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Frascati, 15 December 2022

### Letter of Invitation – Fixed Call for Proposals

**ref.:** ESA-CIP-POE-EB-cb-LE-2022-770

**Subject:** CfP 5-50003/22/I-EB

**Title:** Fixed Call for Proposals (CfP): EO-PNRR-IRIDE-Project – IRIDE CYBER ITALY

**PNRR CUP:** J58G21000010007 (Unique Project Code identifying procurements actions in the frame of Italian PNRR - M1C2 Earth Observations interventions)

**Activity No. 1000036454 in the esa-star system**

**Budget Line: E/I203-01-H-03**

Dear Madam or Sir,

The European Space Agency (“the Agency” or “ESA”) hereby invites you to submit a **Proposal** (hereinafter referred as “Proposal” or “tender”) in response to the present Fixed Call for Proposals (“CfP”) under the **EO-PNRR-IRIDE-Project**. This Call for Proposals foresees one single stage, meaning that any proposal submitted in response to this invitation will be considered final and no re-submissions will be permitted.

This Fixed CfP is published on esa-star Publication (<https://esastar-publication.sso.esa.int/>) under 5-50003/22/I-EB and is issued in English only.

This Fixed Call for Proposals consists of the following documents:

- The present Letter of Invitation
- Appendix 1 – Draft Contract;
- Appendix 2 – Special Conditions of Tender for the Proposal (hereafter referred to as “the SCT”).
- Applicable [AD] and Reference [RD] documentation, in particular:
  - [AD1] IRIDE Cyber Italy SoW Security Tasks, ref. IRID-ESA-SOW-GS-0095, Issue 1, Revision 0, dated 07/12/2022
  - [AD2] IRIDE Cyber Italy Security Requirements, ref. IRID-ESA-SOW-GS-0096, Issue 1, Revision 0, dated 07/12/2022
  - [RD1] IRIDE Toolbox/Application and Marketplace high level functional description, ref. IRID-ESA-TN-GS-0023, Issue 1, Revision 0, dated 6 July 2022.
  - [RD2] IRIDE System Specification Assumptions Document 1.0, ref. IRID-ESA-TN-GS-0056, Issue 1, Revision 0, dated 16/09/2022

**Note: The Agency reserves the right, prior to the invitation to the negotiation during the Evaluation Period of the Proposals, to issue a revised version of the Draft Contract.**

Invitation Letter, Special Conditions of Tender and Draft Contract make reference to the following documents that are available on <http://emits.sso.esa.int/> under “Reference Documentation” ---> “Administrative Documents”:

- a. Procurement Regulations (ESA/REG/001, rev.5);
- b. General Conditions of Tender for ESA Contracts (Annex IV to ESA/REG/001, rev.5) hereunder referred to as “the GCT”.
- c. General Clauses and Conditions for ESA Contracts (ESA/REG/002, rev.3) hereunder referred to as “the GCC”.
- d. Agency’s Best Practices for the Selection of Subcontractors by Prime Contractors in the frame of ESA’s Major Procurements (ESA BEST PRACTICES IPC(2012)65, rev.2).

## 1. **Introduction**

Next Generation EU (NGEU) is the dedicated recovery package set by EU (on top of the EU long-term budget for the 2021-2027 multiannual financial framework) in response to the unprecedented crisis caused by Covid-19 outbreak.

The centrepiece of NGEU is the Recovery and Resilience Facility (RRF), a temporary recovery instrument established with Regulation (EU) 2021/241. The RRF aims to mitigate the economic and social impact of the coronavirus pandemic and to make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions. In particular, the RRF allows the European Commission to raise funds to help EU Member States to implement reforms and investments that are in line with the EU’s priorities and that address the challenges identified in country-specific recommendations under the European Semester framework of economic and social policy coordination.

In this context, the Italian PNRR (Piano Nazionale Ripresa e Resilienza or NRRP “National Recovery and Resilience Plan”), recommended by European Commission on 22 June 2021 [COM(2021) 344 final 2021/0168] and endorsed by EU Council on 13 July 2021, defines a broad and ambitious package of investments and reforms to unleash Italian growth potential, to generate a strong upturn in employment, to improve the quality of work and services for citizens and territorial cohesion and to promote the ecological transition.

The relaunch action is based on EU guidelines and connected to three strategic axes – digitisation and innovation, ecological transition and social inclusion – to restart growth and radically improve the competitiveness of the economy, the quality of work and people’s lives. At the same time, the PNRR lines of action maximise their impact on three overarching priorities: favouring women’s empowerment and gender equality, enhancing young people’s skills, and increasing the regional rebalancing and the development of Southern Italy.

The PNRR is made up of six missions:

- 1) Digitisation, innovation, competitiveness, culture and tourism;
- 2) Green revolution and ecological transition;
- 3) Infrastructures for sustainable mobility;
- 4) Education and research;
- 5) Cohesion and inclusion;
- 6) Health;

which in turn group components and dedicated lines of intervention, selecting the projects with the greatest impact on the economy and employment.

The second component of the first mission (M1C2), funded by the European Union (EU) through Next Generation EU-RFF (and by the Presidency of the Council of Ministries of the Italian Republic pursuant to Article 1, paragraph 254, of Law 160/2019) and through the Complementary Fund, is dedicated to digitalisation, innovation, and competitiveness.

It includes, within Investment M1C2.4.2 “Earth Observation”, milestone and targets 22, 24 and 25 devoted to space activities for Earth Observation. Such interventions, to be concluded in line with the fixed duration of the PNRR (2022-2026), cover the realisation of an End-to-End System composed by the Upstream Segment, the Downstream Segment and the Services Segment to provide the geospatial-based services at National and European level, according to the needs expressed by the Italian National Authorities with the objective to provide services to the Public Administration and to private Customers.

In this framework and in accordance with Article IX.2 of European Space Agency (ESA) Convention and ESA Council Decision of 14-15 December 2021 (ref. ESA/C(2021)161), ESA and the Presidency of Council of Ministers of the Italian Republic signed the *Arrangement ESA/LEG/525/ 22* (hereinafter also “the Arrangement”) on 16 December 2021, in order to establish and define content and modalities of ESA’s assistance for the envisaged national space activities related to Earth Observation Investment (M1C2.4.2) and Space Transportation Investment (M1C2.4.3), as specified in the Italian PNRR. The Arrangement entered into force on the date of their signature (16 December 2021) and shall remain in force until 31 December 2026. The signature of the Arrangement was followed by the signature of the “Convention for the Execution of measures M1C2.I4.2 “Earth Observation” and M1C2.I4.3 “Space Factory” (relating to the Space Access programme) in implementation of THE NATIONAL RECOVERY AND RESILIENCE PLAN (NRRP) Mission 1 Component 2”, on 10th June 2022, of which the Arrangement forms an integral part.

In accordance with Article 2.2. of the Arrangement, ESA will manage the technical and contractual aspects of the Project and will be responsible for the procurements related to the Arrangement and for the negotiation and conclusions of the industrial contracts with the selected industrial and research entities.

In accordance with Article 2.2. and 4.1 of the Arrangement, as regards the implementation Earth Observation activities an Integrated Project Team (IPT), composed by ESA and ASI personnel (to cover technical, administrative and contractual aspects), is set up. The IPT is organised under the direction of an ESA Programme Manager (PM) who has the overall responsibility, with a Programme Office (PO), in the Upstream Segment Office, Downstream Segment Office, Service Segment Office, having each Segment a dedicated Segment Manager.

The IPT, which includes a dedicated technical team, manages the realization of the End-to-End System interfacing the industrial entities in charge of the development of the system.

The implementation of ESA assistance defined in the Arrangement is overseen by a joint Steering Board composed by ESA representatives and by representatives of the Council of Ministers of Italian Republic and of the Italian Space Agency (ASI).

The procurement subject of the present Fixed Call for Proposals is relevant to the aforementioned Component of the PNRR devoted to Space Activities for Earth Observation.

## **2. Scope and objectives of the present Fixed Call for Proposals**

IRIDE Cyber Italy is aimed at providing actionable information and decision support capability representing the dynamic relationships between the physical and natural environments (the Earth System) and society (such as socio-economic pathways, adaptation and mitigation actions or governance).

Main objective of the Cyber Italy (Digital Twin of Italy) is to develop a highly accurate digital model of the Earth to help understanding and prediction of the Earth system and its complex interactions with human activities. Cyber Italy will focus on the Italian territory and Italian areas of interest and will ensure coherency and cross-fertilization with other Digital Twins initiatives at European level (e.g. DestinE and Digital Twin Earth) avoiding duplication of activities and maximizing synergies.

Based on an effective integration of data, models, AI and advanced computing capabilities, the Cyber Italy shall offer very high precision digital replicas of the Earth processes boosting the capacity to observe, understand and characterise them and simulate their potential evolution.

The Cyber Italy will be composed of:

- the Digital Twins: each digital twin represents a replica of a process in the real world and thus of our environment and their interactions with human activities and ecosystems. They allow simulations based on an effective integration of a multi-variate underlying data structure based on EO datasets, model(s), AI and data analytics that provide users with a dynamic reconstruction, characterisation and prediction of its dynamic evolution and behaviour in time and potentially under different conditions or scenarios. Digital Twins will be gradually developed according to the priorities that will materialize during the project lifetime emerging developments and level of maturity.

- a framework hosting the Digital Twins and providing them with access to data, services and infrastructure based on an open, flexible, scalable, and evolvable secure cloud-based architecture.  
The framework shall:
  - gather and handling all the data required by the Digital Twins for their functioning from various sources (mainly from the IRIDE Marketplace but also from other external sources in case of need, e.g., other Digital Twins)
  - pre-process the data as needed ensuring seamless ingestion into the Digital Twins
  - integrating the Digital Twins and acting as bridging element between the Digital Twins and the underlying infrastructure (i.e., the IRIDE Marketplace on which the Cyber Italy will be hosted)
  - manage the output data of the Digital Twins (hosting the data and/or providing it to the marketplace for making them available to users)
  - ensure the possibility to integrate Digital Twins developed in autonomous and independent projects also true well documented integration process

The scope of the activity encompasses:

- the implementation of the framework and its validation
- Procurement (management of selection and implementation) of Digital Twins through competitive selection process following ESA's best practices and their integration in the framework.  
The contract resulting from the ITT(s) conducted in accordance with ESA's Best Practices for the procurement of the Digital Twins and their integration in the framework shall include two different phases:
  - a first phase addressing prototyping of the Digital Twins.
  - a second phase, whose activation required a written authorization issued by the Agency, to implement the operational version of the Digital Twins

The Cyber Italy will be integrated and hosted on the IRIDE Marketplace that will be procured in the frame of the IRIDE programme, therefore, the infrastructure required to host and operate the Cyber Italy will be provided by the Marketplace. The Cyber Italy shall rely on the functionalities provided by the Marketplace (e.g. users' management) described in the reference document [RD1] "*IRIDE Toolbox/Application and Marketplace high level functional description, ref. IRID-ESA-TN-GS-0023, Issue 1, Revision 0, dated 6 July 2022*".

The Tenderer shall define the infrastructure and any other requirements (e.g. specific interface requirements) for hosting the Cyber Italy on the Marketplace.

For development, testing and validation purposes the Tenderer shall rely on its own infrastructure and simulation of interfaces and required functionalities to be provided by the Marketplace in operations; there shall be no dependency of the Cyber Italy implementation from the Marketplace availability.

Portability to the final target operational environment and full integration in the Marketplace after the Cyber Italy successful validation shall be ensured.

During the project lifetime, also depending on the progress of the Marketplace implementation, synergies between the two activities will be exploited to the maximum extent.

The Cyber Italy shall maximize usage of data from the IRIDE constellation currently under definition and shall also make use of any data required to fulfil the scope of the Digital Twins (e.g. data from other space systems, in-situ systems, models, other digital twins, etc.).

For the IRIDE constellation the Tenderer shall assume provision of SAR and optical data (High resolution and very high resolution, Multi spectral and hyper spectral). Assumptions on the IRIDE system definition are provided in the reference document [RD2] "*IRIDE System Specification Assumptions Document 1.0, ref. IRID-ESA-TN-GS-0056, Issue 1, Revision 0, dated 16/09/2022*".

The security tasks specified in the applicable document [AD1] "*IRIDE Digital Twin SoW Security Tasks, , ref. IRID-ESA-SOW-GS-0095, Issue 1, Revision 0, dated 07/12/2022*" and the security requirements specified in the applicable document [AD2] "*IRIDE Digital Twin Security Requirements, ref. IRID-ESA-SOW-GS-0096, Issue 1, Revision 0, dated 07/12/2022*" apply to the Cyber Italy implementation.

The following constraints apply:

- Usage of cloud computing paradigm to ensure horizontal and vertical scalability, high reliability, disaster recovery, etc.  
The solutions shall be, to the maximum extent, infrastructure agnostic, i.e. it shall allow seamless transfer of the system from one cloud solution to another
- Use of state-of-the-art technologies (e.g. use of container technologies, etc...)
- Use of standard and open protocols (e.g. for the M2M interfaces)
- Minimization of operating costs through maximum automation of the system. The use of human operators shall be limited to actions that cannot be assigned to the machines
- Compliance with Italian and European legislation (eg CAD, INSPIRE, Open Data, GDPR, etc ...) regarding the issues related to the creation and management of the system in all its components (e.g. personal data, remote sensing data, applications, services, HW / SW infrastructures of the Public Administration, etc....)
- No vendor lock-in: design and implement the entire system using technologies that minimize vendor lock-in situations
- Consistency and complementarity and no-overlapping with other relevant activities (e.g. the 'Mirror Copernicus', Digital Twin Earth DestinE, etc.) shall be ensured

The activities associated to the IRIDE Cyber Italy will encompass:

- specification and design of the system, addressing consolidation of the requirements and definition of the architecture and interfaces; first version of technical specification shall be delivered as part of the proposal
- implementation of the system, addressing the development, testing and validation of the system
- support the deployment and integration into the final operational target, the IRIDE Marketplace
- a first major delivery is requested no later than mid-2025 and a second major delivery is requested no later than Q1 2026
- Maintenance of the delivered system and engineering support to operations, from the first major delivery up to the end of contract.

### **3. Pre-requisites for submitting a Proposal**

The Member States of the Agency have made it mandatory for the Agency to register economic operators wishing to do business with the Agency. Economic operators not yet registered as potential Tenderers are requested to complete the online questionnaire on the esa-star Registration website (<https://esastar-emr.sso.esa.int/>).

Any entity, including any subcontractor in the Proposed Project team at the time when a tender is submitted, is required to at least have already completed the "Light Registration" as described in the following esa-star Registration User Manual: <https://esastar-emr.sso.esa.int/Account/DownloadFile>. Failure to fulfil this requirement will result in a tender being considered incomplete and hence not admissible for evaluation.

Please note that only the "Full Registration" allows the Contract to be placed with the selected Tenderer.

The registration as an ESA Entity includes the obligation to subsequently fill in the Agency Questionnaire and to update it yearly at the following link: <https://esastar-em.sso.esa.int>.

**Failure to provide or update the required information will result in the access to the non-public part of esa-star being blocked.**

Further information on the registration process can be found on the Industry Portal pages available at: [http://www.esa.int/About\\_Us/Business\\_with\\_ESA/How\\_to\\_do/esa-star\\_Registration\\_Process](http://www.esa.int/About_Us/Business_with_ESA/How_to_do/esa-star_Registration_Process).

#### 4. Specific Conditions for Eligibility

The present Fixed Call for Proposals is issued within the aforementioned PNRR and is addressed to companies and organisations having their registered office in Italy. The (Prime) Contractor shall be an Italian entity. The Tender shall contain the list of selected subcontractors/suppliers to successfully accomplish the technical and programmatic requirements of the present activity and of IRIDE, giving precedence to Italian entities whenever suitable Italian subcontractors/suppliers are available.

Any procurement, being it services or equipment, from non-Italian entities, whenever unavoidable, shall, in principle, be made within the European Union (EU).

In case the procurement from non-Italian EU entities and/or non-EU entities is unavoidable (e.g., sole source, technological readiness or unaffordability), the Tenderer shall provide a list of and a justification for procurement from such non-Italian EU entities and/or non-EU entities.

Equipment and elements subject to export control, whenever unavoidable and well justified (e.g., sole source, technological readiness or unaffordability), shall be clearly marked and their availability must be secured and demonstrated. To this end, a dedicated Export Control Plan shall be provided. In case of non-EU subcontractors/suppliers, the Tenderer shall propose, when realistic, a risk mitigation plan or alternative way forward should Export Control limitations arise from the aforementioned subcontractors'/suppliers' Governments.

It is forbidden to use units, equipment and components manufactured by Russian companies or subject to authorisation by Russian authorities.

Tenderers shall bear in mind that the selected Tenderer for the Engineering Support to EO-PNRR-IRIDE-Project shall be excluded – be it as Prime, Subcontractor, External Services or in any other capacity – from the activities subject of the present Fixed Call for Proposal.

#### 5. Budget

For this activity, the Agency has defined a target budget of **9.500.000 Euro** broken down as follows:

- 7.000.000 Euro Firm Fixed Price including:
  - the framework implementation
  - management and integration of Digital Twins
  - maintenance and engineering support to operations of the delivered system, from the first major delivery up to the end of Contract
- 2.500.000 Euro as a Ceiling Price to be converted into Fixed Price for implementation of Digital Twins.

Tenders shall quote a Price within the above target budget.

#### 6. Tendering Process

The present Fixed Call for Proposals follows a single stage procurement process: submission of Proposal for the development and implementation of IRIDE Cyber Italy, including framework implementation, management and integration of digital twins and maintenance of the delivered system, from the first major delivery up to the end of Contract

Any proposal submitted in response to this invitation will be considered full and final. No re-submissions will be permitted.

The content required for the Proposal is described in the Special Conditions of Tender.

Proposals shall be submitted exclusively in an electronic format via the “esa-star” tendering system. Please refer to <https://esastar.sso.esa.int>.

After the closing date and time indicated in this Letter, the Agency will verify that the received proposals comply with the general requirements for acceptability and will proceed with the evaluation of the admitted proposals in accordance with the evaluation criteria included in the Special Conditions of Tender.

Following the approval of the recommendation submitted by the Tender Evaluation Board, the recommended Tenderer will be invited to attend a meeting for final negotiation of the contract.

After the negotiation meeting, the final version of the contract and its annexes are prepared and processed by ESA before being sent to the recommended Tenderer for signature.

Only one contract will be placed for the development, implementation, maintenance, and engineering support to operations of the IRIDE Cyber Italy.

## **7. Compliance and Key Acceptance Factors**

As part of the tender submission process in esa-star Tendering, Tenderers will be required to make declarations in relation with “Declaration of Compliances” and “Key Acceptance Factors” (that are mirrored in Annex 2 of the SCT).

Please note that Declaration of Compliances also refers to compliance to DNSH (Do Not Significantly Harm) principle, as described in Art. 17 Reg EU 2020/852, prescribing that PNRR interventions shall not cause any significant damage to the environment, and to compliance to the transversal and general principles of the PNRR.

The SCT indicate the consequences (ranging from significant down marking to exclusion from evaluation) in case it would appear during the evaluation that the tender contains incorrect statements.

## **8. Confidentiality**

All proposals received by ESA will be treated commercially in confidence.

Protection of Personal Data is of great importance for ESA, which strives to ensure a high level of protection as required by the ESA Framework on Personal Data Protection (herein the “ESA PDP Framework”) which applies in this field. ESA implements appropriate measures to preserve the rights of data subjects, to ensure the processing of personal data for specified and legitimate purposes, in a not excessive manner, as necessary for the purposes for which the personal data were collected or for which they are further processed, in conditions protecting confidentiality, integrity and safety of personal data and generally to implement the principles set forth in the PDP Framework, available at: [http://www.esa.int/About\\_Us/Law\\_at\\_ESA/Highlights\\_of\\_ESA\\_rules\\_and\\_regulations](http://www.esa.int/About_Us/Law_at_ESA/Highlights_of_ESA_rules_and_regulations)

ESA PDP Framework is composed of the following elements:

- The Principles of Personal Data Protection, as adopted by ESA Council Resolution (ESA/C/CCLXVIII/Res.2 (Final)) adopted on 13 June 2017;
- the Rules of Procedure for the Data Protection Supervisory Authority, as adopted by ESA Council Resolution (ESA/C/CCLXVIII/Res.2 (Final)) adopted on 13 June 2017; and
- the Policy on Personal Data Protection adopted by Director General of ESA on 5 February 2018 and effective on 01 March 2018.

Details of this framework can be found on EMITS (<http://emits.sso.esa.int> under “Reference Documentation” → “Administrative Documents”).

Personal data processed under the Agency’s Contract will be subject of the Personal Data Controller to Controller Annex attached to the Draft Contract of this Fixed Call for Proposal. The “Controller to Controller” Annex forms an integral part of the Contract. In case of conflict between the terms and conditions of the Contract and the terms and conditions of this Annex, the terms and conditions of this Annex shall prevail.

## **9. Policy on the Prevention, Detection and Investigation of Fraud**

Special attention is drawn to the Policy on the Prevention, Detection and Investigation of Fraud ESA/ADMIN/IPOL-LEGI(2021)1. The aim of the Policy is to give a structured framework to the current practice by the Agency of investigating potential cases of Fraud through investigation teams set up on an ad hoc basis. It is required that you read the Policy and that you inform your personnel about the Policy. It is mandatory that you cooperate with the investigation teams, if so required. This obligation shall be flown down by you and fulfilled by your subcontractor(s) too.

The Policy on the Prevention, Detection and Investigation of Fraud is available at: <https://esastar-publication.sso.esa.int/supportingDocumentation>.

## **10. Questions during the tendering period**

### Questions from Tenderers

Any questions to the Agency relating to this CfP shall be made exclusively via the dedicated function in esa-star Tendering. All questions must be submitted via esa-star Tendering at the latest fourteen (14) calendar days before the closing date stated below.

The Agency will publish an anonymous copy of the question on esa-star Publication together with the Agency's answer, and the question and answer shall also be available in the dedicated section of esa-star Tendering. Tenderers are asked to note that it is not possible to receive an immediate response to their question as each response published by the Agency goes through an internal review process prior to its publication.

## **11. Questions during the evaluation period**

### Questions from the Agency

If required, the Agency may request clarifications from the Tenderer; such Agency's requests shall be made exclusively via the dedicated function in esa-star Tendering.

The corresponding clarification from the Tenderer shall be provided exclusively via the dedicated function in esa-star Tendering.

## **12. Tender submission**

Please note the provisions of Part 2 F of the GCT (as amended by the SCT) requiring economic operators to notify to the Agency their interest to tender. This is to be done via the esa-star Publication Expression of Interest function (Tenderers are also reminded that they may select 'Public' visibility or 'ESA only' when notifying their intention to bid).

Please note the provisions of the Dispatch and Receipt Conditions that are contained in Part 2 G of the GCT (as amended by the SCT).

In order to ensure the correct and timely submission of your tender, you are strongly invited to test esa-star and try out its functionalities and behaviour well in advance during the tendering period (please refer to Annex 4 of the SCT).

The tender is successfully submitted when the status of the proposal in esa-star Tendering reads "submitted", i.e. when each section in the dashboard (Declaration of Compliance, Key Acceptance Factors and Consortium Structure) reads "completed" and all required proposal documents read "uploaded" and you click on "submit proposal to ESA".





**13. The “Consortium Structure” in esa-star**

The “consortium structure” in esa-star shall mirror the Proposed Project Team as contained in the Cover Letter. Failure to fulfil this requirement will result in a tender being considered incomplete and hence not admissible for evaluation.

Tenderers shall upload and submit their Proposals and all supporting documents in esa-star not later than **10 February 2023 at 13:00 hours** (Amsterdam time zone). Due to the stringent deadlines set by the PNRR, **NO EXTENSIONS WILL BE GRANTED.**

Yours faithfully,

Franck Germes  
Head of the Procurement Department

**Annex I – Amendment to the ESA Procurement Regulations, ESA Implementing Instruction concerning the Tender Evaluation Manual and the General Conditions of Tender for ESA Contracts for the purposes of IRIDE Programme**

1.1 *Adjustment of ESA Procurement Regulations [ESA/REG/001 rev. 5]*

The ESA Procurement Regulations are amended as follows:

- Article 6: Recording of Process  
Letter i) Not applicable.
  - Article 7: Reporting  
Not applicable.
  - Article 8: Submission of procurement matters to the Industrial Policy Committee and Administrative and Finance Committee  
Not applicable
  - Article 10: Principles  
Article 10.1 d) is replaced as follows:  
d) the implementation of the defined industrial policy.
  - Article 11: Granting of special rights in the frame of agreements  
Not applicable.
  - Article 13: Competitive tendering  
Article 13.2 f): Not applicable.
  - Article 14: Non- competitive tendering  
Article 14.1 g): Not applicable.
  - Article 16: Two-stage tendering  
Article 16.1 d): Not applicable.
  - Article 17: Best practices  
Applicable with the understanding that it shall not apply for geographical distribution or industrial policy purposes or any other aspect excluded in this Annex.
  - Article 18: Qualification, exclusion, suspension and registration of economic operators:  
Article 18(1) is replaced by the following:  
All economic operators qualify to participate in a tendering procedure of the Agency if:  
a) they satisfy the requirements set under Article II.3 of Annex V to the Convention;  
b) they do not fall under one of the exclusions foreseen under paragraphs 2 and 12 below, and  
c) they are established in Italy (exceptions are to be explicitly authorised by the Steering Board).
  - Article 21: Submission to the Industrial Policy Committee and Thresholds  
Not applicable.
  - Article 23: Tender Evaluation Board and Panels  
Article 23.1(b): Not applicable.
  - Article 24: Content of the Invitation To tender  
Article 24.1 (p), (r) and (s) are not applicable.
- Article 25: Evaluation criteria, selection criteria and weighting factors  
Article 25(2) is replaced as follows:  
25.2 The Tender Evaluation Board shall be free to establish such selection and evaluation criteria as it sees fit, provided that all significant parts of the Invitation To Tender are covered and when applicable specific industrial policy measures, with the exception of geographical return, are taken into account.

- Article 26: Languages of the invitation to tender  
26.1 not applicable.
- Article 27: Addressees of Invitation To Tender  
Article 27(1)(b), 27(1)(c)(i), 27(1)(d)(i) and 27(4) are not applicable.
- Article 28: Publication of Invitation To Tender:  
Article 28 is supplemented by the following:  
3. ESA shall provide the summary of the intended Invitation To Tender to the designated point of contact of the Presidency of Council of Ministers of the Italian Republic to allow the Presidency of Council of Ministers of the Italian Republic to publish it in “Italia Domani”, the official portal of the PNRR (<https://italiadomani.gov.it/en/home.html>). The dispatch of the summary shall be made seven (7) days before the publication, by ESA, of the intended Invitation to Tender on esa-star Publication.  
4. The publication of the Invitation To Tender (ITT) and related clarifications on esa-star Publication shall allow access to all potential tenderers as they are defined in the ITT itself.
- Article 42: Results of Evaluation and Recommendation  
Article 42.4 is replaced by the following:  
Where applicable, the above recommendation of the TEB shall be submitted by ESA for decision by the Steering Board.
- Article 43: Submission of contract proposal and information note to the Industrial Policy Committee  
Not applicable.
- Article 45: Notification to tenderers and award notice  
Article 45 is supplemented as follows:  
4. ESA shall publish award notices on esa-star Publication and shall include the information under paragraph 2, always including price unless it would harm the legitimate commercial interests of the successful tenderer or might prejudice fair competition between economic operators.
- Article 59: Amendments  
Article 59 is supplemented by the following:  
However, any substantial modification to the ESA procurement rules and procedures as per Article 2.4 of the Arrangement during the period of execution of the Arrangement shall not be implemented to the procurement and contracts concluded by ESA under the Arrangement, unless agreed with the Presidency of Council of Ministers of the Italian Republic.  
Any other reference to the above Articles in the ESA Procurement Regulations is to be understood as these Articles adjusted for the purpose of the Arrangement where applicable.

- 1.2 *Adjustments to ESA Implementing Instruction concerning the Tender Evaluation Manual (Annex III rev.2 to ESA/REG/001 rev.5).*
- 1.2.1 Any reference to the Articles of the ESA Procurement Regulations in the Tender Evaluation Manual is to be understood as the Articles modified and or amended for the purpose of the Arrangement where applicable.
- 1.2.2 Any reference to geographical return shall not be applicable under the Arrangement.
- 1.2.3 Concerning the TEB Composition (Part I), should the Presidency of Council of Ministers of the Italian Republic and/or any entity designated by the Presidency of Council of Ministers of the Italian Republic intend to participate to TEBs as observers (maximum 2 for each entity), they shall notify ESA of the name(s), of their respective representatives or in principle no later than one (1) week following the request by the Agency.
- The Chair of the Tender Evaluation Board established by ESA shall be a staff member of ESA.
- 1.3 *Adjustments to the General Conditions of Tender for ESA Contracts (Annex IV to ESA/REG/001 rev.5)*
- 1.3.1 Any reference to the Articles of the ESA Procurement Regulations and to the General Conditions of Tender is to be understood as the Articles modified and or amended for the purpose of the Arrangement.
- 1.3.2 Any amendment, modification or addition to the Articles of the ESA Procurement Regulations and to the General Conditions of Tender shall be applicable to the General Conditions of Tender for ESA Contracts.
- 1.3.3 Any reference to geographical return shall not be applicable under the Arrangement.
- 1.4 *Adjustments to the Best Practices for the Selection of Subcontractors by Prime Contractors in the frame of ESA's Major Procurements*

ESA Best Practices may apply where appropriate under the FPPA activities with the understanding that it shall not apply for geographical distribution purposes, or any other aspect excluded in this Annex.

- Section II, Part I (guiding principles of the industrial procurement plan):
  - The second bullet point is replaced as follows:  
Makes use of the technologies developed under EU, ESA and Italian programmes
- Section II, Part II, 3 (content of the industrial procurement plan):
  - Point (vii) is replaced as follows:  
For activities/products categorized as “buy” outside the EU, a detailed Justification of the reasons why it cannot be “buy” in the EU.