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EBA/2018/06/BMIC/SER/NP

Ex-Ante Publicity for Negotiated Procurement Procedure

Consultancy Services relating to a Non-binding Handbook on Valuation for Purposes of Resolution, including Management Information Systems for Data and Information Needs, and Valuation Practices and Methodologies of Secured NPEs and Collateral in Going-concern

The EBA was established by Regulation (EC) No. 1093/2010 of the European Parliament and of the Council of 24 November 2010. The EBA came into being on 1 January 2011 as part of the European System of Financial Supervision (ESFS). The EBA is a specialised agency of the European Union which works to ensure effective and consistent prudential regulation and supervision across the European banking sector. Its overall objectives are to maintain financial stability in the EU and to safeguard the integrity, efficiency and orderly functioning of the banking sector. The main task of the EBA is to contribute to the creation of the European Single Rulebook in banking whose objective is to provide a single set of harmonised prudential rules for financial institutions throughout the EU. The EBA also plays an important role in promoting convergence of supervisory practices and is mandated to assess risks and vulnerabilities in the EU banking sector. It seeks to ensure these common rules are understood and applied by banking supervisors across the EU in a consistent and harmonised way. Its work aims at upgrading the quality and consistency of supervision across the EU as well as strengthening oversight of cross-border groups i.e. those banking groups which operate in more than one EU Member State. The EBA acts as the cornerstone of a consistent and transparent single market for EU banking that is beneficial to all: businesses, consumers and the broader EU economy. By providing the regulatory framework for the integrity and efficiency of banking in the EU the EBA contributes to financial stability across the Union. EBA's offices are in London. EBA employs a total of 169 staff from 27 EU Member States. EBA is relocating to Paris, France in 2019 now that the UK has given formal notification of its intention to leave the EU. Further information on the EBA is on the EBA website www.eba.europa.eu.

Description of the Contract:

Article 29 of Regulation (EU) No. 1093/2010 mandated the EBA to play an active role in building a common Union supervisory culture and consistent supervisory practices, as well as in ensuring uniform procedures and consistent approaches throughout the Union. In line with this task, the EBA intends to conclude a contract for:

- i. consultancy services relating to a non-binding Handbook on valuation for purposes of resolution, including management information systems for data and information needs¹

¹ The Handbook is an EBA document available to resolution authorities only. The Handbook is not for publication. As part of the procurement procedure and subject to a confidentiality agreement, the EBA will provide the tenderers with a copy of the current draft of the Handbook.

- ii. valuation practices and methodologies of secured non-performing exposures (NPEs) and collateral in going-concern.

The main objectives of the contract are:

- a. to provide a practical tool for resolution authorities and a useful non-exhaustive support document in the context of the valuations requested under Article 36 and Article 74 of the BRRD. With this practical tool (including the management information systems (MIS)) the EBA aims to strengthen the convergence of resolution practices, contribute to the dissemination of best practices, enhance the authorities' and financial institutions' preparedness in order to improve the feasibility and the quality of the valuation, as well as the resilience of the EU banking sector.
- b. to complete a stock-take of valuation practices of secured NPEs and collateral, and assessment of best market valuation practices that shall contribute to the overall EBA work on reducing and preventing build-up of NPEs in the financial sectors.
- c. to provide specialised training to raise staff awareness of the best available market practices in valuation, communicate the content of the final products covered in this project and form a key aspect of the dissemination of best practices and key messages across the EU supervisory and resolution framework.

EBA expects the consultancy services to commence in August 2018.

Scope of Work:

The project shall consist of the following three tasks: (i) review, revise, provide input for and where relevant develop the non-binding Handbook on valuation for resolution and benchmark its content against the most common market valuation and financial due diligence practices (ii) develop and complete a stock-take of the most common valuation practices and methodologies for secured NPEs and collateral, and provide an assessment of best practices (iii) provide specialised training to EBA staff and relevant competent authorities and resolution authorities on valuation matters related to prudential and resolution regulation.

Description of the Negotiated Procurement Procedure:

In the negotiated procurement procedure, EBA sends the procurement documents to selected candidates. The candidates may submit a tender. Only those candidates selected and invited by the EBA may submit a tender. EBA has the right to select candidates of its choice and invite these candidates to participate. Interested economic operators may request to participate. If you are interested in participating in this negotiated procurement procedure for consultancy services please register your interest by sending an email to tenders@eba.europa.eu copied to ali.erbilgic@eba.europa.eu together with your name, the name of your organisation, postal address and description of your business before **12 noon UK time on Wednesday 2nd May 2018**. Please include the reference number EBA/2018/06/BMIC/SER/NP in your email.

Selected candidates who submit a tender will need to confirm in their tender they have the authorisation to perform the contract under national law and possess the financial capacity to perform the contract. In

addition they will need to confirm they have relevant previous experience and comply with applicable environmental, social and labour law obligations. Further information on these criteria will be included in the procurement documents which will be sent to the selected candidates.

The information published on this page is indicative and does not constitute any obligation for the EBA to invite to tender any economic operator who expresses interest. Registering your interest to receive the procurement documents in a negotiated procurement procedure of this type does not convey any legal right or create a legitimate expectation on the part of any economic operator. Only the candidates invited by EBA to participate in the procurement procedure will be admitted.

The indicative date for the dispatch of the procurement documents to the selected candidates is **18th May 2018**.

For more information about EBA please consult <http://www.eba.europa.eu>

Yours sincerely,

Adam Farkas
Executive Director.