

PUBLIC CONTRACTS REVIEW BOARD

Appeal Reference Number 2195
Tender Reference Number WSC/T/060/2025
Tender Name “Supply and Delivery of Woltmann Meters DN50-DN300 to the Water Services Corporation”

The Public Contracts Review Board (hereinafter the ‘Board’ or the ‘PCRB’) convened a public hearing on the 10th December, 2025 to hear the appeal as filed by the appellant Joseph Cachia & Son Limited (hereinafter the ‘Appellant’) on the 24th November, 2025, and after taking cognisance of:

The tender document for the ‘Supply and Delivery of Woltmann Meters DN50-DN300 to the Water Services Corporation’ (hereinafter referred to as the “Tender Document”);

The minutes of the proceedings dated 10th December, 2025 which are being reproduced hereunder:

“PUBLIC CONTRACTS REVIEW BOARD

Case 2195 Objection – WSC/T/060/2025 – Supply and Delivery of Woltmann Meters DN50 – DN300 to the Water Services Corporation.

The tender was issued on the 2nd June 2025, and the closing date was the 1st August 2025.

The estimated value of the tender, excluding VAT, was €60,000.00.

On 24th November 2025 Joseph Cachia & Son Limited, lodged an appeal against Water Services Corporation. – the Contracting Authority. In accordance with Regulation 270 of the Public Procurement Regulations.

On the 10th of December 2025, the Public Contracts Review Board (PCRB), composed of Dr Ana Thomas as Chairperson, Dr Ing. Damien Gatt and Mr. Lawrence Ancilleri, as members, convened a public hearing to consider the appeal.

A deposit of €400 was paid.

There were four bids.

The attendance for this public hearing was as follows:

Appellant – Joseph Cachia & Son Ltd. (TID 230891)

Dr Alexandra Galione – Legal Representative
Ing. Billy – Joel Zammit – Company Representative
Ms Maronna Filletti – Company Representative

Contracting Authority – Water Services Corporation

Dr John L Gauci – legal representative
Mr Brian Borg – Chairperson
Ms Christine Scicluna – Secretary
Ing Shawn Agius – Evaluator
Ing Jason Caruana – Evaluator
Ms Mildred Mifsud – Evaluator
Ms Catherine Degabriele – PRS Professional

Opening Statements

Dr. Ana Thomas, Chairperson of the Public Contracts Review Board, welcomed the parties present, namely the Appellant, Joseph Cachia & Son Ltd., and the Contracting Authority, the Water Services Corporation.

Initial Submissions

Initial Submissions by Dr. Alexandra Gaglione (for the Appellant)

Dr. Gaglione stated that Ms. Maronna Filletti, one of the Directors of the company, was present for the hearing. They had no witnesses, but they had submitted an email with documents and were relying on those same documents.

Chairperson Dr. Ana Thomas asked her to proceed with the initial submissions, as the Contracting Authority had witnesses to present.

Dr. Gaglione referred to a case that began in 2023, in which Joseph Cachia & Son Ltd. was awarded a tender for a similar project. Another company, which is also present in this case, had been ranked second, with only a slight discrepancy. The tender awarded to the Appellant was later cancelled. In the meantime, two other tenders were also cancelled while the Appellant was preparing its submissions.

Referring to the present tender, issued on 1 August 2025, Joseph Cachia & Son Ltd. ranked first among the four bidders and submitted the cheapest bid. Again, the discrepancy between the first and second bids was very small.

In the meantime, there were two rectification requests. The first, dated 25 August 2025, stated that the quality assurance system in accordance with ISO 9001:2015 did not include design functions. Her client submitted a copy of an ISO certificate, even though the request was for the certificate “or equivalent.”

The certification presented states:

“The management system is applicable to the design and development, sales projects, manufacturing, sourcing, delivering and life-cycle services of industrial automation, combustion and utilities software solutions and hardware products and accessories.”

Subsequently, Joseph Cachia & Son Ltd. received another rectification request on 5 September 2025, which stated:

“Reference to the applicable plant with design and manufacture functions for water metering technologies and accessories”. That could not be found.

Joseph Cachia & Son Ltd. resubmitted the ISO certification and listed their manufacturing plant in Germany on page 18, stating:

“Manufacturing Design sourcing and sales of industrial automation combustions utilities software solutions and hardware products.”

These were the same certifications the Appellant had presented in other tenders it had been awarded.

Joseph Cachia & Son Ltd. deals with Honeywell, a multinational corporation that manufactures water meters. After submitting all these certificates, the Appellant received a regret letter stating that the tender was being cancelled for the fourth time.

The Water Services Corporation objected to the certificate number mentioned in the ISO certification. Dr. Gaglione explained that the rectification requested the ISO certification, and Joseph Cachia & Son Ltd. also submitted a declaration by Honeywell confirming all the information in the certification. Every certificate number in the ISO certification matched the number included in the original tender submission.

The Water Services Corporation claimed that the information presented was not specific to the water meters being requested; however, the term “utilities” was clear. If the ISO certificate were required to list every product manufactured by Honeywell, it would be 500 pages long. The information is generic but covers the relevant areas for certification, including water meters.

This is the second time the Appellant has applied for this project, and again the tender was cancelled. A common factor in both tenders was the small price discrepancy between the first and second bids. The Appellant wishes to be awarded the tender in the future but now feels prejudiced, as its prices

are publicly known—especially to the second bidder, whose price was very close.

The Appellant appreciates healthy competition and will strive to offer competitive prices, but it feels prejudiced at having to reduce its prices repeatedly. Joseph Cachia & Son Ltd. was fully compliant technically and administratively and had the lowest price. The awarded tender has now been cancelled for the second time.

Initial Submissions by Dr. John L. Gauci (for the Contracting Authority)

Dr. Gauci stated that the Appellant made two unsubstantiated allegations, one relating to the ISO certificate, claiming it had been accepted in every tender. First, there is no proof of this, and second, the requirements in this tender were not the same as those in earlier tenders. This tender concerns the Supply and Delivery of Woltmann Meters WSC/060/2025.

There was also an allegation—again without proof—that the tender was cancelled because of the second-best tenderer. In this case, there is no ranking, only highest and lowest price. The Appellant's tender failed at the administrative stage, after which they were notified of the cancellation under Article 18.3(b) of the General Rules. The cancellation was not motivated by administrative shortcomings by Joseph Cachia & Son Ltd., nor by ranking considerations.

The Corporation has every right to cancel a tender for multiple reasons. The Contracting Authority found that the documents submitted by the Appellant did not satisfy Clause 5A (i) of Section 1 of the tender document.

The administrative request regarding the ISO certification was not met. Clause 5A (i) is divided into two requirements: that the bidder operates a manufacturing facility covered by ISO 9001:2015 or equivalent, with emphasis on certification of design and manufacture, and that the certification relates specifically to the offered meters.

Although a voluminous document was submitted after rectification, this does not mean it satisfied the Corporation's requirement or demonstrated that the ISO certification covered the design and manufacture of Woltmann meters. In fact, the Appellant stated in their first answer that the design function was not performed by Honeywell but by others, in Germany.

When the Authority checked Elster GmbH, Lotte, Germany, they found no evidence of water meter manufacturing. The Authority requested a simple answer as to where the meter was designed, and whether that location had ISO certification. Instead, the Appellant resubmitted the same information.

The Corporation must have certification specific to the requested product. The cancellation had nothing to do with the certificate number, which was considered a typographical error. The documents submitted did not meet the requirements. The tender was cancelled according to Article 18.3(b) of the General Rules, and Dr. Gauci called a witness to clarify matters.

Before proceeding to the Contracting Authority's evidence, Dr Gaglione declared that with the exception of the documents already exhibited in the acts of the proceedings, the Appellant does not have any further evidence to present.

Witness

Mr. Brian Borg (ID No. 360574M), summoned by Dr. John L. Gauci

Mr. Borg explained that the Corporation required confirmation that the plant producing the water meters was covered by ISO certification for both manufacture and design. During adjudication, after communicating twice with Joseph Cachia & Son Ltd., the Authority could not find this information.

Dr. Ana Thomas intervened and asked whether other plants were mentioned in the documents.

Mr. Borg replied that the plants mentioned did not refer to water meters, only automation and software. Dr. Gauci added that the term "utility software" is generic and could refer to gas or electricity. The Corporation decided to change its internal operations and cancelled the tender because it no longer aligned with how the Corporation intended to operate. The cancellation had nothing to do with the bids or ranking.

The Corporation required mechanical water meters; they were never referred to as "utilities hardware."

Final Submissions by Dr. Alexandra Gaglione

Dr. Gaglione acknowledged that the ISO certificate contained extensive information, but it complied with the rectification request. She clarified that Elster GmbH is fully owned by Honeywell. The description in the ISO 9001:2015 certificate refers to combustion and utilities, and in the Appellant's view, "utilities" in this case refers to water.

The Appellant highlighted the relevant sections when submitting the ISO certificate in response to the rectification request. She referred to two tenders previously awarded to the Appellant using the same certifications: WSC/quote-18-15, Part 1 and WSC/T/41/2015.

Dr. Gaglione referred the Chairperson to page 18 of the appendix listing manufacturing products, quoting: *“This appendix identifies the locations by management system of Honeywell Process Solutions”*. She added that Honeywell is well known for water meters.

Final Submissions by Dr. John L. Gauci

Dr. Gauci stated that the issue was not whether Elster GmbH was connected to Honeywell, but that when the Appellant described their design process, the Corporation found no evidence in the documents showing that Elster manufactures water meters, only combustion and utilities software solutions and hardware products. The documents referred to Spain, yet the requested water meters were not manufactured in Germany.

Regarding the previously awarded tenders, Dr. Gauci argued that they were awarded ten years ago, and Dr. Gaglione should have provided proof of the requirements. He asked the Board to confirm the cancellation of the tender.

Conclusion of the Hearing

With no further arguments presented, Chairperson Dr. Ana Thomas thanked the parties and formally concluded the session.”

The written pleadings as filed by Joseph Cachia & Son Limited on the 24th November, 2025, together with proof of payment of a deposit in the amount of €400, wherein it held as follows:

“Dear Sirs,

We would like to kindly file an official objection for the attached letter (Ref.: WSCD 552/25) pertaining to the below tender:

WSC/T/060/2025 - Supply and Delivery of Woltmann Meters DN50-DN300 to the Water Services Corporation

Further to our reply to your request for Clarification/Rectification dated Fri 5-Sep-25, kindly find attached the requested documentation and manufacturer's declaration.

The Manufacturer's declaration makes reference to the ISO 9001:2015 certification also attached; whereby highlighted on Page 18, there is the requested reference to the "applicable plant with design and manufacture functions for water metering technologies and accessories", which is the below:

*Elster GmbH
Strothweg 1, 49504 Lotte (Büren), Germany (Deutschland)*

For ease of reference, from ISO 9001:2015 certification (Certificate Number: QMS-1138d) attached, the design and manufacturing functions are clearly indicated (on page 1):

ISO 9001:2015

This certificate includes 55 (Fifty-five) pages of appendices, 129 (One hundred and twenty-eight) sub-certificates in English, 1 (one) sub-certificate in Czech, 1 (one) sub-certificate in Slovak, and 5 (five) sub-certificates in Chinese covered by management system certification.

The management system is applicable to: *The design and development, sales, projects, manufacturing, sourcing, delivery and life-cycle services of industrial automation, combustion and utilities software solutions and hardware products.*

Central Program Office: Management of the design and development, sales, projects, sourcing, delivery, manufacturing, and life-cycle services of industrial automation, combustion and utilities software solutions and hardware processes.

Furthermore, on page 18 of same attachment, the applicable plant is being indicated and highlighted as below:

This appendix identifies the locations by the management system of

Honeywell Process Solutions (HPS)

This appendix is linked to the Main Certificate # QMS-1138d and cannot be shown nor reproduced without it.

Germany

Elster GmbH

Strothweg 1, 49504 Lotte (Büren), Germany (Deutschland)

Manufacturing, design, sourcing and sales of industrial automation, combustion and utilities software solutions and hardware products.

The Manufacturer's Declaration attached refers to both the above, further consolidating our stance and compliance with the requested information as per Rectification request, therefore fully satisfying the tender requirements.

Bank Transfer of €400 has been sent via Bank of Valletta Ltd.- Proof of Payment attached.

Should you require any further information, we will remain at your entire disposal.

Yours Sincerely,

The written reply as filed by the Water Services Corporation on the 4th December, 2025 (hereinafter the 'Contracting Authority') wherein it held as follows:

"Reasoned reply by the Water Services Corporation in response to the Objection filed by Joseph Cachia & Son Limited on 24 November 2025 concerning tender WSC/T/060/2025 - Supply and Delivery of Woltmann Meters DN50-DN300 to the Water Services Corporation;

Respectfully submits:

1. Introduction and scope of reply

By means of the present, the Water Services Corporation ("WSC" or "the Contracting Authority") wishes to reply to the letter of objection filed by Joseph Cachia & Son Limited on 24 November 2025 concerning tender WSC/T/060/2025.

For clarity, WSC shall outline the relevant tender requirement and the evaluation carried out in respect of the Objector's offer, address the substance of the points raised in the objection, and finally set out its conclusion on the lawfulness of the evaluation outcome and the subsequent cancellation decision.

2. The relevant tender requirement and the nature of the criterion

The tender concerned the supply and delivery of Woltmann meters for use within WSC's distribution network. Although the contract was to be awarded on the basis of the lowest price, this was clearly subject to the bidder satisfying all administrative, eligibility and technical requirements.

The requirement at issue is found in Clause 5(A)(i) of Section 1 of the Tender Document, which specifies that suppliers "who have in operation at their manufacturing facilities a quality assurance system in accordance with ISO 9001:2015, or equivalent, with certification for design and manufacture functions of the offered meters" shall be considered.

This is framed as an eligibility requirement, and the tender document makes it clear that the relevant documentation must be submitted through the tender response format at tendering stage. The clause is explicit that the certification must cover the design and manufacture functions at the actual manufacturing facility or facilities responsible for the offered meters.

This is therefore not a general corporate requirement. It is a site-specific and product specific requirement. The Notes to Clause 5 make clear that a bidder may be asked once to rectify incorrect or incomplete documentation, followed by clarifications on documents already submitted, but that further rectification of the same shortcoming is not permitted, and that the objection procedure cannot be used to introduce new documentation after the expiry of the evaluation process.

3. Evaluation history in respect of Joseph Cachia & Son Ltd

The Objector submitted an offer which, upon opening, appeared to be the lowest priced. During administrative evaluation, however, it became apparent that the ISO 9001:2015 documentation submitted with the offer did not demonstrate that the plant responsible for the manufacture of the offered meters was certified for design functions. The certificate submitted at tender stage did not show that the relevant manufacturing facility had a certified scope including design as required by Clause 5(A)(i).

For this reason, on 25 August 2025, WSC issued a Rectification Request informing the Objector that the certification submitted did not include design functions and expressly requesting the submission of certification including design functions. The Objector responded by submitting an updated ISO 9001:2015 certificate issued by Intertek, bearing number QMS-1138d, together with a sixty-page appendix listing various Honeywell and Elster sites globally. The top-level scope of this certificate states in broad terms that Honeywell Process Solutions is certified for the "design and development, sales, projects, manufacturing, sourcing, delivery and life-cycle services of industrial automation, combustion and utilities software solutions and hardware products".

The appendices list, among many others, the Elster GmbH facility at Strothweg, Lotte, Germany, described only as performing "manufacturing, design, sourcing and sales of industrial automation, combustion and utilities software solutions and hardware products". Separately, another facility in Stará Turá, Slovakia, is identified as being involved in the manufacture and sale of various measuring devices including "watermetering technology and accessories", but the scope assigned to this site does not include any reference to design activities.

WSC's Evaluation Committee examined the updated certificate and its appendices in detail and could not identify any site whose scope combined the design and manufacture functions with an express reference to water-metering technologies. The documentation submitted through ePPS did not indicate that any listed plant was certified for both design and manufacture of the offered meters.

In order to give the Objector every reasonable opportunity permitted by the tender rules, the Evaluation Committee issued a Clarification Request dated 5 September 2025. In this request, WSC informed the Objector that, even with the updated certificate, the Committee could not identify the applicable plant with design and manufacture functions for water-metering technologies and accessories, and therefore invited the Objector to indicate the plant in question.

The Objector responded by pointing to the Elster GmbH plant in Germany and by submitting a declaration dated 10 September 2025 issued by Elster Medición S.A.U., stating that Honeywell and its subsidiaries had the necessary capabilities to design and manufacture meters and that the German plant in question carried out such functions. However, this declaration referred to a different certificate number, namely QMS1138p-A100, which was never submitted through the tendering system at any stage. More importantly, the site-level description of Elster GmbH found in the appendices to the certificate actually submitted (QMS-1138d) contains no reference whatsoever to water-metering technologies and is limited to generic descriptions of industrial automation and related hardware.

It therefore remained the case that no site listed in the certificate and appendices actually submitted through ePPS satisfied the cumulative requirement of design and manufacture functions with an express scope covering the offered meters. The certification requirement under Clause 5(A)(i) thus remained unsatisfied even after both rectification and clarification.

Separately from the specific administrative shortcoming relating to the Objector's offer, the WSC cancelled the tender pursuant to reference 18.3 (b) of the General Rules.

4. Summary of the Objection and its Main Arguments

The Objector's position is that WSC should have accepted the combination of the global ISO certificate QMS-1138d, its appendices and the declaration dated 10 September 2025 as proof that the manufacturing facility responsible for the offered meters met the certification requirement. The Objector relies on the fact that the corporate scope of the certificate includes the words "design and development" and "manufacturing", argues that the German plant forms part of the certified organisation, and asserts that the declaration should have been accepted to substantiate that this plant performs design and manufacture functions for watermetering technologies. On this basis, it is claimed that Clause 5(A)(i) was satisfied and that WSC's conclusion to the contrary was incorrect.

5. WSC's Position on the Objection

WSC respectfully submits that the objection is unfounded.

The tender requirement at Clause 5(A)(i) is explicitly site-specific and product-specific. It requires the bidder to demonstrate that the manufacturing facility or facilities responsible for producing the offered meters are ISO-certified for the relevant design and manufacture functions. A generic corporate certificate cannot satisfy this requirement unless the site-specific scope for the relevant plant clearly demonstrates both functions and does so specifically in relation to water-metering technologies. The documentation submitted by the Objector does not do so. Neither at tender stage, nor at rectification stage, nor during the subsequent clarification period did the Objector submit ISO 9001:2015 certification showing that the German plant (Elster GmbH, Lotte) has a scope covering the design and manufacture of water-metering technologies. The relevant entry in the appendices describes only generic industrial automation and hardware-related activities, with no mention of water meters. Likewise, although the Slovak plant's scope mentions water-metering technologies, it does not include design functions. At no stage did the Objector identify any plant combining design, manufacture and an express scope for water-metering technologies.

The declaration dated 10 September 2025 does not cure this deficiency. Apart from referring to a certificate that was never submitted during the tender process, the declaration is not a substitute for the required ISO certification and cannot be accepted at objection stage to modify or supplement the contents of the offer. The objection mechanism cannot be used as a second rectification opportunity or as a means to introduce new certification after the expiry of the evaluation period.

Furthermore, WSC expressly requested the Objector, by means of the Clarification Request of 5 September 2025, to indicate the applicable plant and the specific portion of the certification demonstrating compliance. The Objector did not provide any such reference. The Evaluation Committee was therefore correct in concluding that the eligibility requirement remained unsatisfied.

In short, while the global certificate contains broad references to design and manufacturing, these do not replace the need for clear site-level certification covering the design and manufacture of the specific products that were to be supplied under this tender. The Objector did not provide such certification.

Reference is made to the judgment of Court of Appeal (Superior) of the 30 November 2023 in the names Melchior Dimech v. Ministeru għall-Finanzi u Xogħol et (Rik Nru 429/23/1) which dealt expressly with the importance that the tenderer provides certification in the manner requested in the tender documents:

*Bir-raġun għalhekk li l-kumitat tal-għażla u l-Bord ta' Reviżjoni sabu li l-offerta tal-appellant ma kinitx thares lanqas din il-btieġa. **Jekk ir-regoli tas-sejha kienu jimponu l-preżentata ta' ċertu dokumenti, allura l-offerent għandu jagħti dak id-dokument u mhux jippretendi li l-awtorità taċċetta dokument ieħor li ma jkunx dak li jkun għe mitlub.***

6. Conclusion

For the above reasons, WSC respectfully submits that the objection is without merit. The Objector failed to demonstrate, through the documents submitted during the evaluation period, that any plant responsible for producing the offered Woltmann meters was covered by an ISO 9001:2015 certification encompassing both design and manufacture functions for water-metering technologies, as required by Clause 5(A)(i). Despite being afforded all opportunities permitted under the tender

rules, the Objector did not remedy this deficiency. The declaration relied upon refers to a certificate never forming part of the tender submission and cannot be used at objection stage to alter the basis of eligibility.

The Evaluation Committee therefore acted correctly and in accordance with the Tender Document and the Public Procurement Regulations in determining that the Objector's offer was non-compliant. The subsequent cancellation of the tender was also properly decided and notified.

In view of the above and other submissions that will be made at the hearing of this Objection, WSC respectfully requests the Public Contracts Review Board to reject the objection in its entirety and to uphold both the evaluation outcome and the cancellation decision.”

The opening and closing submissions of the Appellant and the Contracting Authority as delivered by their legal representatives;

Considers;

The Board must underline that the Appellant’s appeal is somewhat flawed, in that it makes absolutely no reference to and did not *per se* appeal from the cancellation of the tender. The Appellant solely states that it would like to file “*an official objection for the attached letter*”. Neither does the Appellant outline any requests but rather that argues that it fully satisfies the tender requirements.

In reply to the Appellant’s argumentation of full compliance, the Contracting Authority argues that the Tender Document clearly required, as an eligibility criterion, certification to cover the design and manufacturing functions at the relevant facility responsible for the meters to be offered in line with ISO 9001:2015. The Contracting Authority stated that notwithstanding a rectification request as well as a request for clarification, this certification requirement remained unsatisfied. The Contracting Authority further holds that documentation provided by the Appellant, particularly the appendices, refer to generic industrial automation and hardware-related activities and fail to mention water meters. The Contracting Authority further finds fault at the Appellant’s reliance on a declaration dated 10th September, 2025 which refers to certification not submitted during the tendering process, and which in its opinion could not substitute the required ISO certification.

The Board refers to Clause 5(A)(i) of the Tender Document which states as follows: “***Only suppliers who have in operation at their manufacturing facilities a quality assurance system in accordance with ISO 9001:2015, or equivalent, with certification for design and manufacture functions of the offered meters, will be considered. For this reason, manufactures are to submit documentation and certifications to this regard. This information is to be submitted online through the tender response format (tender structure).***”¹

This Board, having reviewed the entirety of the documentation presented by the Appellant during this tendering process, must agree with the Contracting Authority that whilst the documentation presented by the Appellant contains broad reference to design and manufacture, the same documentation does not provide the require site-level certification confirming compliance with ISO 9001:2025 for the specific products which were to be supplied as clearly required by Clause 5(A)(i) of the Tender Document.

Therefore, the Appellant’s contentions are wholly unfounded.

¹ Page 4 of the Tender Document.

DECIDE

The Board, in view of the foregoing and on the basis of the considerations as outlined above, declares and decides to reject the Appellant's appeal in its entirety.

The Board further decides not to re-imburse the deposit paid by the Appellant Joseph Cachia & Son Limited.

Dr Ana Thomas
Chairperson

Ing. Dr Damien Gatt
Member

Mr Lawrence Ancilleri
Member

Tuesday 20th January, 2026.