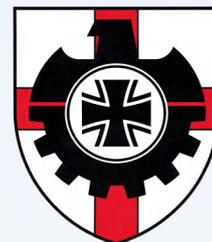


THE BUNDESWEHR AS A CUSTOMER

Federal Office of Bundeswehr Equipment,
Information Technology and In-Service Support



BUNDESWEHR

INTRODUCTION

The Bundeswehr's mission is to provide national and collective defense, as laid down in the German constitution.

To be able to accomplish this mission and the tasks based on it, the necessary capabilities must be made available to the armed forces. This includes providing them with the required equipment.

The responsibility of satisfying the armed forces' demand for materiel and services lies with the Federal Defense Administration. To provide the armed forces with equipment, the designated agencies of the Federal Defense Administration award contracts to trade and industry in compliance with budgetary and contracting provisions and the applicable administrative guidelines.

This brochure is designed to inform citizens, and especially companies interested in obtaining Bundeswehr contracts, about the Bundeswehr organization and its procurement and contracting procedures. It can serve as a guideline for getting into business with the Bundeswehr.

The award of construction contracts is not covered by this brochure as construction projects are managed by the local construction administrations of Germany's federal states.

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SECTION I

Procurement organization

1. The Federal Defense Administration

The Federal Defense Administration is part of the Bundeswehr. It has the constitutional mission to directly meet the materiel requirements of the armed forces. As stipulated by Article 87b of the German constitution, the personnel and materiel requirements of the armed forces must be met by a civilian administration, which shall be conducted as a federal administrative authority with its own administrative substructure. The Federal Defense Administration's major civilian organizational elements include the elements "Personnel", "Equipment, Information Technology and In-Service Support" and "Infrastructure, Environmental Protection and Services". Civilian personnel also fulfill important functions in the administration of justice in the Bundeswehr and in the military chaplaincy. In addition to personnel management, the Federal Defense Administration's legal mandate is to meet the immediate materiel requirements of the armed forces. This includes providing the required equipment and technology, ensuring the upkeep and construction of Bundeswehr facilities and fulfilling statutory protective tasks, such as occupational safety and health, environmental protection and fire protection, providing civilian support for missions abroad as well as messing and other services. Germany's applicable programs of measures and strategies on sustainability must be implemented in the performance of these varied tasks, while also taking into consideration the required

measures to put into effect the guiding principle of sustainable development. In accordance with legal requirements, aspects related to climate action will also increasingly need to be factored into the procurement processes in the years to come.

The Federal Ministry of Defense (FMoD) is in charge of the ministerial management of the entire Bundeswehr and is divided into ten Directorates-General.

The procurement of defense equipment is one of the tasks of the Directorate-General for Armament, whose responsibilities also include providing the armed forces, in a demand-oriented and cost-effective manner, with the military equipment required to accomplish their mission. The Directorate-General for Armament is responsible for the planning, management and supervision of national and international armaments activities.

All other procurements needed to meet the armed forces' demand are handled by the Directorate-General for Infrastructure, Environmental Protection and Services (IUD), which is in charge of construction projects in Germany, abroad and on operations as well as compliance with environmental regulations and all matters related to general services.

1.1 Procurement of equipment

1.1.1 The Directorate-General for Armament (RÜ) at the FMoD

The Directorate-General for Armament is responsible for the planning, management and supervision of national and international armaments activities with a view to accomplishing the tasks of the Bundeswehr and implementing the capability profile derived from them. It has overall responsibility for the Bundeswehr procurement and in-service use process.

This also comprises materiel responsibility for the operational viability of all defense materiel, which lies with the Director-General for Armament.

The Director-General for Armament is also the National Armaments Director (NAD) and as such responsible for the detailed planning of armaments policy in accordance with the strategic guidelines (Directorate-General for Security and Defense Policy). The Director-General also represents Germany's national interests and the interests of the German defense industry in international bodies.

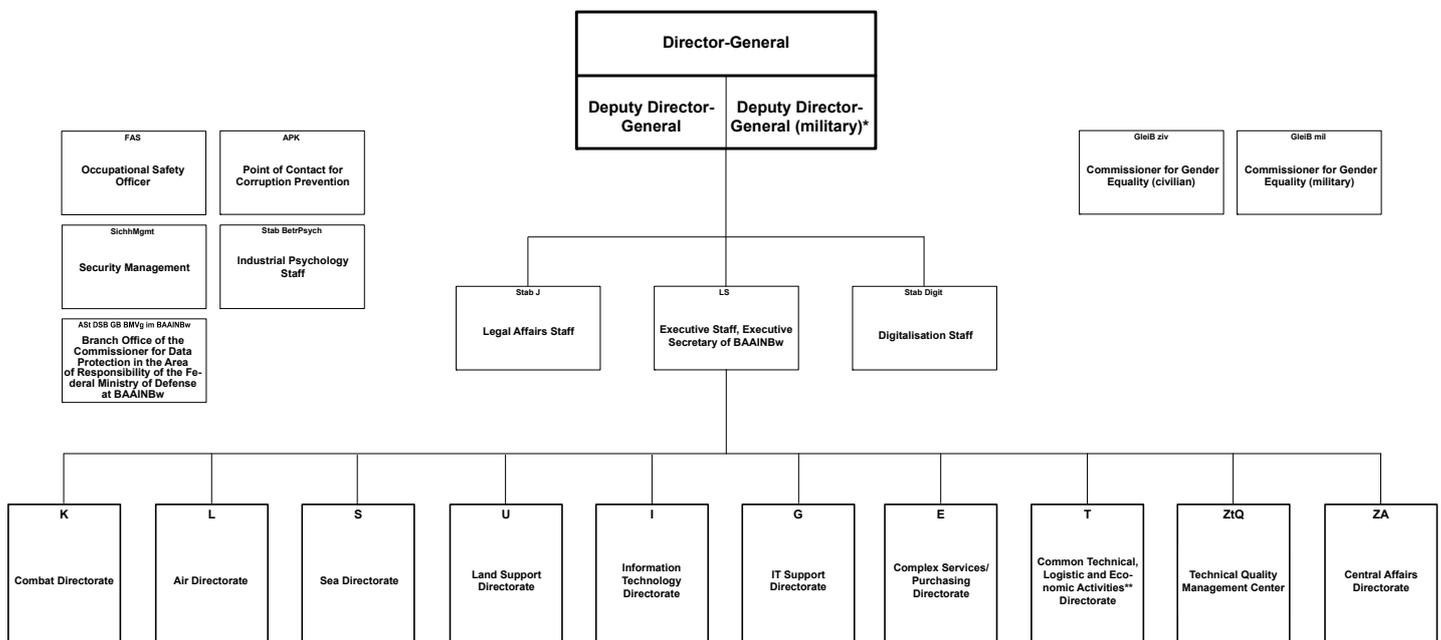
1.1.2 The Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw)

BAAINBw and its agencies are subordinate to the Directorate-General for Armament (RÜ) at the FMoD. It is responsible for providing the Bundeswehr with state-of-the-art technology and equipment in a demand-oriented and cost-effective manner. It is the central authority for managing all armaments projects, including projects related to information technology (IT).

BAAINBw's project directorates Combat (K), Land Support (U), Air (L), and Sea (S) are responsible for:

- managing complex projects
- systems engineering and integration
- research and technology
- technical and economic aspects of in-service use management
- procuring the equipment required by each directorate

Organizational chart of the Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support (BAAINBw)



KDL: Complex Services

* also fulfills the function of Commissioner for Military Personnel Affairs and Commissioner for Reserve Affairs, directly supported by the Chief of Branch of ZA3.2

** also fulfills the function of Defense Materiel Disposal Officer at BAAINBw

Last updated: November 2023



▲ Federal Office of Bundeswehr Equipment, Information Technology and In-Service Support, “Bundesbehördenhaus”, Konrad-Adenauer-Ufer, 56068 Koblenz, Source: Bundeswehr/Daniela Thiermann

The Information Technology Directorate (Directorate I) is responsible for IT-related defense materiel and projects, while Directorate G is in charge of IT support tasks for BAAINBw.

The Purchasing Directorate (Directorate E) plays the central role in the procurement of commercial and Bundeswehr-specific supplies and equipment. In addition, it handles the procurement of complex services.

The subordinate agencies of BAAINBw include six Bundeswehr technical centers (WTD) and two Bundeswehr research institutes (WIS and WIWeB). In particular, these agencies are responsible for:

- providing technical advice and support to project management for components and equipment
- performing studies, research and technology tasks
- performing experiments and analyses

Another subordinate agency is the Naval Arsenal (MArs), which mostly awards repair contracts for the Navy.

The German Liaison Office for Defense Materiel USA/Canada near Washington D.C. establishes and maintains contacts with Germany’s transatlantic partners.

1.2 Procurement in the field of infrastructure, environmental protection and services

1.2.1 The Directorate-General for Infrastructure, Environmental Protection and Services (IUD) at the FMoD

The Directorate-General for Infrastructure, Environmental Protection and Services (IUD) exercises functional supervision of its subordinate agencies and bears ministerial responsibility for their organizational structures and procedures. It is responsible for the ministerial management of infrastructure activities, in particular the construction and operation of facilities, and all services related to real estate on behalf of the armed forces and the Federal Defense Administration.

It is the central authority that carries out the ministerial tasks of the requesting and the supplying agencies in the field of infrastructure, all food services and the statutory protective tasks.

It brings overall infrastructure planning into line with planning and budgetary possibilities.

1.2.2 The Federal Office of Bundeswehr Infrastructure, Environmental Protection and Services (BAIUSBw)

BAIUSBw is organized into six directorates and one staff element. It is responsible for all central non-ministerial activities relating to finance, controlling, infrastructure, services, and statutory protective tasks (environmental protection, fire prevention, occupational safety and health, and hazardous cargo transportation). The subordinate agencies of BAIUSBw include the Bundeswehr Subsistence Office in Oldenburg, the Bundeswehr Firefighting and Fire Protection Center in Sonthofen, and 42 Bundeswehr service centers all over Germany.

Furthermore, there are Federal Republic of Germany offices of defense administration in the USA/Canada, Italy, the Netherlands, France, Belgium, the United Kingdom, Poland and Lithuania, each with its own branch offices. Other agencies abroad include the field offices of defense administration providing field units with supplies, counseling, and support in all budgetary and administrative matters in the contingents.

2. The procurement organization

Different procurement agencies share the responsibility of satisfying the armed forces' and the civilian Federal Defense Administration's demand for supplies and services.

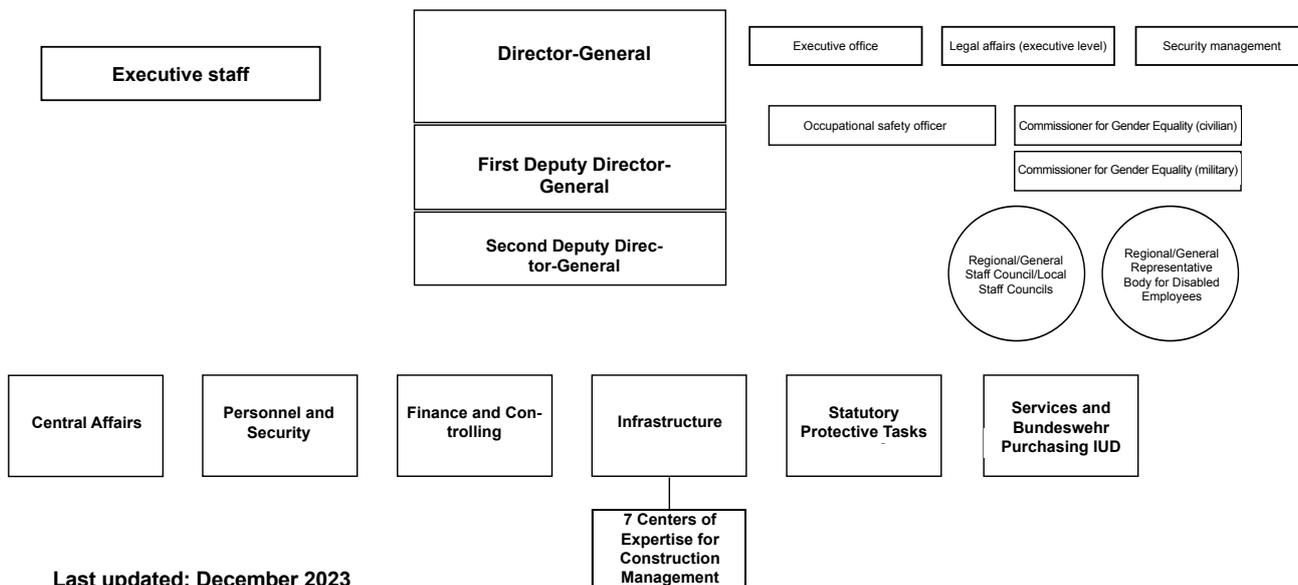
Depending on the nature of the supplies or services required, three different procurement procedures are used.

The Bundeswehr procurement and in-service use management has three options at its disposal to satisfy requirements:

- Project-based Procurement and In-Service Use (Projektbezogene Bedarfsdeckung und Nutzung, PBN)
- non-project procurement (Bundeswehr Purchasing)
- procurement and in-service support of complex services

The General Publication on PBN provides the requirements for the project-based procurement of operational products and product-specific services and their effective and efficient use. The aim is to provide the Bundeswehr with any equipment it needs to accomplish its mission, and to provide such equipment in operational condition and in the quickest possible manner while complying with statutory provisions. In this context, time is the guiding factor. Armaments projects can differ markedly from one another in terms of their complexity and the resources available for their implementation. Project execution efforts and project complexity must be appropriately balanced. In order to comply with these framework conditions, the General Publication on PBN provides for various procedures.

Organigramm des Bundesamtes für Infrastruktur, Umweltschutz und Dienstleistungen der Bundeswehr



Last updated: December 2023

Bundeswehr Purchasing is in charge of non-project procurement, which covers the procurement of commercial off-the-shelf as well as Bundeswehr-specific goods, rights and services (products) to maintain Bundeswehr routine duty on operations and missions, during exercises, and routine duty at home and abroad, both centralized and on site. This includes follow-on procurement of spare parts for weapon systems or equipment during in-service use as well as requirements that are met via international procurement channels and by interministerial procurement. Agency procurements are not part of Bundeswehr Purchasing.



The third option as part of the procurement and in-service use process is the procurement and in-service use of “complex services”. These are services that cannot, or are not supposed to be, provided entirely by the Bundeswehr itself. Instead, they are provided by HIL GmbH (army maintenance logistics) or BwBM GmbH (clothing management), for instance.

2.1 Centralized procurement

Centralized procurement means that the Bundeswehr’s entire demand for supplies and services is jointly determined and procured.

Pooling the demand results in larger order quantities, which in turn allow for wider competition and lower prices.

Centralized procurement includes awarding contracts to meet initial and follow-up requirements for defense materiel and supplies including repair work for the armed services as well as study, research and development contracts.

2.1.1 Competent authorities

Contracts under the centralized procurement procedure are mainly awarded by the following authorities:

**THE FEDERAL OFFICE OF BUNDESWEHR
EQUIPMENT, INFORMATION TECHNOLOGY
AND IN-SERVICE SUPPORT**

BAAINBw
Ferdinand-Sauerbruch-Straße 1
56073 Koblenz

[Homepage](#)

**THE FEDERAL OFFICE OF BUNDESWEHR
INFRASTRUCTURE, ENVIRONMENTAL PROTECTION
AND SERVICES**

BAIUDBw
Fontainengraben 200
53123 Bonn

[Homepage](#)

Subordinate agencies of both offices also use the centralized procurement procedure to award contracts.

The Bundeswehr Subsistence Office in Oldenburg, for instance, which is subordinate to BAIUDBw, is responsible for the centralized procurement, storage and supply of long-life groceries and for providing German units deployed abroad with fresh and nonperishable food.

In specific cases, centralized procurement contracts are also awarded by the FMoD.

In addition, procurement for the Bundeswehr is no longer handled completely by the Bundeswehr itself as the contracting authority.

In order to achieve more efficiency and operational readiness, only those supplies and services should be provided by the Bundeswehr itself which are core tasks or which it can provide at lower cost than commercial suppliers.

For this reason, the Bundeswehr has entered into public private partnerships, outsourcing part of its tasks to independent companies with government participation and companies that are 100 percent state-owned.

Consequently, certain items of equipment are procured by contracting authorities within these companies:

THE FEDERAL MINISTRY OF DEFENSE (FMOD)

BMVg
 Fontainengraben 150 Stauffenbergstraße 18
 53123 Bonn 10785 Berlin

Internet:
<https://www.bmvg.de>




◀ Fontainengraben 150, 53123 Bonn
 Source: Bundeswehr

▼ Stauffenbergstraße 18, 10785 Berlin
 Source: Bundeswehr



bwbeleidung

Bw Bekleidungsmanagement GmbH (BwBM GmbH) is responsible for procuring, distributing, cleaning and maintaining clothing and individual equipment of military and civilian personnel.

100 percent of BwBM interests are held by the Federal Republic of Germany.

Internet: <https://www.bwbm.de>



Heeresinstandsetzungslogistik GmbH (HIL GmbH) procures products and services needed to maintain the availability of the land-based Bundeswehr weapon systems it is responsible for. To this end, it awards contracts, for example for necessary repair and maintenance work.

100 percent of HIL GmbH interests are held by the Federal Republic of Germany.

Internet: <https://www.hilgmbh.de>



BWI GmbH is in charge of any procurement activities required for modernizing and operating the Bundeswehr's entire non-military information and communications technology in all of the approximately 1,200 Bundeswehr facilities throughout Germany.

100 percent of BWI GmbH interests are held by the Federal Republic of Germany.

Internet: <https://www.bwi.de>



BwFuhrparkService GmbH is responsible for any procurement activities with regard to the management of its vehicle fleet, ranging from commercially available vehicles with and without military equipment to special-duty vehicles.

75.1 percent of BwFuhrparkService GmbH interests are held by the Federal Republic of Germany, 24.9 percent by Deutsche Bahn.

Internet: <https://www.bwfuhrpark.de>

bwconsulting

BwConsulting is a company of the Federal Ministry of Defense (FMoD). It advises the ministry, the armed forces and the defense administration on economic and methodological issues. Its consulting services focus on strategy and control, processes and organization, and project management advice.

Internet: <https://www.bwconsulting.de>



The Gesellschaft zur Entsorgung von chemischen Kampfstoffen und Rüstungsaltslasten mbH (GEKA) works on behalf of the Federal Government. The FMoD holds 100 percent of the company. GEKA's primary responsibility is to safely and sustainably dispose of chemical agents and soil contaminated due to armaments production.

Internet: <https://www.geka-munster.de>



The responsibilities of the Fernleitungs-Betriebsgesellschaft mbH (FBG) include the operation of the NATO pipeline systems in Germany:

- CEPS (Central Europe Pipeline System covering Germany, France and the Benelux countries)
- NEPS (North European Pipeline System covering Germany and Denmark)

In addition, FBG handles the transportation and storage of aviation and ground fuels for NATO forces and, to the extent possible after satisfaction of military demand, civilian customers. FBG thus contributes to ensuring a secure supply of aviation and ground fuel to NATO forces in peace, crisis and war.

Internet: <https://www.fbg.de>



The Agency for Innovation in Cybersecurity ("Cyberagency") is responsible for the identification of key technologies and potentials for innovation in the field of cybersecurity and for awarding specific contracts on the development of innovative solutions that can ensure and improve internal and external security. The Federal Republic of Germany holds 100 percent of the company.

Internet: <https://www.cyberagentur.de/>

The contracting authorities of these companies publish their invitations to tender not only in the media mentioned in Section II No. 3, but also on their respective websites.

2.2 Decentralized procurement

Decentralized procurement means that several agencies cover the demand of the regional sectors of the Bundeswehr for materiel or other types of supplies or services. All products and services that are not suited to centralized procurement because of their nature or for economic reasons are subject to decentralized procurement.

These are mainly commercial off-the-shelf supplies for daily use required by units, garrisons and the local administration.

They include, for example:

- consumables for the maintenance of quarters and facilities (e.g. hardware, special oils, fertilizers)
- terrain management equipment, housekeeping and domestic equipment (e.g. agricultural equipment, mattresses, bedding, flags, coffee machines, all-purpose slicers)
- spare parts for off-the-shelf equipment
- guard and cleaning services



Source: Bundeswehr/Holzbrecher

2.2.1 Competent authorities for decentralized procurement

In most cases, decentralized procurement is handled by Bundeswehr service centers (BwDLZ), which are subordinate to BAIUDBw, in their capacity as local authorities of the Federal Defense Administration.

They provide direct support and supplies to the armed forces and defense administration agencies in terms of personnel and materiel.

An overview of the Bundeswehr service centers (in German) is available [online](#).



The **field offices of defense administration** and the **offices of defense administration abroad** cover parts of their requirements themselves.

An overview of the field offices and offices abroad (in German) is available [online](#).



Agencies and institutes subordinate to BAAINBw award research and study contracts within the scope of their technical responsibilities, and procurement and repair contracts to meet their own demand for basic equipment, consumables, and test rigs/tools.



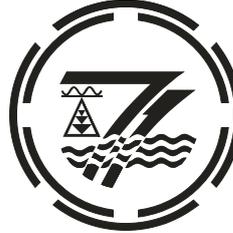
Bundeswehr Technical Center for Land-Based Vehicle Systems, Engineer and General Field Equipment (WTD 41)
Trier



Bundeswehr Technical Center for Protective and Special Technologies (WTD 52)
Oberjettenberg



Bundeswehr Technical Center for Aircraft and Aeronautical Equipment (WTD 61)
Manching



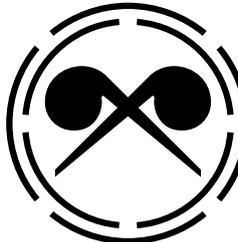
Bundeswehr Technical Center for Ships and Naval Weapons, Maritime Technology and Research (WTD 71)
Eckernförde



Bundeswehr Technical Center for Information Technology and Electronics (WTD 81)
Greding



Bundeswehr Technical Center for Weapons and Ammunition (WTD 91)
Meppen



Bundeswehr Research Institute for Protective Technologies and CBRN Protection (WIS)
Munster



Bundeswehr Research Institute for Materials, Fuels and Lubricants (WIWeB)
Erding



Naval Arsenal (MArs)
Wilhelmshaven, Kiel and Rostock



German Liaison Office for Defense Materiel USA/Canada (DtVStRü USA/CAN)
Reston, VA USA

The agencies' websites and organizational charts are available [online](#).



Under certain conditions and if dictated by expediency, operational readiness and cost effectiveness requirements, the armed forces are able and authorized to undertake procurement activities themselves.

SECTION II

Procurement procedures

As a public customer, the Bundeswehr has to comply with budget and procurement law when awarding contracts. This means that it is only very rarely allowed to award contracts directly to a certain company, because procurement, as a general rule, has to take place on a competitive basis.

Companies will therefore only be awarded a contract if they participate in the tendering procedure. This section explains how public procurement works. See No. 3 for an overview of where to find the latest invitations to tender.

1. Public procurement law

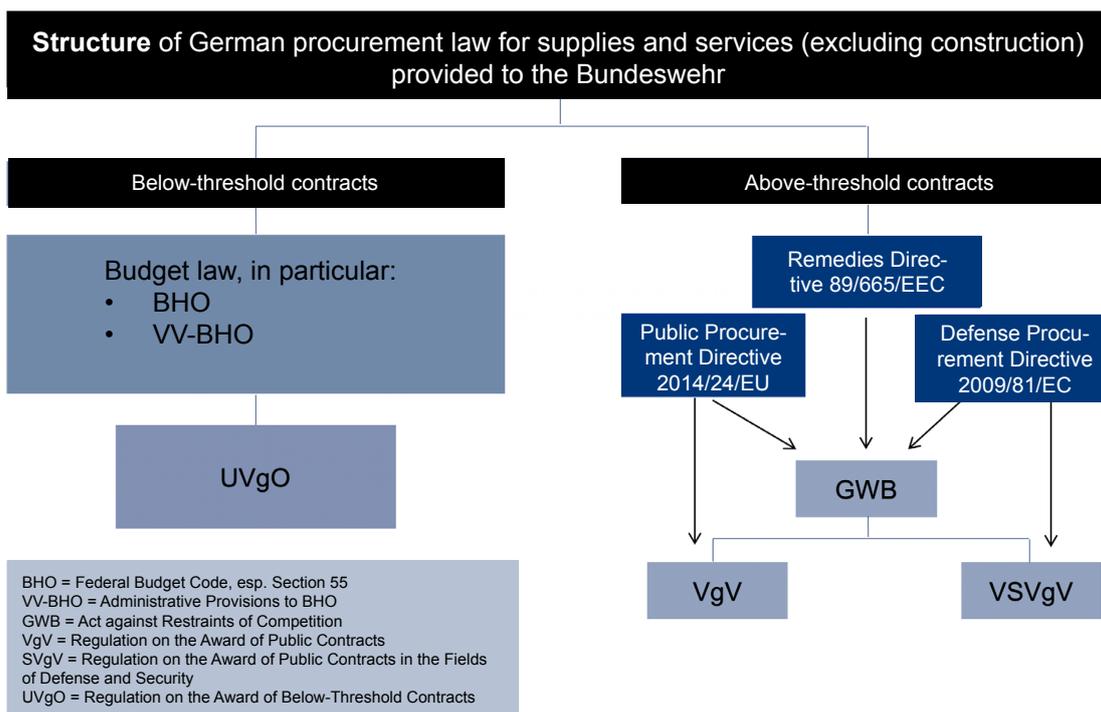
Public procurement law comprises the regulations a contracting authority has to comply with when awarding contracts. German procurement law mainly comprises budgetary provisions and EU directives that have been transposed into a number of German laws and regulations.

The diagram below shows the main elements of German public procurement law for supplies and services at the time of publication of this brochure that are relevant for the Bundeswehr as a public customer.

Public procurement law defines two major objectives for the Bundeswehr as a customer: ensuring compliance with the principles of efficiency and economy and meeting the requirement of competition.

The award of services and supply contracts is generally subject to the rules of the Regulation on the Award of Contracts (VgV). If contracts are below the EU threshold (see No. 2 below), they are subject to the rules of the Regulation on the Award of Public Supply and Service Contracts below the EU Thresholds (UVgO). In exceptional cases, the Regulation on the Award of Public Contracts in the Fields of Defense and Security (VSVgV) must be applied when awarding services and supply contracts.

VSVgV governs the award of defense and security-related supplies and services contracts. It applies if the services or supplies to be procured exceed the applicable threshold (see No. 2 below).



2. Thresholds

Which regulation applies to a specific procurement procedure depends on the threshold values.

Threshold values are limits that determine whether national (below-threshold sector) or European award regulations (above-threshold sector) apply. The thresholds refer to the estimated contract value including all options but not including VAT.

These threshold values are updated every two years by an EU Commission regulation. The thresholds currently applicable (until 31 December 2025) are:

Procurement subject to VSVgV
443.000 EUR

Procurement subject to VgV
221.000 EUR

Higher and supreme federal authorities (with exceptions)
143.000 EUR*

* For public supply contracts awarded by contracting authorities operating in the field of defense, this threshold only applies to contracts for goods that are covered by Annex III to Directive 2014/24/EU.

A Europe-wide contract notice is required only for contracts with an estimated contract value equal to or higher than the thresholds. In these cases, European antitrust rules apply. This does not mean, however, that only German or German-based businesses may participate in national tenders. "National" merely refers to the way the contract notice is published and to the applicable procurement rules based on German budget law.

3. Contract notices

As a rule, current Bundeswehr demand for products and services with a contract value equal to or higher than the applicable threshold value is published in the Supplement to the Official Journal of the European Union at:

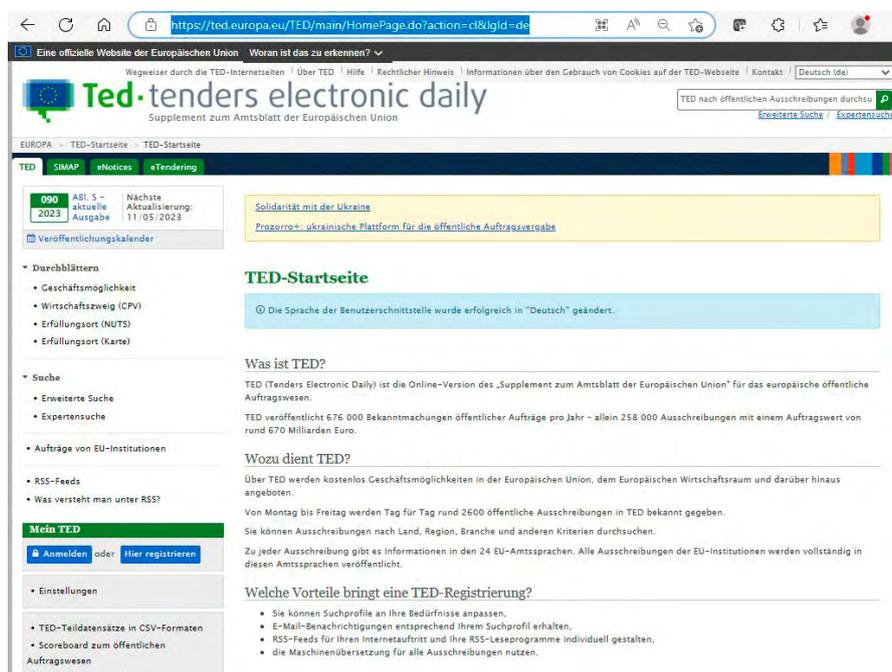
<https://ted.europa.eu>

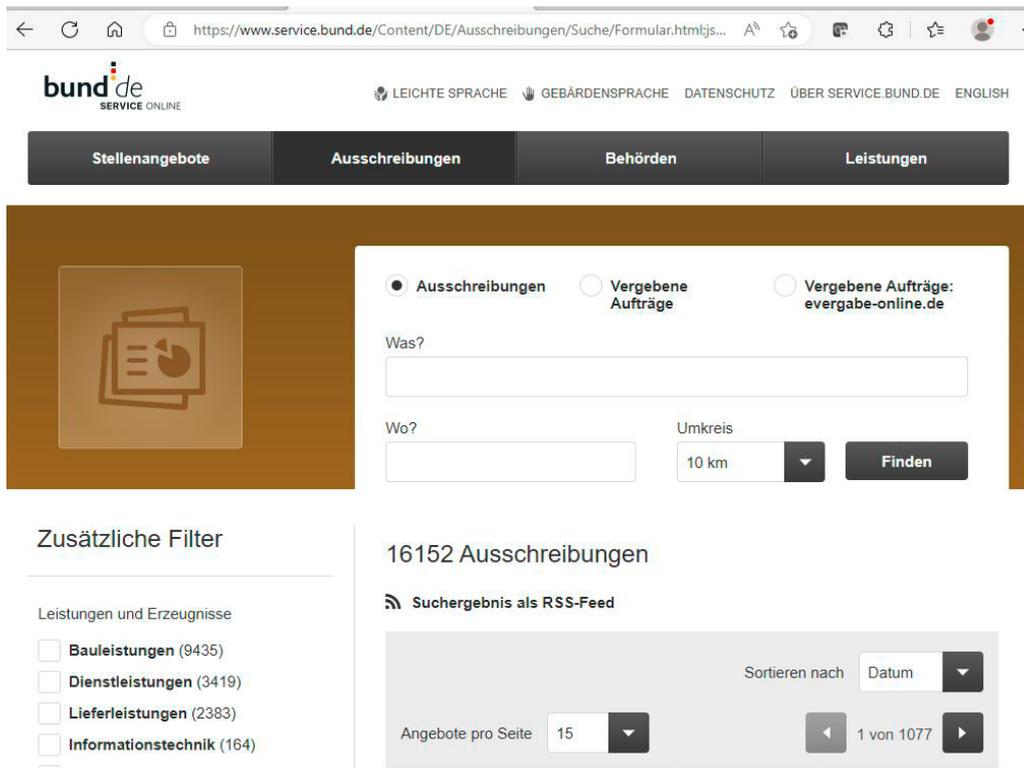
Notices for these contracts, and for contracts below the applicable threshold, are also regularly published in the Federal Administration's central web portal.

<https://www.service.bund.de>
> **Ausschreibungen**

The e-procurement platform of the Federal Government provides an overview of all electronic contract notices:

<https://www.evergabe-online.de>





It gives companies interested in Bundeswehr contracts information about current contracts for which they may want to submit a tender.

The Bundeswehr does not maintain “bidders’ lists” that automatically inform listed companies about new contract notices on the web portals. However, the above-mentioned web portals allow businesses to set up automatic notifications on new notices. The Bundeswehr will not accept offers that do not relate to a published invitation to tender.

4. Special case

Direct purchasing: A simplified procurement procedure

Purchases below a value of EUR 1,000¹ (excluding VAT) may be made without a formal procurement procedure.

5. Types of award procedures

Contracting authorities are not entirely free to choose which award procedure to use for their procurement projects. The type of award procedure depends on whether the estimated contract value is above or below the applicable threshold and whether the purchase is subject to UVgO, VgV or VSVgV.

5.1 Award procedures for below-threshold contracts

Below-threshold contracts are awarded in accordance with the Regulation on the Award of Below-Threshold Contracts (UVgO). It provides that as a rule, such contracts must be awarded by means of public competitive bidding or restricted bidding with a prior call for competition. If certain conditions are met, the contracting authority may also choose restricted bidding without a call for competition or negotiated contracting with or without a call for competition.

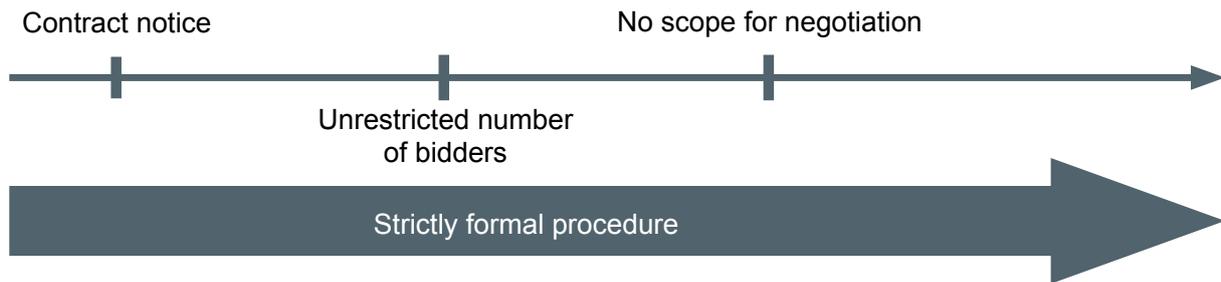
¹ In deviation from section 14 of the UVgO, the announcement of BMWK (Federal Ministry for Economic Affairs and Climate Action) I B 3 - 20601-000#013 dated 6 December 2023 (extension) shall apply in the area of responsibility of the Federal Ministry of Defense until 31 December 2024. According to that announcement, for a limited period of time until 31 December 2024, services up to EUR 5,000 (excluding VAT) may be procured by direct contracts in compliance with the principles of cost-effectiveness and economy and without the implementation of a procurement procedure, regardless of any connection to the Russian war of aggression against Ukraine.

5.1.1 Public competitive bidding

In public competitive bidding, the contracting authority publishes a contract notice inviting an unlimited number of companies to submit tenders.

Companies interested in the contract have to submit their tenders within the time limits stated in the contract notice. The contracting authority will

evaluate the tenders on the basis of the selection and award criteria announced beforehand. From those tenders that comply with the requirements in form and content, the most economically advantageous tender is selected.

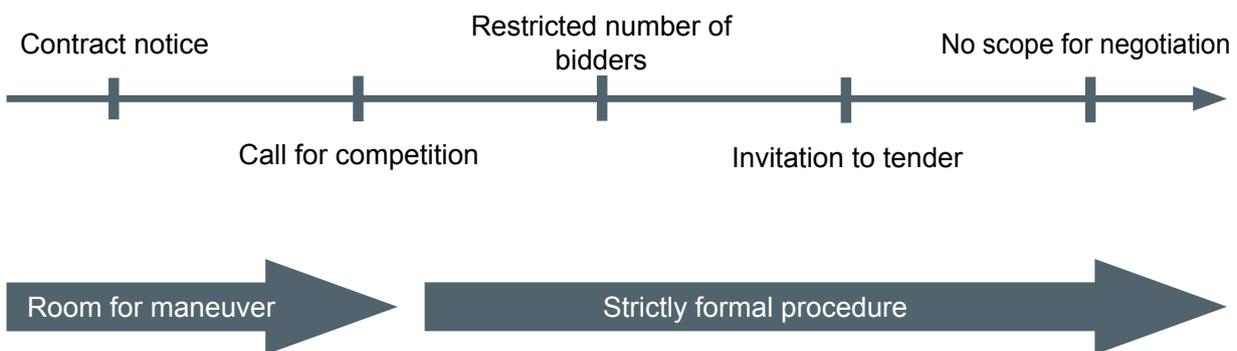


5.1.2 Restricted bidding with/without a call for competition

5.1.2.1 Restricted bidding with a call for comp

In this procedure, the publication of the contract notice is followed by a pre-qualification stage to evaluate the suitability of interested companies. Only the companies invited to submit a tender may do so.

From those tenders that comply with the requirements in form and content, the most economically advantageous tender is selected.



5.1.2.2 Restricted bidding without a call for competition

This procedure does not include a pre-qualification stage. Suitable companies are invited to submit tenders without a prior call for competition.

candidates would be disproportionate to the achievable benefit or to the value of the products or services to be procured.

Restricted bidding without a call for competition may be applied either if public competitive bidding did not yield an economically advantageous result or if, in the event of public competitive bidding or restricted bidding with a call for competition, the effort involved for the contracting authority or the

At least three candidates should be invited to submit tenders. From those tenders that comply with the requirements in form and content, the most economically advantageous tender is selected.

5.1.3 Negotiated contracting with/without a call for competition

In negotiated contracting, the contracting authority may approach several companies (as a rule, at least three) to negotiate with them. This may or may not be preceded by a call for competition.

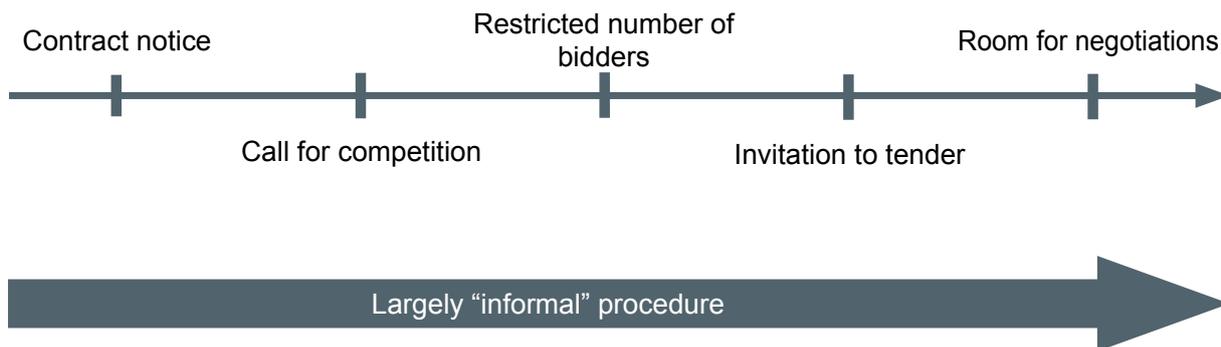
the supplies or services can be provided only by a particular company. Unlike public competitive and restricted bidding, this procedure provides for the possibility to negotiate the tender. However, the contracting authority is not obligated to enter into negotiations. It may forego negotiations after prior notification.

Negotiated contracting may only be applied if it is allowed under UVgO, for example in cases where

5.1.3.1 Negotiated contracting with a call for competition

In this procedure, the publication of the contract notice is followed by a call for competition to evaluate the suitability of interested companies. Only a limited number of companies is invited to submit

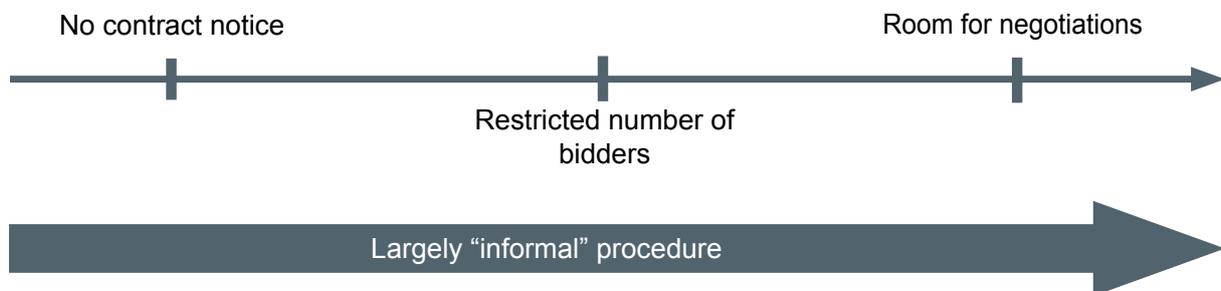
tenders. After the tenders have been negotiated, the most economically advantageous tender will be identified.



5.1.3.2 Negotiated contracting without a call for competition

In negotiated contracting without a call for competition, the contracting authority invites at least three suitable companies to submit a tender or to participate in negotiations. From those tenders

that comply with the requirements in form and content, the most economically advantageous tender is selected.



5.2 Award procedures for above-threshold contracts

Above-threshold contracts are awarded in accordance with the Regulation on the Award of Public Contracts (VgV) or the Regulation on the Award of Public Contracts in the Fields of Defense and Security (VSVgV). Within the scope of VgV, the contracting authority is free to choose between the open procedure and the restricted procedure, the latter including a pre-qualification stage.

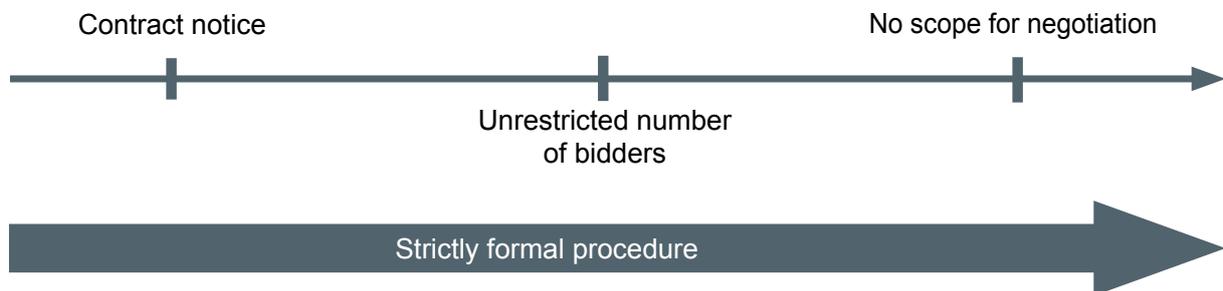
Under certain conditions, the contracting authority may also use the negotiated procedure with or without a call for competition, the competitive dialog or the innovation partnership.

As a rule, VSVgV allows for the negotiated procedure with a prior call for competition and the restricted procedure. If certain conditions are met, the contracting authority may also opt for a negotiated procedure without a call for competition or for a competitive dialog.

5.2.1 Open procedure

In an open procedure, the contracting authority publishes a contract notice inviting an unlimited number of companies to submit tenders. Companies interested in the contract have to submit their tenders within the time limits stated in the contract notice. The contracting authority will evaluate the tenders on the basis of the selection and award criteria announced beforehand. From those tenders

that comply with the requirements in form and content, the most economically advantageous tender is selected. Tenders in which changes or additions have been made to the contract documents, such as changes to the requirements for the supplies/ services specified in the statement of work or the contract, will not be accepted.

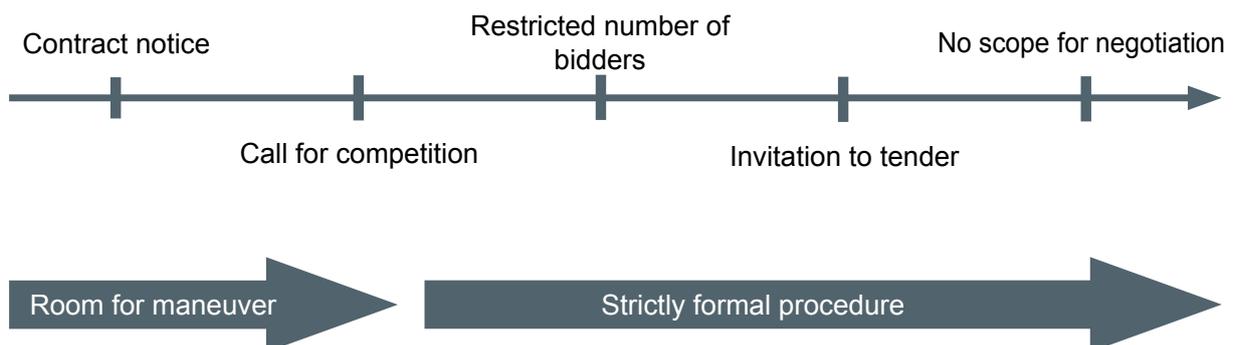


5.2.2 Restricted procedure

Under the restricted procedure, companies submit a request to participate in response to a call for competition. Only a limited number of those companies is invited to submit tenders.

From those tenders that comply with the requirements in form and content, the most economically advantageous tender is selected.

Tenders in which changes or additions have been made to the contract documents will not be accepted.



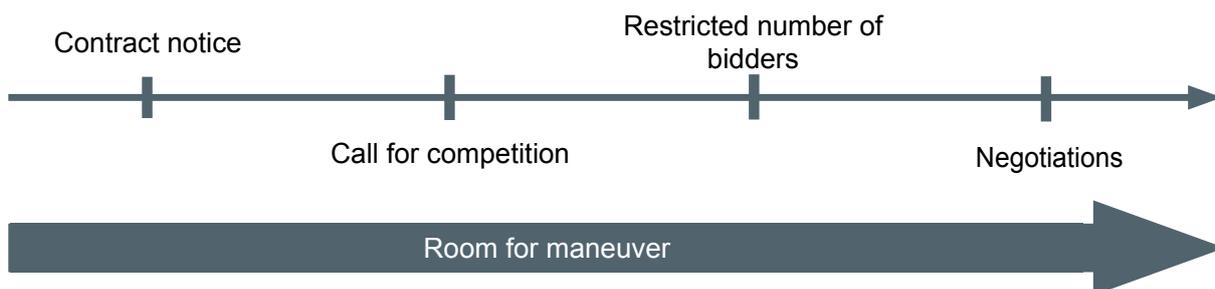
5.2.3. Negotiated procedure with/without a call for competition

5.2.3.1 Negotiated procedure with a call for competition

In a negotiated procedure with a call for competition, the contracting authority publishes a contract notice inviting an unlimited number of companies to submit requests to participate. Based on the submitted requests to participate, the contracting authority identifies suitable companies which will be invited to submit tenders.

The negotiated procedure with a call for competition is one of the standard procedures under VSVgV.

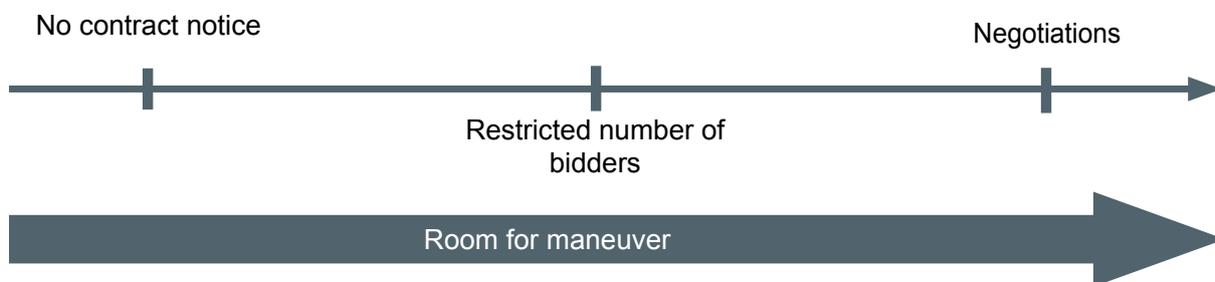
To apply this procedure within the scope of VgV, specific conditions must be fulfilled.



5.2.3.2 Negotiated procedure without a call for competition

Verhandlungsverfahren In a negotiated procedure without a call for competition, the contracting authority does not publish a contract notice but directly approaches selected companies to negotiate the terms of contract with one or more of them.

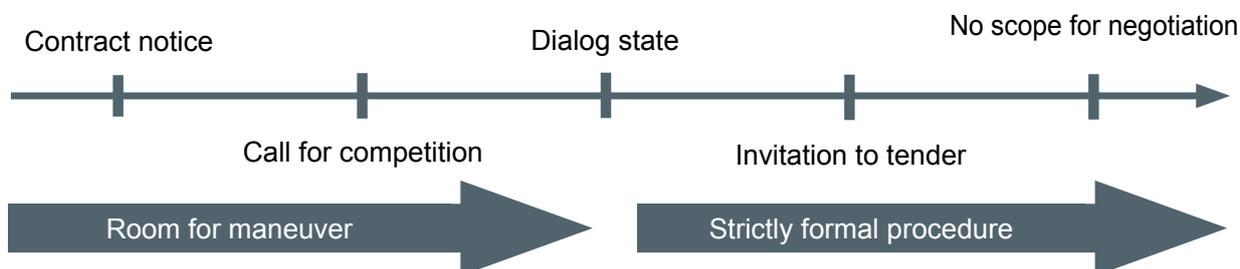
Within the scope of VgV as well as VSVgV, certain conditions must be met if this procedure is to be applied. This includes, for example, supplies that are manufactured purely for the purpose of research, experimentation, study or development.



5.2.4 Competitive dialog

The competitive dialog procedure is used to award particularly complex contracts. Following a call for competition, the contracting authority invites the selected companies to participate in the dialog. The aim of the dialog is to identify and define the solution best suited to satisfying the customer's needs. Once a solution has been defined,

the contracting authority asks the companies to submit their final tenders on the basis of that solution. Within the scope of VgV as well as VSVgV, certain conditions must be met if this procedure is to be applied. This includes, for example, contracts containing conceptual or innovative solutions.

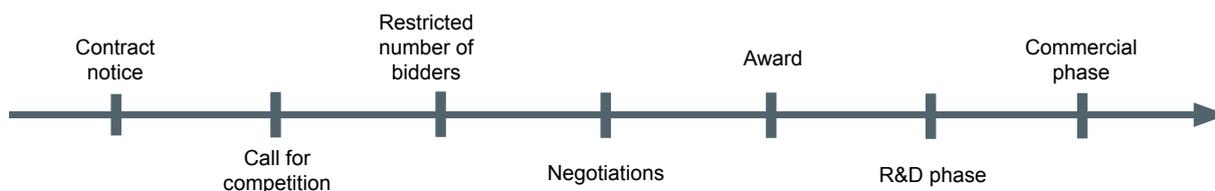


5.2.5 Innovation partnership

Within the scope of VgV (but not VSVgV), the contracting authority may use the innovation partnership procedure if the relevant requirements are met. The purpose of the innovation partnership is to develop innovative supplies and services that are not yet available on the market. The resulting products will then be purchased by the customer. In this procedure, the contracting authority publishes a contract notice inviting companies to submit requests to participate. Suitable candidates are then requested to submit tenders. The contracting authority subsequently negotiates the submitted research and innovation projects with the tenderers. The negotiations may comprise several stages to improve the content of the tenders.

The innovation partnership is structured in two successive phases following the sequence of steps in the research and innovation process:

1. the research and development phase, comprising prototype production or service development,
- and
2. the commercial phase, in which the product/service developed within the partnership is provided.



6. Electronic procurement in the Bundeswehr

With the legislative package modernizing EU public procurement law, the European legislator has adopted a completely revised set of rules which govern the award of public contracts and concessions. These rules were transposed into German law on 18 April 2016 and they are, consequently, applicable to contracts awarded by the Bundeswehr as a public customer. This has a direct impact on contracts above EU thresholds. Some structural changes were made, and electronic procurement is now mandatory for contracts subject to VgV. The provisions of VgV stipulate that electronic means must be used for any communication with companies. This includes contract notices, the immediate provision of contract award documents and the submission of tenders. To implement these requirements, the Federal Government has set up an e-procurement platform (www.evergabe-online.de).

7. The Bundeswehr procurement acceleration law – BwBBG (Bundeswehrbeschaffungsbeschleunigungsgesetz)

The Russian Federation's military aggression against Ukraine in contravention of international law on 24 February 2022 has fundamentally changed Germany's, Europe's and NATO's security situation. This marked a historical turning point, which once again highlighted the importance of national and collective defense for Germany. In view of the changed security situation, effective national and alliance defense requires a rapid and effective increase in the Bundeswehr's operational capability. In order to accomplish the ensuing task of procuring the required equipment for the troops as quickly as possible, the law on Bundeswehr financing and on the creation of a "special fund for the Bundeswehr" and on the amendment of the Federal Budget Code dated 7 July 2022 established a 100-billion-euro special fund for the Bundeswehr.

In addition to the creation of the special fund for the Bundeswehr, the law on the acceleration of procurement actions on behalf of the Bundeswehr (Federal Armed Forces Procurement Acceleration Act – BwBBG) was passed. It entered into force on 19 July 2022 with a limited validity until 31 December 2026.

The provisions of the BwBBG are similar in scope to the provisions of the Act against Restraints of Competition and the VSVgV and include a number of mechanisms to accelerate the procurement of military equipment and services. These mechanisms are applicable during the various phases of an award procedure and concern the following aspects in particular:

- Partial and trade-specific lots may be awarded together if economic, technical or time-related reasons justify this (Art. 3 para 1 - 3 BwBBG)
- Improved regulations on armaments cooperation at the European level lead to acceleration effects (Art. 4 BwBBG)
- Court procedures will be accelerated (Art. 5 and Art. 6 BwBBG)
- Companies from countries that do not share Germany's security interests may be excluded from participation in award procedures (Art. 7 para 2 BwBBG)

The simplifications in contracting law are not only applicable to procurements as such but also to construction and maintenance services directly related to an armaments project.

For a limited period of time, the BwBBG makes it possible for the Federal Ministry of Defense and its area of responsibility as customers to apply facilities in contracting law in order to accelerate the award of public contracts. This is necessary in order to achieve a prompt and quick increase in the operational capability of the armed forces.

In addition to the faster procedures, European armaments cooperation will be simplified, and German security interests will be considered even more strongly in award procedures.

SECTION III

Contracts

1. Contract terms

The type and scope of mutual supplies and services are governed by the contract (Section 1 VOL/B). As regards public customers, the reciprocal provision of services is not considered to be unilateral, i.e. as obligations under public law; instead it is governed by private law. The form of contract chosen by the Bundeswehr as a customer is therefore subject to the principle of contractual freedom and to the usual civil law provisions. Pre-formulated and standardized contractual terms are normally included in the contracts as required. Individual contracts are drawn up for complex major projects with an expected gross contract value of over EUR 25 million in order to have specific project particularities reflected in the contract. Against the backdrop of the Bundeswehr's mission, aspects such as preparedness, security of supply, resilience and durability as well as the contractor's reliability in the provision of services are of particular importance during contract drafting.

1.1 General contract terms

Procurement authorities are required to comply with the principles of efficiency and economy stipulated by the Federal Budget Code and to apply uniform procedures when awarding contracts (Section 55 para (2) BHO).

For this reason, there are usually a number of pre-formulated, standardized contract terms which are included in contracts on a case-by-case basis and which are part of the contract award documents. The general terms and conditions of bidders/contractors are not accepted.

The general contract terms of the Bundeswehr are composed of:

General terms of contract:

- L/B (General Terms of Contract for the Provision of Supplies and Services)

Additional terms of contract in the defense sector:

- ZVB/BMVg (Additional Terms of Contract of the German Ministry of Defense Implementing VOL/B)

Supplementary terms of contract for non-IT supplies/services:

- ABBV (General Terms and Conditions for Procurement Contracts Placed by the Federal Ministry of Defense)
- ABEI (General Terms and Conditions for Development Contracts with Industrial Firms)
- ABFI (General Terms and Conditions for Research Contracts with Industrial Firms)

BAAINBw's contract terms are available [online](#).



1.2 General contract terms for IT products and services

Since 1972, a range of different types of "Special terms of contract for the procurement of data processing services" (BVB) have been introduced to specify requirements for public procurement of data processing equipment. Of these contract terms the following are still applicable:

- BVB - Miete (rental)
- BVB - Planung (planning)

Meanwhile, "Supplementary terms of contract for the procurement of IT products and services" (EVB-IT) have been developed to replace the old BVB regulations:

Basic Contracts

- EVB-IT Cloud
- EVB-IT Dienstleistung (service)
- EVB-IT Instandhaltung (hardware maintenance)
- EVB-IT Kauf (purchase)
- EVB-IT Pflege S (standard software maintenance)
- EVB-IT Überlassung Typ A (type A provision of software)
- EVB-IT Überlassung Typ A (type B provision of software)

System Contracts

- EVB-IT Erstellung (software development)
- EVB-IT Service (service for specific IT systems)
- EVB-IT System
- EVB-IT Systemlieferung (system delivery)

The terms and conditions are available [online](#).



1.3 Framework agreements

Framework agreements are agreements between one or more customers and one or more contractors the purpose of which is to establish the terms governing individual contracts to be awarded during a given period. As a rule, framework agreements are subject to the same rules as apply to equivalent public contracts. Using framework agreements to procure goods reduces the administrative burden.

Framework agreements are frequently used for recurring procurements, for example the supply of consumables or supplies such as POL and medicine, or services such as maintenance or repair.

2. Quality assurance

Quality assurance as specified for public procurement in Germany provides that the contracting authority is entitled to perform Government Quality Assurance (GQA) at the contractor's premises. Separate GQA provisions may be included in the contract, if necessary.

GQA is required in cases where the quality of a certain product or service cannot be satisfactorily inspected upon receipt and GQA at the place of production is deemed to be indispensable. Its purpose is to reduce or eliminate identified risks relating to the product/service or the contractor.

In business dealings with contractors, quality assurance of defense materiel comprises the following main processes:

- evaluation of contractor quality capability
- contractual agreement of quality assurance requirements
- based on the "NATO Allied Quality Assurance Publications" (AQAP)
- additional statutory quality assurance requirements, if applicable
- contractual agreement of the contracting authority's right to perform GQA. Pursuant to Art. 12 of VOL/B, Government Quality Assurance is the

inspection of supplies/services for their fulfillment of the technical and related organizational requirements laid down in the contract

- performance of GQA
- quality inspection based on statutory requirements

3. Promotion and Support

3.1 Supporting small and medium-sized enterprises

It has always been a particular concern of the Bundeswehr to take small and medium-sized enterprises (SMEs) into account when awarding public contracts. Broad involvement of SMEs promotes competition and helps to put innovative products on the market. The majority of Bundeswehr contracts are awarded to SMEs. A large number of SMEs are directly involved in the supply of consumables, maintenance and other services. Within the scope of the promotion of small and medium-sized enterprises, possible competitive disadvantages of SMEs compared to large enterprises have to be compensated when contracts are awarded. This can be done, for instance, by breaking down supplies/services into lots or by encouraging subcontracting for complex large-scale contracts.

3.2 Supporting sheltered workshops and workshops for the blind

Section 224 of the German Social Code, Book 9 (SGB IX) stipulates that sheltered workshops and workshops for the blind be given priority with respect to public contracts which they are able to execute.

To this end, the Federal Government enacted the directives for the consideration of occupational therapy installations and workshops for the blind in connection with the award of public contracts, dated 10 May 2001 (BMWi I B 3 - -26 23 55 dated 10 May 2001, Federal Gazette No. 109 dated 16 June 2001 page 11 773). According to these guidelines, in national procurement procedures under VgV sheltered workshops and workshops for the blind must be awarded the contract in question if the price of their tender does not exceed the price of the most economically advantageous tender by more than 15 percent.

SECTION IV

Summary and overview

1. Where to find contract notices

Stay up to date on contract notices by visiting the relevant publication platforms, such as:

<https://ted.europa.eu>

<https://www.service.bund.de>

and

<https://www.evergabe-online.de>

- see page 18 -

2. How to get a contract

If a contract notice has been published:

By participating in the procurement procedure.

- see pages 19 to 24 -

If the contract can be awarded directly:

By obtaining information from the contracting authority.

- see page 19 -

3. How to contact the Bundeswehr for information on contracts

If you have any questions, send an e-mail to:

BAAINBwJ1@bundeswehr.org



Careers in the Bundeswehr



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„Bundeswehr Equipment“ on Twitter



Becoming a Bundeswehr supplier

#Beschaffungsläuft

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