



Pre-Qualification Document

PQ Ref. No.: BSPM/08/CS/AG/2020

Provision of Consultancy Services

27/07/2020

**UPDATED VERSION OF 28/08/2020 (ALL MODIFICATIONS ARE
HIGHLIGHTED IN RED)**

Contents

1. INTRODUCTION.....	3
2. CONTENTS OF THIS PQD	3
2.1 Overview of the Procurement Requirement.....	4
2.2 Type of Procurement Procedure.....	4
2.3 Procurement Process Steps and Timelines.....	4
2.4 The ESM "Sole Contact" Details.....	4
2.5 Clarification Matters.....	5
2.6 Application Structure and Response Instructions.....	5
2.7 Coordinates and Guidelines for Submission of Applications.....	6
2.8 Eligibility, Exclusion and Selection Criteria	6
3. TERMS AND CONDITIONS OF THIS PQD	7
3.1 Rights of the ESM.....	7
3.2 Cost of Participating in the Procurement Process	7
3.3 Trade Name, Logo and Marks	7
3.4 Confidentiality	8
3.5 Reliance on Third Parties	8
3.6 Transfer of Undertakings	9
1.1. Declaration on the Eligibility, Exclusion Criteria, Economic, Financial and Operational Capacity and the Absence of Conflict of Interest.....	22
DECLARATION ON THE ELIGIBILITY CRITERIA	23
1.2. Non-Collusion Declaration	24
NON-COLLUSION DECLARATION	25
2. Selection Criteria	26
3. Other Required Information and Documents	30
3.1. Cover Certification Form.....	30
COVER CERTIFICATION FORM.....	31

1. Introduction

The European Stability Mechanism (“ESM”) is a permanent crisis resolution mechanism established by the euro area Member States as an intergovernmental organisation under public international law. Its purpose is to ensure the financial stability of the euro area as a whole, and of its Member States experiencing severe financing problems, by providing financial assistance through a number of instruments.

More background information about the ESM may be found on the website: <https://www.esm.europa.eu/>

Neither Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014, nor Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (as amended) apply to the ESM. The ESM procures supplies, services and works on its own behalf and for its own account pursuant to the ESM Procurement Policy as published on the ESM website. Please visit the ESM website for further information.

This Pre-Qualification Document (“PQD”) sets out the eligibility, exclusion and selection criteria, as part of a pre-qualification stage (“Stage 1”) of the two-stage procurement procedures of the ESM (i.e. Restricted Procedures and Negotiated Procedures), in order to assess the suitability of a Candidate to participate further in this procurement procedure. Candidates, which are successful at Stage 1 (pre-qualified Candidates) and, if applicable, chosen by the ESM among the eligible and suitable Candidates, will be invited to participate in the subsequent Request for Proposal stage of the procurement procedure (“Stage 2”).

For the purposes of this PQD, economic operators who wish to apply to this procurement procedure are referred to as “Candidate” or “Candidates” and their response is referred to as an “Application” or “Applications”.

Unless otherwise defined in this PQD, all capitalised terms used in this PQD have the meanings ascribed to them in the ESM Procurement Policy.

2. Contents of this PQD

The PQD consists of the following documents:

No.	Document Title	Comment
1.	Prequalification Document – Core Document	This document
2.	Annex 1 – Summary Description of the Procurement Requirement	Included as Annex 1 to this PQD
3.	Annex 2 – Eligibility, Exclusion & Selection Criteria including declarations, forms, questions and other response elements to be addressed	Included as Annex 2 to this PQD

2.1 Overview of the Procurement Requirement

The ESM intends to conclude multiple framework contracts (the “Framework Agreement(s)” or “Contract(s)”) with various providers (the “Service Provider(s)”) for the provision of consultancy services to support the ESM in various business areas and activities (the “Discipline(s)”). The consultancy services will be performed primarily at the ESM’s offices in Luxembourg.

The ESM will conclude Framework Agreements across four LOTs:

- LOT 1 - Financial services
- LOT 2 - IT services
- LOT 3 - Corporate services
- LOT 4 - Banking and economic services

The Framework Agreements to be awarded as a result of this procurement procedure will have an initial three (3) year term with a possibility of one extension of one (1) additional year at the ESM’s sole discretion. The maximum term of the Framework Agreements will be four (4) years.

Candidates may respond to one, multiple or all LOTs and to a single or multiple Discipline within the LOTs. Further information can be found in Annex 1 to this PQD.

2.2 Type of Procurement Procedure

This procurement procedure is carried out by the ESM under a Negotiated Procedure in accordance with Article 9.1 (1) and (3) of the ESM Procurement Policy and is referred to in this PQD as a procurement procedure or a procurement process.

2.3 Procurement Process Steps and Timelines

The ESM plans to carry out the procurement process in accordance with the steps defined in the table below. The ESM reserves, at its sole discretion, the right to vary the steps and timelines.

No.	Procurement Process Steps	Timeline
1.	Contract notice and PQD publication date	27/07/2020
2.	Deadline for submission of clarifications/questions on the contract notice and the PQD	24/08/2020 11:00 hrs (local Luxembourg time) 04/09/2020 11:00 hrs (local Luxembourg time)
3.	Response to the clarifications/questions on the contract notice and the PQD	Regularly
4.	Deadline for submission of Applications (the “Applications Deadline”)	14/09/2020 11:00 hrs (local Luxembourg time) 28/09/2020 11:00 hrs (local Luxembourg time)
5.	Target date of notification of the ESM’s decision on pre-qualification to unsuccessful Candidates and dispatch of the RFP to the pre-qualified Candidates	08/10/2020 22/10/2020

2.4 The ESM “Sole Contact” Details

Commercial Legal and Procurement
European Stability Mechanism
6a, Circuit de la Foire Internationale

Unless notified otherwise, the person indicated above shall be the Candidates' single point of communication with the ESM for the duration of this procurement process.

The ESM shall not be bound by and the Candidates agree not to rely upon any written or verbal statements or representations of any other persons, whether employed by the ESM or not.

2.5 Clarification Matters

The process for clarifications pertaining to the contract notice and this PQD shall be as follows:

- a) Queries can be raised to the Sole Contact as identified in this PQD.
- b) Queries can be raised on any matter in the contract notice or this PQD. However, the ESM reserves the right not to answer any particular query.
- c) The ESM will endeavour to respond to all queries and issue responses in a timely and professional manner. The ESM reserves the right not to answer any queries received after the deadline for submission of the queries.
- d) Subject to point e) below, responses to the queries will be uploaded on the ESM website if they are of relevance to all of Candidates.
- e) If the ESM receives a query from a Candidate which, in the sole discretion of the ESM, constitutes a query relevant to that Candidate only, the ESM will provide response to that Candidate only.

2.6 Application Structure and Response Instructions

When preparing Applications, Candidates should observe the following:

- All documents must be submitted in English.
- Note limitations on any page/word limits specified. Any response exceeding the specified limits may be disregarded beyond that limit.
- Answers should be as concise as possible, complete and comprehensive.
- The ESM does not wish to receive any marketing or other promotional materials.
- Responses to the eligibility, exclusion and/or selection criteria will be evaluated independently and cross-references between response elements are not permitted.
- The Candidate should clearly identify in the Application any requirements specified in this PQD that the Candidate cannot satisfy.

Application Structure			
#	Section	Template and instructions	Document format
1.	Cover Certification Form	Candidates are requested to provide a cover certification form dated and duly signed by an authorised representative on the Candidate's company letterhead (no. 3.1 of Annex 2)	Fully scanned copy with signature in PDF
2.	Declarations	Candidates are requested to submit completed, dated and duly signed declarations (nos. 1.1 and 1.2 of Annex 2)	Fully scanned copy with signature in PDF
3.	General Response	Candidates are requested to respond to the questions posed in this PQD as instructed (see Annex 2 Section 2. Selection Criteria)	PDF

4.	Attachments	Candidates are requested to include any attachments, as requested	PDF
----	-------------	---	-----

2.7 Coordinates and Guidelines for Submission of Applications

Applications shall be submitted no later than the Applications Deadline specified at point #4 of the Procurement Process Steps and Timeline table and must be submitted only **via e-mail** to:

Email: procurement@esm.europa.eu

PQ Ref. No.: BSPM/08/CS/AG/2020

Attention: Dr Asta Gerhardt

Only Applications received through these means will be accepted.

All digital copies of Applications shall be submitted in compliance with the following guidelines:

- a) One file per section as described above in the “Application Structure” table.
- b) Any supporting or additional files must be clearly named.
- c) All files should be named clearly with a sequential number and a relevant file name, e.g.
 - o “Annex 2: 1.1 – Declaration on the eligibility, exclusion criteria, economic, financial and operational capacity and the absence of conflict of interest”
 - o “Annex 2: 1.2 – Non-Collusion Declaration”
 - o “Annex 2: 3.1 – Cover Certification Form”
- d) All files must be provided in a standard non-editable format, such as PDF.

2.8 Eligibility, Exclusion and Selection Criteria

In order to be eligible to participate in this procurement process, Candidates must be legal persons and state that they are not in one of the exclusion situations listed in the declarations nos. 1.1 and 1.2 included in Annex 2.

If such circumstances arise in the course of the procurement process, the Candidate concerned must inform the ESM thereof without undue delay. Candidates may submit evidence to demonstrate their eligibility despite the existence of grounds for exclusion. The ESM may, in its sole discretion, decide whether such evidence is satisfactory.

Candidates must comply with all eligibility and exclusion criteria to be assessed further.

ELIGIBILITY AND EXCLUSION CRITERIA – elements of the evaluation	
Duly executed declarations as requested in Annex 2 nos. 1.1 and 1.2	Pass / Fail

In order to assess a Candidate’s capacity to perform the Framework Agreement, the ESM will apply the following selection criteria (full information can be found in **Annex 2 Section 2. Selection Criteria**):

SELECTION CRITERIA – elements of the evaluation	
Economic and financial standing	Pass / Fail
Technical or professional ability	Pass / Fail
Authorisation and suitability to carry out the relevant professional activity	Pass / Fail

The selection criteria are the same for all four LOTs **and Disciplines**.

In the event that the Candidate submits an Application together with a third party/-ies and/or with sub-contractor(s), the combined capacities of the Candidate and all such third party/-ies and/or subcontractor(s) will be assessed for the purpose of meeting the selection criteria.

Candidates must achieve a rating of “Pass” for all the “Pass / Fail” criteria to be considered successful at Stage 1 (pre-qualified Candidates).

3. Terms and Conditions of this PQD

3.1 Rights of the ESM

By submitting an Application, the Candidates confirm that they have taken note and accepted all terms and conditions of this PQD.

The ESM reserves the right, at its sole discretion and in exceptional circumstances, to accept the Applications received after the closing deadline.

After the ESM opens the Applications, it may request Candidates to submit, supplement, clarify or complete information or documentation which is or appears missing, incomplete, inconsistent or erroneous within an appropriate time limit. The ESM reserves the right to reject from further consideration any such Applications.

The ESM reserves the right to request that Candidates provide documentary evidence in support of the statements made in their Applications.

Any effort by the Candidate to influence the ESM in the process of examination, evaluation and comparison of Applications, or in the decision regarding the pre-qualification process may result in the rejection of the Application.

The ESM may decide, at its sole discretion while complying with the general principles set forth in the ESM Procurement Policy, to cancel this procurement process in whole or in part at any time before the FA is awarded as a result of this procurement process. The cancellation does not give rise to any form of compensation for Candidates.

The ESM will ensure that the information provided by Candidates is treated and stored in accordance with the principles of confidentiality and integrity.

The ESM reserves the right to disclose the contents of Applications to its third party advisors (if applicable) who are bound by the same confidentiality and integrity obligations as the ESM.

If the ESM discovers, before the expiry of the deadline for submissions of Applications, a lack of precision, an omission or any other type of error in this PQD, it will rectify the error and inform all Candidates in writing.

3.2 Cost of Participating in the Procurement Process

All costs relating to the participation in this procurement process, including in particular any costs in relation to the preparation of Applications and of any other documents requested by the ESM and any subsequent follow-up shall be borne exclusively by the Candidate.

3.3 Trade Name, Logo and Marks

The ESM logo, covers, page headers, custom graphics, icons, and other design elements and words or symbols used to identify the description of the procurement requirement are either trademarks, trade names or service marks of the ESM and its licensors, or are the property of their respective owners.

These marks may not be copied, imitated or used, in whole or in part, without the explicit prior written consent of the ESM.

3.4 Confidentiality

If the Candidate considers that any part of its Application or other documents/information submitted to the ESM include Confidential Information within the meaning of this section the Candidate must clearly mark such parts of the Application or other documents/information as 'confidential'.

Candidates are advised that their participation in this procurement process constitutes Confidential Information except for the involvement of a third party in the supply of the services offered the Candidate and the announcement by the ESM of the successful Candidate on the ESM website in accordance with Article 9.17 (3) of the Procurement Policy.

Except if required in a judicial or administrative proceeding, or if it is otherwise required to be disclosed by any law or regulation, or where information is already in the public domain, the ESM will: (a) not disclose the Confidential Information; (b) take all reasonable measures to preserve the confidentiality and avoid disclosure, dissemination or unauthorised use of Confidential Information; and (c) not use such Confidential Information for any purpose other than as is necessary in connection with this procurement process. Confidential Information does not include information which (a) was known to the ESM prior to receiving the information from the Candidate; (b) becomes rightfully known to the ESM from a third-party source not known to the ESM (after diligent inquiry) to be under an obligation to the Candidate to maintain confidentiality; (c) is or becomes publicly available through no fault of or failure to act by ESM; or (d) has been developed independently by the ESM or authorised to be disclosed by the Candidate. Confidential Information may only be shared with third parties (e.g. contractors) that have a need to know the Confidential Information in relation to this procurement process and provided that such third parties comply with the confidentiality obligations provided in this section.

In addition, if the Candidate has signed an ESM confidentiality undertaking the Candidate agrees to comply with all obligations set forth in such confidentiality undertaking. If there is a conflict between such confidentiality undertaking and this procurement procedure, the confidentiality undertaking will prevail.

3.5 Reliance on Third Parties

If the Candidate intends to involve a third party in the supply of the services offered to the ESM the Candidate has to ensure that any such third party is bound by the requirements set forth in this PQD.

If a Candidate submits its Application as part of a consortium with a third party/third parties, such Candidate must provide as part of its Proposal:

- a. a clear description of the proposed consortium, its organisational hierarchy and structure, the names of all consortium members and the roles, activities and responsibilities of the consortium leader and each consortium member;
- b. a document authorising the consortium leader to act on behalf of the consortium member(s) (e.g. power of attorney);
- c. a written undertaking from the consortium member(s) confirming that it/they will place, at the consortium leader's disposal, the resources necessary for the performance of the Contract. The written undertaking must be signed by an authorised representative of each such consortium member; and
- d. information on whether the consortium will form a legal entity and if yes, details of the actual or proposed percentage shareholding within such legal entity and other official documents confirming existence of such legal entity. If not, full details of the proposed consortium arrangement including submission of an executed consortium agreement.

For the avoidance of doubt, if a Candidate submits its Application as part of a consortium it cannot submit another Proposal in its own name.

If a Framework Agreement is awarded to a consortium, all consortium members will be jointly and severally liable towards the ESM for all obligations arising of or resulting from the Contract.

If a Candidate considers any changes in the consortium structure it must immediately notify the ESM in writing. The composition of a consortium (including the roles, activities and responsibilities of the consortium leader and each consortium member) cannot be modified or members of the consortium cannot be exchanged, whether during the course of this procurement process or during the term of the Contract, without the prior written consent of the ESM.

If a Candidate intends to sub-contract some of the services offered to the ESM to a third party, the Candidate must provide as part of its Application:

- a. a clear description of the proposed subcontracting arrangement, in particular which tasks the Candidate intends to subcontract and their volume or proportion, the name(s) of the proposed subcontractor(s) and its/their roles, activities and responsibilities; and
- b. a document signed by a subcontractor stating its intention to collaborate with the Candidate should the Candidate be awarded a Contract.

If a Candidate subcontracts some of the services under the FA to subcontractors, it will nevertheless remain fully liable towards the ESM for the performance of such services and responsible for the FA as a whole. The ESM will have no direct legal commitments with the subcontractor(s).

Where the information provided to the ESM indicates that subcontractor(s) is/are to play a significant role in delivering the services offered to the ESM, any changes to the proposed subcontractors must be notified immediately to the ESM. Candidates cannot exchange or replace the subcontractors or modify the nature of the subcontracting arrangement (including the subcontracted tasks, their volume or proportion), whether during the course of this procurement procedure or during the term of the Contract, without the prior written consent of the ESM.

Moreover, any additional subcontractor(s) which was/were not assessed by the ESM during this procurement procedure may only be appointed if the ESM's has given its prior written consent.

3.6 Transfer of Undertakings

The Candidates acknowledge and accept the possibility that if they are awarded the Contract, the Contract may in some cases trigger the application of the relevant provisions of Luxembourg law or of a collective labour agreement regarding transfers of undertakings, in particular, but not limited to, Articles L.127- 1 to L.127-6 of the Luxembourg Labour Code as amended from time to time (collectively the "Regulations"). Consequently, the Candidates acknowledge and accept the possibility that if they are awarded a Contract the staff employed by the existing service provider performing the services to the ESM (the "Employees") may, if necessary, be taken over and/or transferred automatically, by the virtue of the Regulations.

The Candidates are therefore invited, if deemed appropriate and if not already included in the procurement documents, to request the ESM to provide any necessary information regarding the Employees. The ESM reserves the right to answer questions at a later stage of the procurement procedure if deemed appropriate in the ESM's sole discretion.

Should the Regulations be applicable, the existing service provider and the successful Candidate will fully comply with all of their obligations under the Regulations and will take all necessary steps to facilitate the takeover and/or transfer of the Employees. Any discussions regarding potential takeover and/or transfer of the Employees will be directly between the existing service provider and the successful Candidate. All the costs incurred by the successful Candidate in relation to the application

of the Regulations will be borne solely by such Candidate and will not give rise to any financial compensation from the ESM and will not affect in any way the financial proposal submitted by the successful Candidate.

For the avoidance of doubt, no Employee will be transferred to the ESM.

ANNEX 1
TERMS OF REFERENCE

1. Background

The European Stability Mechanism (the “ESM”) established in October 2012, is a supranational intergovernmental organisation with the mandate to safeguard financial stability in the Euro area by raising funds in capital markets and to finance loans to Euro area Member States. Since its establishment, the ESM has been continuously building its operations to ensure its mandate can be fulfilled in an optimal way. In order to perform these activities the ESM needs the support of external consultant resources.

2. Overview

The ESM intends to conclude multiple framework contracts (the “Framework Agreement(s)” or “Contract(s)”) with various providers (the “Service Provider(s)”) for the provision of consultancy services to support the ESM in different business areas and activities (the “Discipline(s)”) divided into four LOTs:

- LOT 1 - Financial services
- LOT 2 - IT services
- LOT 3 - Corporate services
- LOT 4 - Banking and economic services

The consultancy services will be performed primarily at the ESM’s offices in Luxembourg. The Disciplines are described in detail in Appendix A.

The consultant resources supplied by the Service Providers (the “Consultants”) may be required to perform project type assignments, to periodically replace the ESM staff members or augment the teams within the ESM, etc. Depending on the needs, the ESM may require individual Consultants or team of Consultants.

The successful Service Providers, with whom the ESM will sign the Framework Agreements, will be put on a so-called “Consultancy Panel”. The ESM intends to establish multiple framework agreement with several Service Providers.

Framework Agreements will be awarded for an initial three (3) year term with a possibility of one extension of one (1) additional year at the ESM’s sole discretion. The maximum term of the Framework Agreements will be four (4) years.

The ESM’s official working language is English. To this end, all proposed consultants must have a “very good” to “high” level of English both written and verbal. In addition, all administrative matters with successful Service Providers with whom the ESM will sign Framework Agreements, including but not limited to the Framework Agreement itself, invoicing, account management, and reporting will also be conducted in English.

Candidates may respond to one, multiple or all LOTs and to a single or multiple Discipline within the LOTs as further described in this document.

3. Services required

The Service Providers may be required to provide consultancy services to the ESM in the following Disciplines (segregated into four LOTs as further described below and in Appendix A to these Terms of Reference):

LOT 1: Financial services

- 1) Financial instruments
- 2) Market infrastructure
- 3) Capital markets functions
- 4) Risk management

LOT 2: IT services

- 1) IT financial systems
- 2) IT security
- 3) Enterprise / IT architecture and infrastructure
- 4) Outsourced service providers and cloud services
- 5) Application development
- 6) Digital transformation
- 7) ERP platforms
- 8) Microsoft applications

LOT 3: Corporate services

- 1) Communications
- 2) Human resources and organisation
- 3) Internal audit
- 4) Administration, controls and compliance
- 5) Insurance advisory
- 6) Procurement
- 7) Economic policy review, development and evaluation
- 8) Corporate governance
- 9) Internal policies, processes and internal control
- 10) Records management
- 11) Data governance
- 12) Information security
- 13) Environmental, social and governance framework
- 14) Strategy development and performance management
- 15) Project portfolio, programme and project management
- 16) Business analysis
- 17) Change management
- 18) Physical security

LOT 4: Banking and economic services

- 1) Macro-economic and financial risk assessment and evaluation of financial assistance programmes
- 2) Macro-economic and financial sector data analysis and systems
- 3) Common Single Resolution Fund backstop, Direct Recapitalisation Instrument and repayment capacity assessment
- 4) Bank restructuring, non-performing loans disposal, asset management companies and distressed asset management

5) Banking sector's future developments like Fintech, BigTech, business model evolution

The Service Providers should be able to provide the following Consultants' profile (individually a "Profile" or collectively the "Profiles"):

LOT 1 and LOT 4

- Project Manager
- Subject Matter Expert
- Business Analyst

LOT 2

- Project Manager
- Business Analyst
- Subject Matter Expert
- Quality Assurance Tester
- System analyst
- Developer

LOT 3

- Project Manager
- Subject Matter Expert
- Business Analyst
- PMO Support

The Consultants should possess the following depth of knowledge and experience:

Experience lot "Name"	Experience
Junior Consultant	1-3 years of experience
Consultant	3-6 years of experience
Senior Consultant	6-8 years of experience
Expert Consultant	More than 8 years of experience
Managing Consultant/Partner	More than 10 years of experience

Notwithstanding the above, the Candidates may be required to provide Consultants having various combinations of knowledge and experience.

The ESM understands that the Candidates may have their own categorisation/choice of terminology of Disciplines, Profiles or knowledge and experience of Consultants. However, the ESM requires that the Candidates adapt to the above terminology in responding to this procurement procedure.

4. Mandatory requirements for Consultants

4.1 Independent of the LOT, Discipline, Profile or knowledge or experience, the proposed Consultants must also possess the following capabilities:

- Strong skills in Microsoft Excel, Word, Power Point;
- Excellent written and spoken English;
- Excellent communication and presentation skills;
- Excellent organisational skills;
- Ability to write clear and concisely.

4.2 Independent of the LOT, Discipline, Profile or knowledge or experience, the proposed Consultants should also possess the following capabilities (as applicable):

- Good skills in project management methodologies and software's (only for Project Managers);
- Experience in similar assignments in financial institutions, capital markets or risk area (only mandatory for LOT 1);
- Experience in similar assignments in heavily outsourced environments with stakeholders working in several locations is desired;
- Experience in delivering relevant technology solutions (only mandatory for LOT 2);
- Experience in similar assignments in banking and economic area (only mandatory for LOT 4).

5. Deliverables

Consultants will typically be required to provide the following deliverables in addition to any specific deliverables defined in the relevant implementing contracts signed under the Framework Agreements:

- Organise and facilitate meetings and workshops in the area of expertise related matters;
- Liaise with the ESM staff members and other stakeholders and consolidate their inputs; and document and facilitate the decision making processes;
- Perform any research and/or analysis if required;
- Create relevant documents, reports or presentations as required.

6. Implementation and working arrangements

- Consultants will perform services at the ESM headquarters in Luxembourg and will report to the ESM staff members appointed for each assignment. Upon ESM request, the Consultants will perform services from a different location or remotely, the terms of which would be subject to a prior agreement with the ESM;
- The ESM will not provide any administrative support to the Consultants. For each assignment the ESM will decide whether an office space and ESM system access (only if required for the role and agreed between the ESM and the Service Provider) would be provided;
- Unless otherwise agreed between the ESM and the Service Provider, the ESM will not provide any hardware and/or software to enable the Consultants' day-to-day activities;
- Unless otherwise agreed between the ESM and the Service Provider, the Service Provider will equip the Consultants with a functional laptop with appropriate software to enable day-to-day activities to perform the services;
- Unless otherwise agreed with the ESM, all Consultants will be required to sign a confidentiality undertaking in order to perform services for the ESM.

7. Changes to Consultants

The Service Provider will replace Consultants and/or provide an adequate replacement of any Consultant who:

- a) Is in ESM's opinion incapable of carrying out the specified services to the required standards. In such case, upon ESM's request the Service Provider will propose a competent replacement Consultant and will replace the Consultant in question no later than within one week after receipt of notification from the ESM.
- b) Is no longer able to carry out the services due to periods of unforeseen events (either temporarily or prolonged periods). In such case, the Service Provider will inform the ESM as soon as possible and will take immediate steps to identify a competent replacement Consultant.

The ESM will reserve the right to assess the technical competences of any proposed replacement Consultant. The replacement Consultant will be given sufficient training during an adequate handover period (where possible) so that they may be immediately operational. Any such replacement and training will be carried out at no additional cost to the ESM.

Where a replacement is undertaken, the Service Provider will ensure the continuity of service necessary for performance of an implementing contract. Under no circumstances will the Service Provider attempt or be permitted to change a Consultant to justify any failure to comply with contractual obligations, in particular comply with deadlines, quality requirements etc.

8. Fee approaches

Fee approaches will vary depending on the assignment and may include but are not limited to:

- a) Time & Materials basis based on the person days consumed;
- b) Fixed price per assignment;
- c) Combination of the a) or b) above;
- d) Other suitable arrangement to be identified on a case-by-case basis.

9. Reports

Regular reporting will be mandatory. Reports may be required for e.g. legal or regulatory compliance matters, quality, contract performance, or operational monitoring, as well budget and cost information.

The Service Provider will submit annual reports in English. The Service Provider will aim to submit the reports to the ESM two (2) weeks in advance of the scheduled annual meeting. In addition, ad-hoc reports will be created, if required by the ESM.

All reports must include:

- Consultancy activities, including performance or under performance;
- Financial and budget management information, discounts
- Complaints, if any
- Observations, questions, suggestions for improvement;
- Any other information requested by the ESM.

Templates for annual reporting obligations will be disclosed to the selected Service Providers. These templates are living documents and the ESM reserves the rights to modify from time to time the report templates, and the contents required for each report.

10. Meetings

The representatives of the Service Provider and the ESM will meet annually and on ad-hoc basis, if required by the ESM.

Those meetings will be scheduled by the ESM at the beginning of each calendar year and will have an agenda which will be sent to the Service Provider at least one week in advance of the meeting, to allow meeting participants a reasonable opportunity to prepare for the meeting. The agenda of the meetings will be based on the reports prepared by the Service Provider and any other matters deemed important by the ESM and the Service Provider.

More detailed information on reports, meetings, content, interval and participants will be disclosed to the selected Service Providers.

Appendix A Disciplines

LOT 1: Financial services

- a) **Financial instruments** – as an example but not limited to fixed income, exchange-traded futures and OTC derivatives.
- b) **Market infrastructure** – as an example but not limited to central clearing, continuous linked settlement (CLS), Target2 and Target2Securities.
- c) **Capital markets functions** – as an example but not limited to debt issuance, asset management, treasury, EMIR regulation, collateral management, post-trade operations (from trade validation and confirmation matching to limits monitoring and clearing & settlement), financial analytics (modelling, tools specifications and development) and accounting.
- d) **Risk management** – as an example but not limited to services in the areas of:
 - **Market Risk and Reporting** that relate to risk identification, assessment, treatment and management; risk register development; calculation management; reporting, development of methodologies; liquidity and funding risk management framework (intraday liquidity risk, liquidity stress testing etc.); collateral management.
 - **Credit Risk** that relate to guidance and review of credit risk areas, evaluation, design and implementation of a robust credit risk management framework (governance, processes, models, data and reporting) including any advice on regulatory requirements, best practices and risk appetite constraints, provision of recommendations or development of tools, methodologies and models to address different issues.
 - **Operational Risk** that relate to improvements of processes and procedures, guidance, review, assessment and support of operational risk areas.

LOT 2: IT services

- a) **IT financial systems** – as an example but not limited to Murex, Calypso, Bloomberg, Reuters, Algorithmics, Kamakura, MSCI, SWIFT etc. to provide support for financial systems, manage change requests, processes, procedures or other work practices related to the development and configuration, maintenance, support, enhancement, testing and operation of the ESM financial systems.
- b) **IT security** – as an example but not limited to oversee any and all technical solutions, processes, procedures or other work practices intended to prevent unauthorised access, use, disclosure, disruption, modification, inspection, recording or destruction of the ESM's information or data. The IT security services will consist of threat intelligence, review of IT controls, penetration tests (web application, WIFI, mobile, or any other part of the ESM's IT infrastructure etc.), security reviews (IT architecture, IT physical security measures and stress tests etc.), vulnerability assessment and continuous monitoring, user behaviour analytics, incident response, forensic services, development and testing of incident mitigation plan, assistance to recovery, reverse engineering, cyber threats countermeasures, IT security training and awareness, or general advisory on IT security.
- c) **Enterprise / IT architecture and infrastructure** – as an example but not limited to oversee any and all, technical solutions, processes, procedures, change management or other work practices related to the development, management or operation of the ESM's enterprise

and/or technical architecture and infrastructure estate. This also cover review of IT strategy and planning including alignment with the business strategy and other related modelling topics, the design and modelling of business processes, including related tooling.

- d) **Outsourced service providers and cloud services** – as an example but not limited to oversee any and all, technical solutions, processes, procedures, change management or other work practices related to the development, management or operation of the ESM’s outsourced and cloud based services. This includes topics related to IT Service Management (ITSM) including Information Technology Infrastructure Library (ITIL) best practice adoption and tools, and IT governance topics including IT risk management, budgeting and contract management.
- e) **Application development** – as an example but not limited to, oversee any and all, innovation strategies, technical solutions, processes, procedures, change management or other work practices related to the development, maintenance, support, enhancement, testing, roll out or operation of the ESM’s business applications. In particular the use of best practice software development methodologies (test driven development, functional programming, automatic testing etc.), practices (peer review, scrum, Kanban etc.), tools (Jenkins, Apache Cassandra, Elastystack, Git, Cucumber etc.), languages (Java, Angular 2, Apache Camel, Spring boot etc.) to deliver solutions to end users.
- f) **Digital transformation** – as an example but not limited to provide expertise on different topics related with innovative tools (artificial intelligence, natural language, processing, data visualisation etc.), with innovative problem solving practices (design thinking, problem framing and concept management workshops etc.) especially related with financial and public sector.
- g) **ERP platforms** – as an example but not limited to, oversee any and all, technical solutions, processes, procedures, change management or other work practices related to the development, maintenance, support, enhancement, testing, roll out or operation of the ESM’s ERP systems currently Oracle but other ERP platforms may be in scope of future works.
- h) **Microsoft applications** – as an example but not limited to, oversee any and all, technical solutions, processes, procedures, change management or other work practices related to the development, maintenance, support, enhancement, testing, roll out or operation of the ESM’s Microsoft applications particularly Office 365. Office 365 is at the heart of the ESM’s future digital workplace. A range of consultancy services both on governance/security topics as well as how functionally to leverage on the ESM requirements will be required to gain the maximum business benefit. Support the creation, control, distribution, retention and final disposition of information in accordance with legislations, regulations and leading business practices to manage information with the same priority and security as other business assets. To review processes and systems (SharePoint) that can provide better access to the increasing amount of documents, emails, and other unstructured information.

LOT 3: Corporate services

- a) **Communications** – as an example but not limited to website development consultancy services, editorial and design work, multi-media content creation, pre-press, visual and/or graphic design, text editing.
- b) **Human resources and organisation** – as an example but not limited to services in the areas of:
- **Talent management services** that relate to recruitment advisory, advisory services regarding psychometric assessment tools, engagement and satisfaction surveys,

workforce management, succession planning, goal and performance management, HR marketing etc.

- **Compensation and benefits services** that relate to advisory services regarding budgeting and remuneration benchmarks; benefits management; etc.
 - **HR shared services** that relate to advisory services regarding update and maintenance of digital HR tools such as HRIS, reporting/analytics, business intelligence, AI for HR; data management processes and practices, personal data protection, HR KPIs and benchmarks etc.
- c) **Internal audit** – as an example but not limited to internal audit services under co-sourcing arrangements.
- d) **Administration, controls and compliance** – as an example but not limited to services in the areas to perform the necessary controls to ensure that practices are in line with audit requirements (allowances, benefits, absence management, preventive care etc.); planning and monitoring the budget; developing policies and procedures to support automation and reporting.
- e) **Insurance advisory services** – as an example but not limited to provision of insurance advisory services related to building, D&O, third party liability insurances etc.
- f) **Procurement** – as an example but not limited to procurement activities in both public and private procurement domains, leading and/or supporting and/or executing core procurement roles and responsibilities addressing a broad spectrum of services, supplies and works of various degrees of complexity procured by the ESM. In addition, procurement planning, developing scope of work (specifications), sourcing, providing support with regards to evaluations, negotiations, contracts, contract and supplier management, conducting market research and studies, development and maintenance of category management strategies, client and stakeholder management, reporting, ERP system use and population, business process design, e-tendering tools.
- g) **Policy review, development and evaluation** – as an example but not limited to supporting and conducting policy reviews and to supporting development of programme conditionality. Support for evaluation exercises (performance audit, policy evaluation, quantitative and qualitative analysis).
- h) **Corporate governance** – as an example but not limited to drafting and reviewing terms of reference of Board committees, Board structure and processes including rules of procedure; provision of verbatim transcripts for shareholder events; provision of shareholder related protocol arrangements for high-level meetings such as the annual meeting of the Board of Governors and other Board-related events.
- i) **Internal policies, processes and internal controls** – as an example but not limited to services in the areas of control documentation for new processes or systems; updating and maintaining the ICF documentation inventory in the ESM's relevant IT systems.
- Developing the ESM Business Continuity Framework, including but not limited to drafting and reviewing relevant business continuity plans; reviewing and advising on relevant best practices, regulations and standards; supporting the update of the ESM business continuity plans with various business areas;
 - Supporting the ESM in technical internal policy matters: providing guidance and structure, drafting, benchmarking exercises and reviewing respective best practices.
- j) **Records management** – including but not limited to the support in the establishment and execution of a records management framework, which includes the creation, receipt,

maintenance, use and disposal phases of records, including but not limited to administrative tasks related to archiving of physical and digital records.

- k) **Data governance** – including but not limited to the establishment of processes to ensure effective data management throughout the organisation. Typical focus areas of data governance include quality, availability, usability, consistency, integrity and security of data.
- l) **Information security** – including but not limited to guidance, planning, policies, processes, procedures, best practices, solutions and deployment to support the information security remit to protect the ESM’s information and data assets.
- m) **Environmental, Social and Governance framework** – including but not limited to drafting and reviewing of relevant policies; reviewing and advising on relevant best practices, regulations and other Environmental, Social and Governance (ESG) initiatives; supporting the preparation of the ESM Carbon Footprint Report and any other reports required in the ESG context; supporting the organisation of ESG-related events, conferences, etc.
- n) **Strategy development and performance management** – including but not limited to formulation, articulation and validation of business strategies and alignment of the operating model with regulatory, financial and business objectives; definition and support of the corporate strategy, business units strategy, operating model strategy, planning and budgeting, key performance indicators, balance score cards and total quality management.
- o) **Project portfolio, programme and project management** – including but not limited to management of the ESM project portfolio and the different programmes and projects in different methodologies and frameworks (Agile, Scrum, PM², PMP, PRINCE2 etc.); project portfolio management, project strategic fit assessment and prioritisation, programme management, project management, project management office, benefit realisation strategies and methods, resource capacity and budget management.
- p) **Business analysis** – including but not limited to the elicitation of business needs, identification of viable solutions that address the business needs, and contribution to the design and implementation of systems, processes, reports and controls in different methodologies and frameworks (lean 6 sigma; operating model transformation and business process improvements, quality assurance and test management etc.).
- q) **Change management** – including but not limited to the assessment, design, communication and implementation of business changes on both the organisational transitions (tangible changes in structure, process and technology) and individual transitions (processes individuals go through to adjust to the new way of working, including formal training) required to enable and sustain change.
- r) **Physical security** – including but not limited to oversee any and all technical solutions, processes, procedures or other work practices intended to prevent unauthorised access, use, disclosure, disruption, modification, inspection, recording or destruction of the ESM’s organization (excursions, procedures, etc.), individuals (employees, guests, etc.) and objects/assets (building, cars, etc.) security. For the avoidance of doubt the above is not a limiting description and any other aspect of physical security may be considered at the ESM’s sole discretion.

LOT 4: Banking and economic services

- a) **Macro-economic and financial risk assessment and evaluation of financial assistance programmes** – including but not limited to, economic analysis and forecasting; development of models to analyse macroeconomic and financial markets developments, especially in euro area considering also their potential interactions; producing analytical reports and informing on relevant research analysis that help the organisation fulfil its functions; identifying key determinants of ongoing economic and market trends; developing frameworks that give early warning signs of threats to macroeconomic and financial stability of the Euro area.
- b) **Macro-economic and financial sector data analysis and system** – including but not limited to, preparing data for econometric and financial models, developing interfaces to databases, data cleaning and data quality assessment; database design and scripting; development of spreadsheet tools; model automation including maintenance; analytical reports.
- c) **Common Single Resolution Fund backstop, Direct Recapitalisation Instrument and repayment capacity assessment** – including but not limited to, methodological development to analyse linkages between macro-financial variables and micro banks' metrics; forecast banks' balance sheets and P&L, assess contagion effects in a crisis scenario, test the resilience of the banking sector and the recoupment capacity of resolution funds and the common backstop, implement a monitoring and a reporting framework. In addition, conduct several tests and dry-runs with the involvement of external parties.
- d) **Bank restructuring, non-performing loans disposal, asset management companies and distressed asset management** – including but not limited to design of a European AMC to manage the potential dramatic increase in NPLs ensuing from the COVID-19 crisis and provide advice on distressed assets management.
- e) **Banking sector's future developments like Fintech, BigTech, business model evolution** – including but not limited to, enhancement and development of evolution and transformation for the financial sector and banking.

ANNEX 2
ELIGIBILITY AND EXCLUSION CRITERIA, SELECTION CRITERIA AND
OTHER REQUIRED INFORMATION AND DOCUMENTS

1. Eligibility and Exclusion Criteria

1.1. Declaration on the Eligibility, Exclusion Criteria, Economic, Financial and Operational Capacity and the Absence of Conflict of Interest

Candidates are requested to complete, date and duly sign by an authorised representative the below Declaration on the Exclusion Criteria, Economic, Financial and Operational Capacity and the Absence of Conflict of Interest.



DECLARATION ON THE ELIGIBILITY CRITERIA

The undersigned, acting in his/her own name/acting as a duly appointed representative on behalf of [NAME OF ECONOMIC OPERATOR], certifies that it

1. is not bankrupt or being wound up, subject to administration or in any similar situation provided for in national legislation or regulations.
2. is not guilty of grave professional misconduct, which renders its integrity questionable.
3. is not in breach of obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which it resides or is established or where the contract awarded as a result of this procurement process is to be performed.
4. has not shown significant or persistent deficiencies in the performance of another contract, or with its obligations under the law.
5. or its management, staff or agents are not subject to a conflict of interest.
6. has not seriously misrepresented information required by the ESM.
7. did not and will not contact other Candidates with the purpose of distorting competition, or try to unduly influence the ESM's decision-making process.

If any circumstances arise during the course of the procurement process which may affect the above, the undersigned must inform the ESM thereof without undue delay. The ESM may, in its sole discretion, request evidence of the above.

The Economic Operator may submit evidence to demonstrate its eligibility despite the existence of any of the above grounds for exclusion. The ESM may, in its sole discretion, decide whether such evidence is satisfactory.

By: Signature (Signed) _____
Name and Title (Typed) _____
Place and Date _____

1.2. Non-Collusion Declaration

Candidates are requested to complete, date and duly sign by an authorised representative the below Non-Collusion Declaration.

**NON-COLLUSION DECLARATION**

The undersigned, acting in his/her own name/as [a] duly appointed representative(s)* of [NAME OF THE CANDIDATE] declare(s) the following:

I refer to the PQ Ref. No.: BSPM/08/CS/AG/2020, launched by the ESM in relation to which the Candidate has submitted an Application.

In relation to the PQ Ref. No.: BSPM/08/CS/AG/2020, the Candidate has not breached any applicable provisions of competition law or other applicable laws. In particular, the Candidate has prepared the Application completely independently and certifies that it has not and will not divulge, discuss or compare its Application with other Candidates participating in this procurement process and has not and will not contact or collude with such other Candidates with the purpose of distorting competition. The Candidate will take all appropriate and necessary measures to ensure that its subcontractors or other third parties involved respect the same rules and principles.

The Candidate is not aware of any elements that could influence competition between the different Candidates participating in this procurement process. If the Candidate becomes aware of any such elements it will immediately and in writing disclose such elements to the ESM.

By: Signature (Signed) _____
Name and Title (Typed) _____
Place and Date _____

*Delete as appropriate

2. Selection Criteria

As part of their Application, Candidates are requested to address each item/question below and supply the requested evidence in the correspondingly named and numbered way.

Please note that for the purpose of the evaluation of the Applications the ESM will assess the responses provided to the items set out below in this Section 2.

2.1. Economic and financial standing

	Item No		SELECTION CRITERIA	RESPONSE REQUIREMENTS
Economic and Financial Standing	1	Pass/Fail	The Candidate must have an annual, global revenue in excess of EUR 500,000 in each of its last three (3) most recent completed fiscal years generated from the provision of similar services to those set out in Annex 1 to this PQD.	Attestation

2.2. Technical or professional ability

	Item No		SELECTION CRITERIA	RESPONSE REQUIREMENTS
Technical or Professional Ability	1	Pass/Fail	The Candidate must have sufficient resources in place and readily available to perform the services in any LOT/Discipline the Candidate wishes to apply for.	Summary description containing company profile, number of staff and the services that can be offered for a specific LOT/Discipline the Candidate wishes to apply for.
	2	Pass/Fail	The Candidate must have at least three years of relevant experience in the provision of services in any LOT/Discipline the Candidate wishes to apply for.	- Attestation - The Candidate must present minimum three (3) and maximum five (5) references from the last three (3) years prior to the publication date of this procurement procedure, e.g. letters/emails of recommendations from previous clients for the provision of similar services to those set out in Annex 1 to this PQD in the Discipline(s) the Candidate wishes to apply for.

				- Summary description of minimum two (2) and maximum three (3) examples of previous engagements similar to those under any LOT(s) Discipline(s) the Candidate wishes to apply for which have been completed in the last three (3) years prior to the publication date of this procurement procedure. The description must include value, size and duration of the engagement.
	3	Pass/Fail	The Candidate must have experienced pool of staff (minimum three (3) consultants) to perform the services in any LOT/Discipline the Candidate wishes to apply for.	Attestation Please note that the Candidate is entitled to count the same consultant for more than one Discipline as long as such consultant has appropriate knowledge and experience relevant to all the selected Disciplines.
	5	Pass/Fail	The Candidate must confirm that it has the ability and capacity to deliver the services in any LOT/Discipline the Candidate wishes to apply for, in particular that the Candidate can provide consultants having a “very good” to “high” level of English both written and verbal.	Attestation

2.3. Authorisation and suitability to carry out the relevant professional activity

	Item No		SELECTION CRITERIA	RESPONSE REQUIREMENTS
Authorisation and Suitability to Carry out the Relevant Professional Activity	1	Pass/Fail	The Candidate must provide the quality assurance certificate, e.g. ISO 9000 or equivalent.	Copy of the quality assurance certificate, e.g. ISO 9000 or equivalent certificate or equivalent evidence proving that the Candidate meets the quality standards required under ISO 9000 or equivalent certificate
	2	Pass/Fail	The Candidate must be established as a legal entity and be in existence for at least the 24 months prior to the publication date of this procurement procedure.	Recent copy of a document confirming inclusion in a relevant professional or commercial register
	3	Pass/Fail	The Candidate must have general liability insurance valid in Europe covering the risks linked to the operation of the services similar to those in any LOT/Discipline the Candidate wishes to apply for.	Copy of the insurance certificate including term of validity and amount covered.

FOR INFORMATION ONLY ITEMS		
Item No	[Description of the field/area]	RESPONSE
1.1.	Will the server(s) containing ESM data be located outside the 19 countries belonging to the euro area? If yes, in which country(ies)?	[To be completed]
1.2	Is the entity contracting with the ESM ("Contracting Entity") registered outside the 19 countries belonging to the euro area? If yes, in which country(ies)?	[To be completed]
1.3	Is any entity directly or indirectly controlling the Contracting Entity (e.g. a parent company) registered outside the 19 countries belonging to the euro area? If yes, in which country(ies)?	[To be completed]

1.4	Is any other entity with access to ESM data (e.g. a subcontractor providing the IT infrastructure/servers) registered outside the 19 countries belonging to the euro area? If yes, in which country(ies)?	[To be completed]
-----	---	-------------------

3. Other Required Information and Documents

3.1. Cover Certification Form

Candidates are requested to complete, date and duly sign by an authorised representative the below Cover Certification Form.



COVER CERTIFICATION FORM

The undersigned, acting in his/her own name/acting as [a] duly appointed representative(s)* on behalf of [NAME OF THE CANDIDATE],

certify that this Application is made without prior understanding, agreement, or connection with any other person(s) or company(ies) submitting an Application in this procurement process and is in all aspects fair and without collusion or fraud. I certify that I am authorised to sign this Application on behalf of the Candidate.

I further certify that:

- The submission of this Application is deemed as acceptance of all the terms and conditions of this PQD.
- The content of this Cover Certification Form, the Declaration on Exclusion Criteria, Economic, Financial and Operational Capacity and the Absence of Conflict of Interest, the Non-Collusion Declaration and the Application are true, accurate and complete.
- When providing an attestation/confirmation in my responses and justifications to the Selection criteria such responses and justifications are true, accurate and complete.

Required Information

Response of Candidate

Exact legal name:

Legal type (e.g. private limited liability company):

City, Country:

Nationality or Head Office Location:

Registered office address:

Telephone:

Website:

E-mail address:

Name of the authorised contact person for matters pertaining to this PQ	
--	--

E-mail:	
----------------	--

Name and title of representative(s) signing the Application on behalf of the Candidate:

By: Signature (Signed) _____

Name and Title (Typed) _____

Place and Date _____

*Delete as appropriate