Purpose

1. The purpose of this guidance is to explain what is meant by the term “supplier selection”, to identify the applicable legal framework, set out the regulatory obligations that procurers must adhere to when selecting suppliers and identify the key issues for procurers when undertaking supplier selection in the procurement process under the Defence and Security Public Contracts Regulations (DSPCR) 2011.

2. Specifically this guidance explains the use of selection criteria (and the difference between selection and award criteria); the mandatory and discretionary criteria that apply to the exclusion of suppliers; the use of Pre-Qualification Questionnaires (PQQs); and the supplier selection process in competitive and non-competitive procurement.

What is supplier selection?

3. Supplier selection is the process in which a procurer:
   a. selects from potential suppliers, that have requested to participate in response to a contract notice published in the Official Journal of the European Union (OJEU), those it will invite to proceed to the next stage of the procurement, e.g. tendering or negotiation;
   b. checks the eligibility of the supplier(s) it has chosen in accordance with Regulation 16 to participate in the non-competitive negotiated procedure.

What is the legal framework?

4. Regulation 23(1) sets out the grounds under which you must exclude a supplier. A supplier is automatically ineligible if there is a confirmed conviction for any of the offences listed in Regulation 23(1), unless the procurer disregards the supplier’s exclusion under the general interest test at Regulation 23(2).

5. Regulation 23(4) details the discretionary grounds for exclusion or ineligibility of a supplier.

6. Regulation 24 (Information as to economic and financial standing) sets out what evidence a procurer can take into account in assessing whether a supplier meets the minimum standards of economic and financial standing.

7. Regulation 25 (Information as to technical or professional ability) sets out what evidence a procurer can take into account in assessing whether a supplier meets the minimum standards of technical or professional ability.
Selection criteria

8. Regulations 23 to 26 set out the selection criteria that you can use in the procurement procedures under the DSPCR. Where you require selection criteria to apply to the selection of subcontractors by the successful tenderer, these criteria will be subject to the rules on subcontracting in the DSPCR (see Chapter 14 – Subcontracting Under the DSPCR).

9. Supplier selection and contract award are two different steps in the procurement procedure and are unlikely to take place at the same time in a procurement procedure subject to the DSPCR. There is a clear distinction between the processes of:
   a. checking the suitability of and selecting a tenderer to be able to meet the requirement, (Regulations 23 to 26 set out the evidence that you may consider when deciding which suppliers should be invited to tender); and
   b. assessing the relative merits of the tenders received at the award stage to identify the most economically advantageous tender for award of contract, (Regulation 31 (Criteria for the award of a contract) sets out the rules for contract award criteria (see Chapter 16 – Conducting the Tendering Exercise)).

10. Procurers must not use the criteria used at the supplier selection stage at the contract award stage and vice versa. Selection criteria evaluate whether a supplier can do the contractual task whilst award criteria evaluate how well they can do it.

Mandatory exclusion of suppliers

11. Regulation 23(1) of the DSPCR requires that procurers exclude any supplier from the supplier selection process if the procurer has actual knowledge that the supplier or its directors or any other person who has powers of representation, decision or control of the supplier has been convicted of any of a number of listed offences including the following:
   a. conspiracy relating to participation in a criminal organisation;
   b. corruption;
   c. bribery;
   d. fraud (where the offence relates to fraud affecting the financial interests of the European Communities);
   e. terrorist offences or offences linked to terrorist activities;
   f. money laundering or terrorist financing; or
   g. any other offence within the meaning of Article 39(1) of the Directive.

12. If a procurer has actual knowledge that a supplier has a conviction for any of the offences listed in Regulation 23(1), they must reject that supplier, subject to Regulation 23(2).

13. The requirement to reject a supplier extends to offences committed by the “controlling mind” of the supplier. This could include the directors of a company,
partners of a firm or those in equivalent positions such as other senior management who have powers of representation, decision or control, including potentially the parent company of the supplier. You should seek legal advice on these issues where they are relevant to any specific procurement. For MOD staff, this means consulting Central Legal Services - Commercial Law (CLS-CL).

14. The DSPCR do not dictate the steps you should take to establish whether suppliers have a conviction for any of the offences listed above. However, as a minimum, you must ask suppliers to confirm whether they have a conviction for any of these offences. For MOD staff, you do this through the Pre-Qualification Questionnaire or Statement Relating to Good Standing.

15. You may require clarification from the supplier. Where the procurer is unsatisfied with the information provided or wishes to verify the information provided, the procurer can apply to the ‘competent authority’ to obtain further information under Regulation 23(3).

16. The competent authorities for suppliers based within the United Kingdom (UK) are the MOD’s Defence Vetting Authority, Disclosure Scotland and the Criminal Records Bureau. A procurer must apply to the competent authority of the relevant European Union (EU) Member State for non UK-based suppliers. Procurers should seek legal advice on these issues, where they are relevant to any specific procurement. For MOD staff, this means consulting CLS-CL.

17. You can require a supplier to provide such information as you consider necessary in order to make the evaluation but you must accept the evidence listed at Regulation 23(5) as conclusive.

**Disregarding the exclusion of a supplier**

18. Regulation 23(2) provides a derogation from the requirement to exclude a supplier under Regulation 23(1) where there are “overriding requirements in the general interest” which justify doing so.

19. Procurers must only use this derogation in the most serious of circumstances (such as a ‘crisis’ as defined in Regulation 3 (Interpretation). In such cases, you should get the approval of the appropriate Minister or Permanent Under Secretary of State (PUS), as the accounting officer, to apply the derogation to the procurement concerned.

20. Your submission to the Minister or PUS must demonstrate the justification for using the derogation and the different factors for and against using it, which will vary depending on the circumstances of each individual case.

21. Procurers should take into account all the circumstances of the case in considering whether there are overriding requirements in the general interest, including but not limited to:

   a. the harm to the national security of the United Kingdom (UK) and its Allies; for example, excluding the supplier would prejudice:

      (1) conduct of military or security operations;
      (2) operational sovereignty or our Armed Forces or security agencies; or
(3) key industrial or technical capabilities regarded as essential for national security reasons;

b. the economic or financial harm caused if excluding the supplier would damage an important part of the private sector or be detrimental to public finances;

c. the full circumstances surrounding the conviction for the offence including:
   (1) the nature and seriousness of the offence;
   (2) the severity of the punishment for the offence;
   (3) whether the offence was related to the subject matter of the contract;
   (4) the action taken, or underway, to monitor and prevent a recurrence of the offence;
   (5) the length of time that has elapsed since the conviction;
   (6) whether the supplier has paid or undertaken to pay any compensation in respect of any damage caused; and
   (7) whether the supplier actively collaborated and assisted with the investigation.

d. the legal entity that will perform the contract (for example, are we proposing to contract with the part of the company that committed the offence?);

e. the nature of the contract, including the size and importance; and

f. the scope, cost and timing implications of placing the contract with another supplier.

22. You should be aware that use of the derogation might be subject to a legal challenge if there is a feasible alternative to the supplier.

**Discretionary Exclusion of Suppliers**

23. Procurers have discretion not to select a supplier in the circumstances listed at Regulation 23(4). These include:

a. Grave professional misconduct - acts of grave professional misconduct which are similar to PCR 2015 but also include, for example, breaches of security of supply or security of information obligations during a previous contract (whether with the procurer or any other procurer) regardless of the Member State in which it is situated.

b. Although the ability to apply grave professional misconduct does not require a conviction by a final Court judgment, the procurer must be able to rely on objective and verifiable evidence in order to invoke this, which must be a proportionate course of action. The breach would need to be deliberate or negligent and, if related to breaches of security of supply or security of information obligations, have a material detrimental effect on
security of supply or security of information to be classifiable as grave professional misconduct.

c. Criminal offences – where the supplier has been convicted of a criminal offence relating to the conduct of its business.

d. Risks to national security - this means where the supplier is found, based on any evidence (including evidence provided by protected data sources), not to possess the reliability necessary to exclude risks to the security of the UK. Given the sensitive nature of defence and security procurements, the reliability of suppliers is vital. This reliability is particularly important in the context of protecting the procurer’s security of information and security of supply requirements. A concern about the reliability of a supplier may come from investigation of a number of factors such as:

(1) the shareholding structure of the supplier; or

(2) where certain features of previously supplied products have given cause for concern, such as hidden software to track use of a system.

24. Procurers must make the decision to exclude a supplier on discretionary grounds on objective evidence, which they must interpret proportionately and reasonably in the context of the requirement.

25. For MOD procurers, you must obtain approval to exclude a supplier under Regulation 23(4) from a 1-Star Commercial Officer (or, if they choose, a nominated Band B Commercial Officer on their staff), prior to the issue of any Invitation to Tender (ITT). You must record the decision for audit purposes and in the event of legal challenge. Other Government Departments should consider drawing up their own processes.

26. The procurer must be prepared to demonstrate and justify, ultimately to a court, the reasons for, and plausibility of, its decision to exclude or not exclude a supplier. This guidance is not a substitute for project specific legal advice, which you should always seek where required.

**Economic and Financial Standing**

27. Regulation 24 of the DSPCR sets out what a procurer can consider when assessing whether a supplier meets any minimum standards of economic or financial standing. It establishes whether they are suitable to participate in the procurement. The information you can take into account is set out in regulation 24(6) and includes:

a. statements from the supplier’s bankers or, where appropriate, evidence of relevant professional risk indemnity insurance;

b. statements of accounts or extracts of those accounts relating to the supplier’s business where publication of these accounts is required under the law of the country the supplier is established in; and

c. where appropriate, a statement covering the three previous financial years of the supplier’s overall business turnover; and, where appropriate,
the turnover in respect of a similar type of contract subject matter to that specified in the contract.

28. Where the above information is not appropriate to a particular procurement, you may ask a supplier to provide other information to demonstrate their economic and financial standing. In other words, this list is not exhaustive and you can supplement it by other information relevant and proportionate to the ability of the supplier to perform the contract.

29. However, where a supplier is unable for a valid reason to provide the information you require, procurers must accept such other information provided by the supplier that you consider appropriate. These circumstances may occur when suppliers, particularly small businesses, form a consortium (consortia are eligible to tender for contract awards under Regulation 28). A supplier or a consortia may rely on the capacities of other entities such as subcontractors or other group members, in such cases the supplier / consortia is required to prove (by an undertaking from the other party(ies) if necessary) that the resources necessary to perform the contract will be available.

30. You must set out in the relevant contract notice any minimum levels of economic or financial standing, any applicable minimum technical capacity, and the information and evidence you require from the suppliers to prove that they satisfy the set selection criteria.

31. When assessing the economic and financial standing of suppliers, you must recognise that the financial capacity of a supplier and the information it makes available will vary for many reasons. Potential suppliers such as Small and Medium sized Enterprises (SMEs) and public service mutuals may have recently formed and so will be unable to provide accounts for previous years or any filed accounts at all.

32. To avoid discrimination, you must allow flexibility towards all potential suppliers regarding the financial information they can provide. You should not mandate them to provide the same set of financial document types as each other, they may provide different document types. For example, one supplier may submit a copy of their audited accounts for the last two years whilst another may provide a forecast of turnover for the current year and a statement of funding from its owners. You should treat both financial record types as holding equal value for the purpose of assessment.

33. Financial records should only be considered as part of the overall selection criteria, financial records alone may not reflect a supplier's ability to deliver.

**Technical or Professional Ability**

34. Regulation 25 sets out what a procurer can consider when assessing whether a supplier meets any minimum standards of technical or professional ability to determine whether they are suitable for the next stage of the procurement procedure.

35. Regulation 25 sets out an exhaustive list of technical or professional information that procurers can assess. The information required must be non-discriminatory, proportionate and related to the subject matter of the contract. You must set out in the relevant contract notice any minimum levels of technical
or professional ability, and any applicable minimum capacity, and the information and evidence you require from the suppliers to prove that they satisfy the set selection criteria. Where relevant and proportionate to the subject of the contract, the information allowed to be requested is as set out below:

a. a supplier’s technical ability taking into account the supplier’s skills, efficiency, experience and reliability, in the case of a contract for goods requiring the siting or installation of goods or a services or works contract;

b. details of works carried out over the past five years, with certificates of satisfactory completion where appropriate (procurers may specify that the person providing the certification should provide this directly to them), in the case of a works contract. In each case it must include the contract value, when and where the works were carried out and whether the works were completed in accordance with the rules of any relevant trade or profession and were properly completed;

c. a list of principal goods sold or services provided by the supplier in the past five years, or during a shorter period if necessary. This must include the date the goods were sold or services provided, the payment received, details of the customer receiving the goods or services and certification from them confirming the contract details. Where this certification is not available from the customer (and the customer was not a contracting authority) the supplier should provide that confirmation by an appropriate declaration;

d. a statement of the technical services or technicians available to the supplier to meet the requirements of the contract particularly those responsible for quality control;

e. a statement on the supplier’s technical, study and research facilities, quality management system and internal rules for handling Intellectual Property Rights (IPR). The latter is to inform the procurer if the supplier’s internal rules require the transfer of IPR to another party, e.g. a parent or sister company located in another Member State or outside the European Union (EU) – this may have an impact on a supplier’s capability to meet security of supply requirements;

f. a check, carried out by a contracting authority (or on its behalf by a competent official body particularly when the supplier is situated outside the UK), on the technical capability of the supplier and, if relevant, on their study and research facilities and quality control measures. You must take care to ensure that the checks are proportionate and apply objective standards to those checks;

g. the supplier’s educational and professional qualifications where the supplier is an individual, the educational and professional qualifications of the supplier’s managerial staff and of the people responsible for carrying out the work or providing the services under the contract, in the case of works, services or supply contracts also covering siting and installation operations and services;
h. evidence of any environmental management measures where this is necessary to undertake the requirements of a work or services contract. The evidence which you can request is either:

(1) a certificate from an appropriately qualified body confirming conformity to environmental standards based on the EU Eco-
Management and Audit Scheme or relevant European or international standards or from an independent body established in any member State of the EU which conforms to EU law or the relevant European or international certification standards, or

(2) any other evidence of environmental management measures equivalent to these.

i. a statement of the supplier’s average annual numbers of staff and managerial staff over the previous three years;

j. a description of the resources (tools, material, technical equipment, staff numbers, know-how and sources of supply) available to the supplier to perform the contract and to cope with any additional needs of the procurer that may arise as the result of a crisis, or to carry out the maintenance, modernisation or adaptation of the supplies covered by the contract;

k. any samples, descriptions or photographs of goods to be purchased or hired under the contract and certification of their authenticity and, if appropriate, certification (issued by official quality control institutes or agencies of recognised competence) of compliance of those goods with the standards and technical specifications the procurer identifies in the contract;

l. evidence of the supplier’s ability to process, store and transmit classified information at the level specified, where required by the contract,. This may include evidence that the supplier holds the appropriate UK security clearance or a clearance recognised by the UK as equivalent. Procurers may grant additional time to a supplier to obtain the necessary clearance if they do not already hold this. If this is the case procurers must make this clear in the contract notice and state the time limit which will apply; and

m. a certificate from an independent and suitably accredited body established in any member State of the EU, confirming conformity to quality management system standards based on the relevant European standard or any other evidence of such conformity.

36. You may also request supplementary information from the supplier for the purposes of clarification, however this must relate to the areas covered in a. to m. above. However, where a supplier is unable, for a valid reason, to provide any of the evidence or information you require, you must accept other evidence and information provided by the supplier that you consider appropriate.

37. However, unlike the evidence that you can take into account for economic or financial ability, the information in Regulation 25 (as supplemented) is an exhaustive list and you can take only that evidence into account when assessing whether suppliers meet your stated minimum standards of technical or professional ability.
Pre-Qualification Questionnaire (PQQ)

38. Procurers will normally conduct supplier selection by use of a PQQ, although the DSPCR do not explicitly refer to the use of a PQQ. The PQQ provides a structured means of capturing the information. MOD procurers must use the DSPCR 2011 PQQ for goods and services contracts or the DSPCR PAS 91 PQQ on Defence Contracts Online.

39. Procurers from Other Government Departments may adapt the MOD’s PQQ for goods and services contracts, for their own use, which can be found in Annex A. When procuring works under the DSPCR, procurers from Other Government Departments should use the PAS91 PQQ template but will have to adapt this template for the different selection criteria in the DSPCR.

40. Procurers should issue the PQQ under cover of a letter, which should provide, for example:
   a. any necessary background information on the requirement;
   b. why the requirement arose;
   c. any relevant military or security strategic factors; and
   d. links to policy initiatives and wider programmes.

41. If MOD procurers do not use a PQQ, for example in a non-competitive procurement, they must obtain a Statement Relating to Good Standing from potential suppliers to obtain information on grounds for exclusion under Regulation 23.

42. Procurers are reminded that, as part of the Government’s wider transparency commitments, you are required to publish the PQQ (including the scoring methodology) when publishing your tender documents for procurements over the value of £10,000. You should publish the PQQ on the Government’s Contracts Finder portal, after you issue the Invitation to Tender (ITT) or Invitation to Negotiate (ITN).

Supplier selection in competitive procurement

43. Supplier selection under the restricted, competitive negotiated and competitive dialogue procedures should follow the broad steps below.

Advertising the requirement in OJEU

44. Procurers must publish a contract notice inviting requests to participate in the procurement procedure in the:
   a. Official Journal of the European Union (OJEU);
   b. Defence Contracts Online (DCO), where appropriate; and
   c. Her Majesty’s Government’s (HMG’s) Contracts Finder, where appropriate.

45. You must include in the contract notice the cut-off date by which potential suppliers must express their interest in participating in the procurement procedure. Procurers should be careful not to put any information in the DCO or
HMG’s Contracts Finder advertisements which is not in the contract notice you publish in the OJEU. For MOD procurers, you will create and publish your notice on Defence Contracts Online which will automatically send the notice to the OJEU. You can also select an option to publish directly to Contracts Finder.

Using the PQQ to select those invited to participate

46. The PQQ should first ask for information relating to the eligibility of the supplier, in accordance with Regulation 23. It should request information about convictions for offences under Regulation 23(1), and whether the supplier meets any of the grounds for discretionary exclusion under Regulation 23(4). This allows the procurer to consider whether the supplier is eligible to proceed to the next stage of the selection procedure.

47. Assuming you do not exclude any potential suppliers under regulation 23, you will then assess them against any minimum standards of economic and financial standing and technical or professional capability that you have set. These standards must be non-discriminatory, proportionate and related to the subject of the contract, that is they relate to the ability of the supplier to perform the proposed contract. You must be able to evaluate them by the information, evidence, and means set out in regulations 24 to 26. The use of proportionate and appropriate minimum standards can be a useful tool as it not only ensures that only those capable of delivering the requirement proceed, but may also deter those suppliers who would not meet the standards from completing a PQQ.

48. You must state these minimum standards in the contract notice. The contract notice will contain a link to the PQQ (or otherwise explain how to obtain the PQQ) where you will set out those minimum standards in full. You must ensure that the required standards are depicted in a clear and unambiguous way so that a bidder can clearly understand what they must demonstrate. You can evaluate the minimum standards either by using a pass / fail method, or in particular where you intend to reduce the number of suppliers to proceed to the next stage, by scoring the responses given. It may be that a score below a certain mark, in any single question, will result in a failure to meet those minimum standards, or that a score below a certain overall mark may result in a failure to proceed. Whichever method you use, the PQQ must clearly set out which questions are scored and weighted (together with the scoring and weighting methodology), and which questions are pass / fail (and the consequences of failure clearly set out).

49. The PQQ will also set out the information, evidence or means that potential suppliers must provide to establish the minimum standards referred to above. The information, evidence or means permitted for consideration is set out in Regulations 24 to 26. The DSPCR allows procurers to set out in the contract notice what evidence they require although again in reality the PQQ will fully provide this.
50. The DSPCR states that you can limit the number of suitable suppliers (that is, those which are not ineligible under Regulation 23 and which have passed the procurer’s minimum standards of economic and financial standing and technical and professional ability) by applying objective and non-discriminatory criteria. The minimum number of suppliers you limit must not be less than three under any of the procedures in the DSPCR and you can make them subject to a maximum number as well.

51. You must indicate in the contract notice both the objective and non-discriminatory criteria that you will use to reduce the number of suppliers and the minimum and where appropriate maximum number. In the absence of such indication, you must invite all suppliers who are eligible under Regulation 23 and who meet the minimum standards to tender or to negotiate.

52. You must assess the objective and non-discriminatory criteria using the scoring methodology and weightings referred to above. Such criteria must be non-discriminatory, proportionate and related to the subject matter of the contract. In this way, procurers should be able to rank qualified suppliers in order of capability.

53. A supplier will not be selected to be invited to tender (or take part in dialogue / negotiation) if they fail to comply with the minimum standards or mandatory requirements, or if they fail to provide the information you request. The consequences of failing to meet any minimum standard or request for information must be clearly set out in the PQQ so there is no doubt as to their importance.

54. You must make this clear, if any questions require replies for information purposes only and will not be used in the selection process (such as name and address).

55. Your scoring must be consistent and allow for clear identification of reasons for rejecting a supplier. You must maintain a clear audit trial for the selection process that can stand up to scrutiny if required.

What to do if there are insufficient tenderers

56. If, following the PQQ process, the number of pre-qualified suppliers is less than the minimum you stated in the contract notice, you may continue with the award procedure with those selected as long as their number is sufficient to ensure genuine competition.

57. The number of pre-qualified suppliers to demonstrate genuine competition will depend upon the complexity of the requirement and availability of suppliers in a particular market.

58. Where the selection process results in there being too few suppliers to ensure genuine competition, you should follow the guidance in paragraphs 93-101 of Chapter 16 – Conducting the Tendering Exercise.

Supplier selection in non-competitive procurement

59. Regulation 16 (Use of the negotiated procedure without prior publication of a contract notice) (see Chapter 8 – Procurement Procedures). Regulation 18
(the negotiated procedure) sets out the circumstance in which you may use the non-competitive negotiated procedure and requires you to select your supplier in accordance with regulations 18(9) and (10).

60. Supplier selection in the context of non-competitive negotiated procedure has the following steps:

a. The procurer identifies the supplier(s) to participate in the negotiations, in accordance with Regulation 16.

b. The procurer confirms that the supplier(s) are eligible to participate in the procurement under Regulation 23 (Criteria for rejection of economic operators).

c. The procurer assesses the supplier(s) selected to negotiate against any pre-disclosed minimum capability levels, in accordance with Regulations 24 to 26.

d. Following this pre-qualification process, the procurer enters into negotiation with the qualified supplier(s).

**Official lists of approved suppliers**

61. Regulation 27 (Official lists of approved operators) applies where a supplier:

a. is registered on an official list of approved suppliers in a relevant State which maintains a list and in which the supplier is established; or

b. is certified by a certification body complying with European certification standards in a relevant State which maintains that certification and in which the supplier is established.

62. While the UK does not maintain official lists of approved suppliers or certification of suppliers, they are in use within other member States. Therefore, Regulation 27 may be applicable to some UK procurements which include suppliers registered or certified in the EU.

63. Regulation 27(4), (5) and (6) sets out requirements on the acceptance of certificates supporting supplier registration or certification on an official list of approved suppliers. These provisions limit the information that you can require from suppliers for qualitative selection where suppliers provide these certificates, unless the procurer can justify the grounds for additional information.

**Consortia**

64. Where the supplier represents a consortium, that is two or more persons at least one of whom is a supplier and acting jointly for the purpose of being awarded a contract, the supplier may rely upon the capabilities of other consortium members to perform the contract. However, the supplier is required to prove that the consortium has the necessary resources to meet the procurer’s requirement and the procurer may request an undertaking to that effect.
65. The consortium need not have formed a legal entity for the purposes of tendering for, or negotiation of, a contract and you must not exclude the consortium based on this circumstance. However, the procurer may, if justified for the satisfactory performance of the contract, require the consortium to form a legal entity before entering into, or as a term of, the contract. Consortia can be contract based or equity based as a contracting entity. You may encounter different forms of equity-based corporations and you need to treat them on an equal basis, for example, Small or Medium Enterprises (SMEs) may form a corporation based on the European Economic Interest Grouping (EEIG).

**Corporations**

66. The procurer must not exclude a supplier from the supplier selection process on the grounds that under UK law the supplier is required to be an individual, a corporation or other type of body if the supplier is authorised within their own country to provide those services.

67. In the case of a services or works contract or a supply contract which includes services or siting and installation operations, where the supplier is not an individual the procurer may request the supplier to disclose in the PQQ the names and relevant professional qualifications of the staff responsible for the performance of the contract.

**Notifying suppliers of procurement decisions**

68. The procurer must notify the supplier of their exclusion, if at any stage prior to the procurer making a contract award decision, the procurer decides to exclude a supplier. It is advisable to notify the supplier of all the reasons why they were unsuccessful. If the procurer does this an award decision notice to that supplier at the end of the procurement procedure, in accordance with Regulations 33(15)(a) (Information about contract award procedures) will not be required.
What are the key points to remember?

1. You should be aware of the grounds for mandatory and discretionary exclusion of suppliers under Regulation 23 of the DSPCR.

2. The DSPCR includes mandatory and discretionary grounds for exclusion, such as:
   a. Mandatory - where a supplier has a conviction for terrorist offences;
   b. Discretionary – where a supplier has breached an obligation regarding security of information or security of supply.

3. You should be aware of the differences between the DSPCR and the PCR in terms of the evidence of technical and professional ability, which the tenderer must provide. These include:
   a. the requirements to provide a list of principal deliveries or services provided;
   b. the ability to carry out checks on technical capacity and, if relevant, study and research facilities;
   c. evidence of the resources available to cope with additional needs resulting from a crisis; and
   d. an ability to handle classified information at the level required.

4. You must only assess suppliers against the selection criteria stated in the contract notice, and that criteria must be relevant and proportionate to the subject matter of the contract.

5. If using a PQQ in the supplier selection process you should use the PQQ at Annex A for goods and services or the PAS91 PQQ for works. MOD procurers should use the PQQs on the DCO (see paragraph 38 and 39).