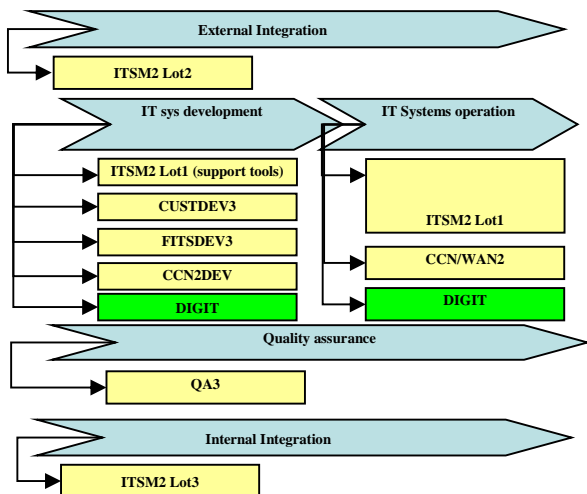
DIGIT is the IT General Directorate of the Commission. DIGIT has responsibility for the Commission's Data Centre (DIGIT/DC) that hosts a number of the DG TAXUD IT systems.

DIGIT also provides development and support for UUM&DS & T-REX authentication systems.
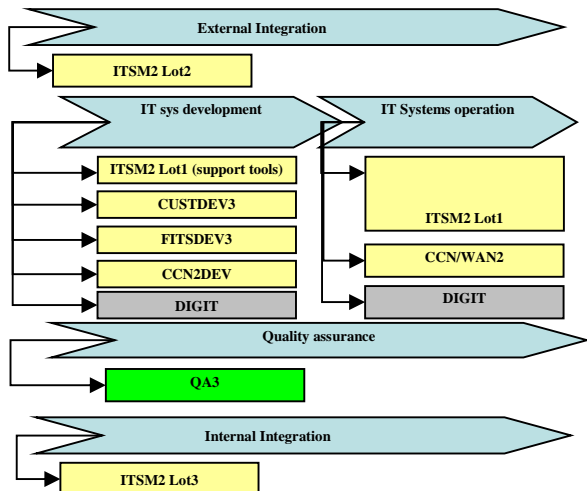
The **QA3** contractor is responsible for TEMPO maintenance, security and quality audits, quality assurance and quality control of the IT services and deliverables provided by the other IT contractors of DG TAXUD. This includes services supplied by the current ITSM2 and the new **ITSM3** contractors.

2.1.3. Interaction rules between the ITSM3 contractors and DG TAXUD

Concerning the **ITSM3 Integration** activities (i.e. the subject of this Call for Tenders), it is foreseen that:

- **ITSM3 Operations** is managed by **A5**, and provides services to units **A5** and **C5;**

- **ITSM3 Trans-European** is managed by **C5** and provide services to **A5/Customs Information Systems**, **C5-ITO/DTEA/LISO**, **A3/Union Customs Code** and on a need basis to other sectors from unit **A5;**

- **ITSM3 Integration** is managed by **A5**, will provide services to unit **A5** and may provide services to unit **C5** as well, upon request.

In terms of demand management, DG TAXUD is solely responsible to order services from the **ITSM3** contractors. It means that:

- TAXUD orders services from **ITSM3 Operations**, **ITSM3 Trans-European** and **ITSM3 Integration**, relying on Specific Contracts and Requests for Actions;

- **ITSM3 Trans-European** will use the tools (e.g. Synergia SMT, Test Applications, Monitoring) made available by **ITSM3 Operations** in order to run its services. **ITSM3 Trans-European** will report to TAXUD and indicate what needs to be ordered from **ITSM3 Operations** to support the **ITSM3 Trans-European** activities.

DG TAXUD-Unit R1 is responsible for the contractual management of the all the contracts in DG TAXUD.

DG TAXUD-Unit R3 will also be a stakeholder under the three lots as the unit is responsible for the management and implementation of the Customs 2020 and Fiscalis 2020 co-operation programmes.

2.1.4. Role of QA3 contractor

DG TAXUD is supported by the QA3 contractor, which performs quality control over the activities of the other IT contractors of DG TAXUD.

The QA3 contractor:

- Performs (on-site) audit of the **ITSM3** contractors (quality/security/ad hoc);

- Coordinates the review by DG TAXUD of the **ITSM3** deliverables, and performs technical reviews of these deliverables;

- Monitors the service levels provided by the **ITSM3** contractors;

- Performs (on-site) quality control of the testing activities (application testing, conformance testing).

- Attends meetings, workshops, training sessions organised by the **ITSM3** contractors.

The QA3 contractor is also responsible for quality assurance. It maintains the TEMPO methodology, provides technical expertise and assists DG TAXUD for the continuous improvement of its IT maturity and of its contractors.

In this context, the **ITSM3 Integration** contractor must be ready to collaborate with the QA3 contractor.

3. ITSM3 INTEGRATION SPECIFICATIONS

The specifications for the present Call for Tenders are structured among a set of documents each with a very specific purpose and which are recommended to be read/consulted in the following order:

- The present **Tendering Specifications** that give an overview of the Call for Tenders purpose, structure and procedures together with a first global understanding of what type of services are required.

- The **Questionnaire** (Annex 1) is the script that the tenderers need to follow in order to answer the Call for Tenders. It guides the tenderers step by step on what, how and in what order they should answer to the Call for Tenders. Tenderers should answer no more and no less than what is requested in the Questionnaire. Together with the Questionnaire a **Price Table** (Annex 3) is provided for the tenderer to provide the financial aspects of their offer.

- The **Technical Annex** (Annex 2) provides a description of both TAXUD IT ecosystem and the services requested together with the requirements and conditions on which they must be provided. It also describes the Service levels and Quality Indicators that shall be used to measure the level of service and the price elements to be used for pricing the services.

- A **Baseline** (Annex 10) of documentation is also provided online with relevant documents related to the services currently provided by ITSM2 Lot3 and which shall help the tenderer obtain detailed and complete information of the systems, activities, deliverables, etc. involved in the services. For the sake of full clarity, the Baseline also includes all the documents of the Call for Tenders **ITSM3 Operations,** including its baseline. A table of contents of the Baseline **Integration** is also provided as part of Annex 10 to the present Tendering Specifications.

4. TASKS AND DELIVERABLES

See Annex 2 "Technical Annex".

5. ASSESSMENT OF OFFERS

5.1. Administrative information

For details on conditions and information on documents and administrative information that need to be submitted for each of the companies participating in the offer, please see Annex 1 "Questionnaire".

5.2. Exclusion criteria

The Commission reserves its right to exclude offers which do not meet the exclusion criteria as described in section 9.1 of Annex 4 "Guidebook for Tenderers" and established in section 2 of Annex 1 "Questionnaire". Annex 1 also details the information to provide with respect to the exclusion criteria.

5.3. Selection criteria

Tenderers will be selected for the quality assessment only if they can prove that they have (1) sufficient economic and financial capacity, and (2) sufficient technical and professional capacity.

The selection process is described further in section 9.2 of Annex 4 "Guidebook for Tenderers" and sections 3 and 4 of Annex 1 "Questionnaire".

5.4. Award criteria

5.4.1. Technical evaluation

Please refer to Annex 4 – Guidebook for Tenderers, section 9.3.1 and Annex 1 – Questionnaire, section 5.

The technical evaluation will be carried out by establishing an overall technical score for the technical proposal that takes into account the individual scores for the award criteria listed in section 5 of the Questionnaire.

The quality of the offers will be evaluated by the degree to which they fulfil the requirements as specified in Annex 2 "Technical Annex".

The importance given to each award criterion is stated in weight (percentage) and points. The maximum overall score, as laid down in the Questionnaire, is 1000 points.

Selected companies will have to score at least 60% for each award criterion.

Offers for which the technical quality assessment score is less than 600 points or offers for which less than 60% of the points are scored on an individual criterion will not be considered for the price assessment and for the award of the contract.

The offer found to be of the best quality will receive a normalised quality indicator of 100 points. The remaining offers will receive lower normalised quality indicators in proportion to their quality.

The technical offer must cover all aspects and tasks required by the Tendering Specifications and provide all the information needed to comply with the award criteria.

Offers deviating from the requirements or not covering all requirements may be excluded on the basis of non-conformity with the tendering specifications and may therefore not be evaluated.

5.4.2. *Financial evaluation*

Please refer to Annex 4 – Guidebook for Tenderers, sections 9.3.2 and 6.3.6.

The financial evaluation will be performed on the basis of the prices stated in the Annex 3 which constitutes the financial offer.

Your attention is drawn to the fact that these figures do not constitute any formal obligation for the Commission to procure any amount of services.

Prices must be inclusive of all additional costs. Please be aware of Article 151 of the Rules of Application of the Financial Regulation on abnormally low price offers.

Any assumption, hypothesis or condition in the formulation of the financial offer shall cause rejection of the whole offer.

The offer found to be the cheapest will receive a normalised price indicator of 100 points. The remaining offers will receive lower normalised price indicators in proportion to their prices.

The price for the tender must be quoted in euro.

Tenderers from countries outside the euro zone have to quote their prices in euro. The price quoted cannot be revised in line with exchange rate movements. It is for the tenderer to assume the risks or the benefits deriving from any variation.

5.4.3. *Award*

Please refer to Annex 4 – Guidebook for Tenderers, section 9.4.

The offer presenting the best value for money will be identified in the following way:

A weighting factor of 70% will be applied to the normalised quality indicator and a weighting factor of 30% will be applied to the normalised price indicator. The highest result will indicate the offer presenting the best value for money:

$$(\text{Normalised quality} \times 70\%) + (\text{Normalised Price} \times 30\%) = \text{Normalised result}$$

The highest normalised result will establish the offer presenting the best value for money.

6. **LIST OF ANNEXES**

Annex 1   Questionnaire

Annex 2   Technical Annex

Annex 3   Price Table

Annex 4   Guidebook for tenderers

Annex 5   Declaration of honour on exclusion criteria and absence of conflict of interest

Annex 6   Legal entity form

Annex 7   Financial identification form

Annex 8   Power of attorney

Annex 9   Model framework contract

Annex 10   Baseline