

27th May 2026

The Secretary
Public Contracts Review Board
 Notre Dame Ravelin, Floriana FRN 1600, Malta
 Submitted electronically to: info.pcrb@gov.mt



Reference	CT2021/2026
Appellant	Miracles Unmanned Solution JV TID 000241220
Subject	Framework Contract – Temperature-Controlled Drone Transportation Services (Malta–Gozo) for MFH
Filing Deadline	Noon, Thursday 28th May 2026
Deposit	€4,992 – paid via bank transfer to Cashier Malta Government, IBAN MT55MALT011000040001EURCMG5001H

FORMAL OBJECTION PURSUANT TO THE PUBLIC PROCUREMENT REGULATIONS

Against the Recommended Award Decision dated 18th May 2026

1. Preliminary Statement

This formal objection is submitted on behalf of Miracles Unmanned Solution JV (TID 000241220) (hereinafter "the Appellant") against the decision of the Department of Contracts, communicated by letter dated 18th May 2026, to disqualify the Appellant's tender submission under reference CT2021/2026 on grounds of administrative non-compliance and to recommend award of the Framework Contract to an alternative bidder.

The Appellant respectfully submits that the disqualification decision is unlawful, procedurally flawed, and founded upon a specification that is itself technically defective and internally contradictory. Furthermore, the Appellant contends that the recommended award is to a bidder whose certified operational capability is fundamentally incapable of fulfilling the contractual obligations as specified — a matter that goes to the root of the procurement process.

The Appellant presented the most competitive bid for this contract. The disqualification of the best-value bidder, premised upon a suitability criterion that is incompatible with the operational reality of this contract, constitutes a manifest error of assessment and a breach of the fundamental principles of equal treatment, proportionality, and transparency enshrined in EU public procurement law.

2. Background and Procedural History

The tender CT2021/2026 was issued for the provision of a Framework Contract for temperature-controlled transportation services by drone for routine and critical medical and/or pharmaceutical consignments between Malta and Gozo healthcare venues for the Ministry for Health (MFH).

The Appellant submitted a tender in response to this procurement. The Evaluation Committee identified an administrative shortcoming, noting the absence of evidence of possession of either an EASA-approved Operations Manual for Specific Category UAS operations and/or a Light UAS Operator Certificate (LUC) at tender submission stage, as purportedly required under Section 1, Clause 5B(a).

Following the Administrative Rectification request, the Appellant submitted a substantive response dated 7th May 2026 (the "Rectification Submission"). In that submission, the Appellant did not merely commit to future compliance; rather, the Appellant advanced a detailed technical and regulatory argument demonstrating that:

- the operational profile, payload requirements, and mission parameters set out in the tender specification exceed the regulatory envelope ordinarily associated with standard Specific Category UAV operations and a standard LUC;
- the appropriate regulatory pathway for operations of this nature would require a full Specific Operations Risk Assessment (SORA), Transport Malta operational authorisation, and where applicable, certification under the PART-21 airworthiness framework; and
- accordingly, the LUC requirement as specified in Clause 5B(a) does not constitute an appropriate or sufficient suitability threshold for the operational category actually contemplated by this tender.

The Department of Contracts rejected the Rectification Submission by way of the disqualification letter dated 18th May 2026, without engaging substantively with the technical and regulatory arguments advanced therein. The Appellant submits that this failure to engage with the substance of the Rectification Submission is itself an independent ground of procedural error.

3. Grounds of Objection

Ground I — The Tender Specification is Technically Defective and Ultra Vires

The Appellant's engineering assessment, supported by its technical experts, demonstrates conclusively that the combined payload and operational requirements set out in the tender specification cannot be satisfied by any UAV platform operating within the regulatory envelope covered by a standard Light UAS Operator Certificate. The analysis is as follows:

Ref	Tender Requirement	Technical Reality
a.	Minimum UAV payload of 10kg, with additional evaluation points awarded for payload capacity of 20kg or above	The minimum threshold of 10kg already establishes a significant payload requirement. The award of additional BPQR points for 20kg capacity indicates that the contracting authority itself anticipated operations at the higher end of the payload spectrum.
b.	Minimum medical container internal volume of 10 litres	To achieve 10 litres of usable internal volume in a medically compliant temperature-controlled container, a minimum of three structural layers of thermal insulation and temperature-control components are required.

- These components bring the total container weight to approximately 14kg or above, before any medical payload is loaded.
- c. Each drone must simultaneously accommodate chilled (2–8°C) and ambient (15–25°C) consignments without cross-contamination or temperature deviation
- This requirement mandates that each individual drone carries two separate, thermally isolated containers simultaneously — one chilled, one ambient. With each container weighing in excess of 14kg, the combined operational payload per flight mission exceeds 28kg. This is before accounting for the structural and propulsion weight of the UAV airframe itself.

The inescapable engineering conclusion is that any UAV platform capable of carrying a combined payload in excess of 28kg will, by definition, have a Maximum Take-Off Weight (MTOW) substantially above 25kg. **This is not a matter of regulatory interpretation — it is a matter of physics and airworthiness engineering.**

Under Commission Implementing Regulation (EU) 2019/947 and the associated EASA regulatory framework, UAV operations at this MTOW threshold require certification, authorisation, and operational frameworks that are materially more rigorous than those associated with a standard Light UAS Operator Certificate. The SORA process applicable to such operations would, in all probability, result in a SAIL III or SAIL IV classification, requiring correspondingly more stringent authorisation pathways under Transport Malta.

The Department of Contracts therefore published a tender specification that simultaneously demands operational performance requiring a higher-grade certification pathway, while specifying a suitability threshold — the LUC — that is **categorically insufficient** to cover those very operations. This internal contradiction renders the suitability requirement in Clause 5B(a) defective on its face and ultra vires the operational requirements of the tender itself.

Ground II — The Specification Fails to Address the Hardware/Operator Distinction

The regulatory framework governing UAV operations distinguishes between two distinct layers of compliance: (i) the airworthiness and capability of the UAV platform (hardware); and (ii) the licensing and certification of the operator/pilot (software and human element). These are legally and operationally separate requirements.

The suitability criterion in Clause 5B(a) addresses only the operator certification layer, through the LUC requirement. The tender specification contains no corresponding suitability criterion addressing UAV platform capability, airworthiness certification, or hardware payload capacity. This is a fundamental structural omission.

The hardware is the binding constraint in this procurement. No level of operator certification can compensate for a UAV platform that is physically incapable of carrying the required payload. By failing to specify platform capability as a suitability criterion — and instead specifying only operator certification at a level insufficient for the operational profile — the Department of Contracts has designed a selection process that is both incomplete and internally inconsistent.

This structural omission, combined with the payload analysis set out under Ground I above, means that the suitability framework established by the tender cannot reliably identify bidders who are genuinely capable of performing the contract. Disqualifying the Appellant on the basis of this defective criterion compounds the error.

Ground III — Breach of the Principles of Proportionality and Equal Treatment

The Appellant operates UAV platforms with payload capabilities that meet and exceed the operational requirements of this tender. As a consequence, the Appellant holds certifications and operational authorisations commensurate with — and in material respects superior to — the standard LUC specified in Clause 5B(a). The Appellant's higher-grade certification is not a deficiency; it is direct evidence of a more qualified operator.

To disqualify a bidder whose operational certifications, exceed the specified threshold, on the basis that those certifications do not take the precise form specified, is disproportionate and contrary to the principle of equal treatment. The purpose of a suitability criterion is to establish a minimum floor of technical and regulatory capability. A bidder whose capabilities and certifications are demonstrably above that floor must be treated as meeting the suitability requirement, even if the form of their certification differs from that specified.

Furthermore, applying the LUC requirement as an absolute and inflexible threshold — without any consideration of equivalent or superior regulatory compliance — is disproportionate in the context of a procurement whose actual operational demands, as demonstrated above, exceed the regulatory scope of the LUC entirely. This approach elevates procedural formalism above substantive capability assessment, in direct conflict with the objectives of EU public procurement law.

Ground IV — Failure to Engage with the Substance of the Rectification Submission

The Appellant's Rectification Submission of 7th May 2026 advanced detailed technical and regulatory arguments demonstrating the deficiencies in the tender specification's suitability framework. These were not mere commitments to future compliance — they were substantive legal and engineering arguments going to the validity of the criterion itself.

The disqualification letter of 18th May 2026 makes no reference to, and does not engage with, the substance of those arguments. It characterises the Rectification Submission solely as a commitment to provide documentation after contract award, which is a mischaracterisation of its content. This failure to consider material submissions constitutes a procedural error rendering the decision flawed and susceptible to review.

Ground V — The Professional Declaration Form Expressly Permits Post-Award Provision of Documentation

The Appellant draws the Board's attention to a matter of fundamental procedural consistency that, in the Appellant's submission, directly undermines the legal basis for the disqualification decision.

As part of the standard tender documentation for CT2021/2026, all bidders — including the Appellant — were required to execute a Professional Declaration Form (the Declaration). The Declaration, which forms an integral part of the tender process administered by the Department of Contracts, contains the following express commitment:

I, the undersigned, hereby declare and commit myself to, in case of award, provide the Contracting Authority (CA) with the necessary valid documentation which attests that the proposed Key Expert/s has/have been duly authorised by the relevant official body to operate the requested and indicated profession in Malta. I also confirm that the aforementioned documentation shall be made available to the CA within one (1) month from notification of contract award (letter to successful bidder) date.



The Declaration further provides that, in the event the named authorisation is not made available within the stipulated timeframe, the Key Expert/s being proposed shall be substituted without further delay within two working days of notification. For contracts carrying BPQR award criteria — as is the case here — the alternative Key Expert proposed shall fulfil or exceed the qualifications of the one proposed at tender submission stage.

The existence and terms of this Declaration are deeply significant. **The Department of Contracts itself designed and required a mechanism whereby certain professional authorisations and documentation need not be held at tender submission stage, but may be committed to and provided within one month of contract award.**

The Appellant executed this Declaration. Its commitment — both within the Declaration and within the Rectification Submission — to obtain the necessary Transport Malta operational authorisation and all related certifications prior to commencement of operations is entirely consistent with, and indeed directly supported by, this standard procurement instrument.

The Department of Contracts cannot, without manifest inconsistency, simultaneously:

- design and require a Professional Declaration Form that expressly permits post-award provision of professional authorisation documentation; and
- disqualify a bidder for committing to provide regulatory authorisation documentation following contract award.

To do so applies two contradictory standards within the same procurement process: accepting post-award commitment as sufficient under the Declaration while rejecting substantively identical commitment as insufficient under the Rectification process. This selective and inconsistent application of procedural standards constitutes a breach of the principle of equal treatment and a manifest error of process.

The Appellant respectfully submits that the Declaration Form constitutes an **express acknowledgement by the contracting authority** that post-award provision of authorisation documentation is a legitimate and accepted mechanism within this procurement. Applied consistently, that mechanism should have been extended to the Appellant's commitment to obtain Transport Malta authorisation — and the disqualification decision should not have been made.

4. Relief Sought

For the foregoing reasons, the Appellant respectfully requests that the Public Contracts Review Board:

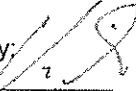
1. Suspend the recommended award to the alternative bidder pending determination of this objection;
2. Review and set aside the disqualification decision of 18th May 2026;
3. Direct the Evaluation Committee to reconsider the Appellant's tender submission on its substantive merits, having regard to the technical and regulatory arguments advanced in the Rectification Submission and in this Objection;
4. Alternatively, declare that the suitability criterion in Section 1, Clause 5B(a), as specified, is technically defective and inconsistent with the operational requirements of the tender, and order the re-evaluation of all submissions on a corrected basis; and
5. Order the return of the objection deposit of €4,992 in the event that this objection is upheld.

5. Closing Statement

The Appellant reiterates its full commitment to compliance with all applicable aviation, safety, healthcare, and regulatory standards. It stands ready to engage constructively with the Board, the Department of Contracts, and any relevant regulatory authority, including Transport Malta, in order to demonstrate its operational capability and regulatory standing.

The Appellant respectfully urges the Board to look beyond procedural formalism to the substantive issue at the heart of this procurement: whether the contracting authority has designed and applied a suitability framework that is fit for purpose, technically coherent, and capable of identifying the operator best placed to deliver safe, compliant, and effective drone-based medical logistics services between Malta and Gozo.

The Appellant submits that, on the evidence, it is that operator — and that the recommended award decision does not serve the public interest, the objectives of this procurement, or the requirements of EU public procurement law.

<p>Submitted by: Miracles Unmanned Solution JV TID 000241220</p> <p>Authorised Signatory: </p> <p>Name: <u>KEVIN MC ALLEF</u></p> <p>Title: <u>JV REPRESENTATIVE</u></p> <p>Date: 27th May 2026</p>	<p>Deposit Payment Confirmation: Amount: €4,992 Beneficiary: Cashier Malta Government Bank: Central Bank of Malta IBAN: MT55MALT011000040001EURCMG5001H BIC: MALT MT MT</p> <p>Payment Reference/Transfer No.: _____</p>
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Bank of Valletta p.l.c
 Registration Number: C 2833
 Registered Office: 58 Zachary Street, Valletta VLT 1130 - Malta

Pay third party

Reprinted by: Ms. Ekaterina Grigoryevna Galea
 Reprinted on: 28/05/2026 - 11:23
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Transaction details

Date: 28/05/2026

From: Internet Banking

Transaction ID: 179640257

Status: Registered

Transaction: Pay third party

Beneficiary Name & Surname / Company / Group name: CASHIER MALTA GOVERNMENT

Relation: Financial Services

Reason: Other

Payment details: CT2021/2026, Miracles Unmanned Solution JV, TID 000241220

Currency: EUR - Euro

Beneficiary IBAN/Account: MT55MALT011000040001EURCMG5001H

Beneficiary IBAN/Account type: Valid IBAN of country - Malta

Bank name: Other bank

Bank address / Bank's BIC: Let the bank apply the beneficiary bank BIC

Beneficiary address: No

Withdraw from account: QCSL - Clients Ac (EUR) 4002131762 2

Charges should be paid by: Shared - I pay BOV charges; CASHIER MALTA GOVERNMENT pays the beneficiary bank charges

Amount: EUR 4,992.00

Receiving bank to get the money as: normal priority payment

FPAD Result: The name you entered is very similar to our records: CASHIER MALTA GOVERNMENT CALL ACCOUNT - GENERAL. If you continue without correcting it, the payment may be sent to the wrong person, and recovery may not be possible as it could result in fraud. This Verification of Payee check will not block the payment, but it is simply providing additional security. Please verify the payment details with the recipient before proceeding.

To be effected on: as soon as possible

Credited amount: EUR 4,992.00

Debited amount (excluding charges): EUR 4,992.00

Estimated amount to be withdrawn from account: EUR 4,996.00

Transaction charge: EUR 4.00

Creator: Ms. Ekaterina Grigoryevna Galea

Authorised by: Mr. Carlo M Vigna, Ms. Ekaterina Grigoryevna Galea

Result: Your instructions have been processed successfully.