

**ECB - Negotiated tender procedure for the operation of an extended  
custodial inventory programme for euro banknotes (D-Frankfurt-on-Main)**

**2008/S 167-223855**

**Contract notice**

**Section I: Contracting authority**

**I.1) Name, addresses and contact point(s):**

European Central Bank, attn: Alberto Molon, Kaiserstraße 29, D-60311 Frankfurt-on-Main. Fax (49-69) 13 44 71 10. E-mail: [procurement@ecb.int](mailto:procurement@ecb.int).

**Internet address(es):**

General address of the contracting authority (URL): [www.ecb.int](http://www.ecb.int).

**Further information can be obtained at:**

As in above-mentioned contact point(s).

**Specifications and additional documents (including documents for competitive dialogue and a dynamic purchasing system) can be obtained at:**

As in above-mentioned contact point(s).

**Tenders or requests to participate must be sent to:**

As in above-mentioned contact point(s).

**I.2) Type of the contracting authority and main activity or activities:**

European institution/agency or international organisation.

The contracting authority is purchasing on behalf of other contracting authorities: no.

**Section II: Object of the contract**

**II.1) Description**

**II.1.1) Title attributed to the contract by the contracting authority:**

Negotiated tender procedure for the operation of an extended custodial inventory programme for euro banknotes.

**II.1.2) Type of contract and location of works, place of delivery or of performance:**

Services.

Service category: No 06.

Main place of performance: East Asia.

NUTS code: AA07, AA08, AA11, AA22.

**II.1.3) The notice involves:**

The establishment of an agreement.

**II.1.4) Information on agreement:**

Agreement with several operators.

Duration of the agreement: duration in year(s): 3 years with the possibility of extension for 1 further year.

**II.1.5) Short description of the contract or purchase(s):**

The European Central Bank (hereinafter 'ECB') intends, by way of a negotiated tender procedure, to contract private banks operating in the field of wholesale banknote trading (hereinafter 'ECI Banks') to run an Extended

Custodial Inventory programme (hereinafter 'ECI programme') for euro banknotes on sites in China and/or Hong Kong and/or Singapore and/or Japan for a period of 3 years with the option to prolong the contract by 1 year. Under an ECI programme, cash — in this case euro banknotes — is held by a designated wholesale bank on a custodial basis in a segregated vault or segregated area within the vault. The Deutsche Bundesbank (hereinafter 'BBk') will act as the national central bank supplying the euro banknotes on behalf of the Eurosystem. For all euro banknotes in transit between the BBk and the ECI Bank and held in the ECI Bank's segregated vault/area a claim of the BBk for payment against the ECI Bank is created. The amount of this claim varies on a day-to-day basis depending on the ECI Bank's cash transactions with the BBk and the ECI Bank's customers. The ECI account will be debited only when the ECI Bank sells euro banknotes to its customers, and will be credited when the ECI Bank buys euro banknotes from its customers.

II.1.6) **Common procurement vocabulary (CPV):**

67133000.

II.1.7) **Contract covered by the Government Procurement Agreement (GPA):**

Yes.

II.1.8) **Division into lots:**

No.

II.1.9) **Variants will be accepted:**

No.

II.2) **Quantity or scope of the contract**

II.2.1) **Total quantity or scope:**

The ECI programme shall be established with a view to support the distribution of euro banknotes, obtain statistical data on euro banknote circulation outside the euro area and to ensure the integrity and preservation of euro banknotes in circulation. These objectives shall be achieved by imposing on the ECI Bank obligations pertaining to statistical reporting and to the processing of euro banknotes according to minimum authentication and fitness requirements.

The ECI account and ECI securities account will be held with the BBk. The ECI Bank will arrange all transports and pay the related costs of banknote transports between the BBk and the ECI site. The ECI Bank will be allowed to store/have in transit euro banknotes totalling a maximum of EUR 200 000 000 (or lower, depending on the ECI Bank's financial capacity) and must ensure that the risks of its becoming insolvent or of non-payment, damage, theft or robbery of banknotes held by it are fully covered up to that amount for the duration of the contract. This will be achieved by providing the BBk, as the beneficiary, with eligible collateral to cover this amount.

II.2.2) **Options:**

No.

II.3) **Duration of the contract or time limit for completion:**

Duration in months: 36 months with the possibility of extension for further 12 months (from the award of the contract).

**Section III: Legal, economic, financial and technical information**

III.1) **Conditions relating to the contract**

III.1.2) **Main financing conditions and payment arrangements and/or reference to the relevant provisions regulating them:**

There will be no payments for the services of the ECI Bank.

III.1.3) **Legal form to be taken by the grouping of economic operators to whom the contract is to be awarded:**

The establishment of a temporary grouping of companies is allowed. In the application, all the members of the temporary grouping must declare in writing that:

- (i) in case of an order they will provide all services as a temporary grouping, and
- (ii) all the members will have joint and several liability for the performance of the contract.

A single legal entity shall represent the whole grouping. The parts of the supplies and/or services that will be performed by the individual companies shall be specified.

**III.2) Conditions for participation**

**III.2.1) Personal situation of economic operators, including requirements relating to enrolment on professional or trade registers:**

— To be a private bank operating in the field of wholesale banknote trading.

**III.2.2) Economic and financial capacity:**

— The applicant must provide evidence that he has the financial capacity to fulfil the contract. As evidence the applicant shall provide copies of its audited accounts and balance sheets for the past 3 years or equivalent certified documentation demonstrating its financial position; and

— the applicant must provide evidence that he had a minimum trading volume (euro banknote purchases and sales) totalling EUR 2 500 000 000 in 2007. As evidence, the applicant shall provide statistics indicating the volume of euro banknotes traded during the last 3 years, together with a geographical distribution of its customers.

**III.2.3) Technical capacity:**

— The applicant must provide evidence that he has adequate experience in the international trading of banknotes and thus be competent to fulfil the tasks of an ECI Bank. Should an applicant already have experience as an ECI Bank for other currencies, it will provide a short description of the activities carried out over the past 3 years, the names of the contractual party/parties involved, the term of the contract(s) in question as well as figures on the volumes of shipments handled. The ECB reserves the right to request documentary evidence that the listed contract(s) have indeed been performed,

— the applicant must provide evidence that he has robust security and banknote handling procedures in place at the applicant's site and/or its subcontractor(s). These will be verified by means of a visit by the ECB and/or the BBk to the relevant site(s) and encompass checking the security and banknote handling procedures in place in the banknote processing facilities and vaults of the applicant and/or its subcontractors. During this visit the ECB and/or BBk may also meet representatives of the management and staff of the applicant and/or subcontractors, if deemed necessary,

— the applicant must commit to complying with the requirements laid down in the 'Framework for the detection of counterfeits and fitness sorting by credit institutions and other professional cash handlers' (hereinafter 'framework'). The applicant shall list the machines to be used for the fulfilment of banknote processing obligations. In the event that these machines have not been tested for compliance with the framework, the applicant must agree for them to be tested accordingly. Non-compliant machines cannot be used for processing euro banknotes within the ECI programme. The applicant shall agree to the re-testing of machines by the ECB and/or the BBk at any time with a view to ensuring timely and reliable detection of the most recent euro counterfeits.

**III.3) Conditions specific to services contracts**

**III.3.1) Execution of the service is reserved to a particular profession:**

No.

**III.3.2) Legal persons should indicate the names and professional qualifications of the staff responsible for the execution of the service:**

Yes.

**Section IV: Procedure**

**IV.1) Type of procedure**

**IV.1.1) Type of procedure:**

Negotiated.

**IV.1.3) Reduction of the number of operators during the negotiation or dialogue:**

No.

**IV.2) Award criteria**

**IV.2.1) Award criteria:**

The contract will be awarded to all applicants that fulfil the qualification criteria and agree to nominate and make use of an ECI account and ECI securities account (the holder of which must be located in the euro area) with the BBk and to cover credit risks of up to EUR 200 000 000 by providing the BBk with eligible collateral. This ceiling might be adjusted depending on the applicant's financial capacity.

**IV.2.2) An electronic auction will be used:**

No.

**IV.3) Administrative information**

**IV.3.3) Conditions for obtaining specifications and additional documents:**

In order to participate in the tender procedure, interested economic operators have to request the invitation to tender document at the address indicated in I.1. This document provides a precise indication about the format of the application and about the documents and information that the application must contain in order to be considered valid.

Time limit for receipt of requests for documents or for accessing documents:

25.9.2008 (12:00), CET.

Payable documents: no.

**IV.3.4) Time limit for receipt of tenders or requests to participate:**

2.10.2008 (12:00), CET.

**IV.3.5) Date of dispatch of invitations to tender or to participate to selected candidates:**

The invitation to tender will be sent to all interested economic operators that will request it. It should be noted that the invitation to tender also provides information on the requested format of the application and it is a necessary document for the applicants to be able to submit an application.

**IV.3.6) Language(s) in which tenders or requests to participate may be drawn up:**

English.

**IV.3.7) Minimum time frame during which the tenderer must maintain the tender:**

Duration in month(s): 9 (from the date stated for receipt of tenders).

**IV.3.8) Conditions for opening tenders:**

Place: tenders shall be opened shortly after the deadline for receipt of tenders has expired, at the address in I.1.

Persons authorised to be present at the opening of tenders:

Members of staff of the ECB only.

**Section VI: Complementary information**

**VI.1) This is a recurrent procurement:**

It is expected that this will be a recurrent procurement, and if required, further notices shall be published prior to the termination of any new contract that results from this procurement exercise.

VI.3) **Additional information:**

It should be noted that the ECB Decision of 3.7.2007 laying down the Rules on Procurement (ECB/2007/5) (published under OJ L 184, 14.7.2007, 34 or <http://www.ecb.int/ecb/proc/tenders/html/index.en.html>) is not applicable since the financial services to be provided by the successful tenderers do not fall within the scope of this Decision (see Article 2(3)(e) of the Decision).

The award of contract will immediately bind the applicants, whose legal representative(s) must sign the contract within 40 days of notification of the award. In the event that the applicant fails to respect the aforementioned term without proper justification, the ECB may unilaterally cancel the award without obligation. The ECB reserves the right to claim reimbursement, from the non-fulfilling party, of any costs resulting from such cancellation.

VI.4) **Procedures for appeal**

VI.4.1) **Body responsible for appeal procedures:**

European Central Bank — Central Procurement Office, Kaiserstraße 29, D-60311 Frankfurt-on-Main. Fax (49-69) 13 44- 7110. E-mail: [procurement@ecb.int](mailto:procurement@ecb.int). URL: [www.ecb.int](http://www.ecb.int).

VI.5) **Date of dispatch of this notice:**

19.8.2008.