

TERMS OF REFERENCE

Foreword

We thank you for the interest you have shown in this procurement procedure which consists of the following documentation in order of priority:

- This Terms of Reference, with its annexes;
- The Model Framework Agreement, with its annexes;
- The Contract Notice;
- The Administrative forms for EIB tenders; and
- The General Administrative and Submission Clauses.

Although the above documents constitute the complete Procurement Documents for this tender, Tenderers are invited to check regularly the eTendering website where any additional information or clarifications concerning this procedure will be made available.

1. Background on the EIB Group

The European Investment Bank Group (EIB Group) consists of the European Investment Bank (EIB) and the European Investment Fund (EIF):

- The EIB is the long-term lending institution of the European Union (EU) owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

The EIB was created by the Treaty of Rome in 1958 as the long-term lending bank of the EU. The task of the EIB is to contribute towards the integration, balanced development and economic and social cohesion of the EU Member States. The EIB raises substantial volumes of funds on the capital markets which it lends on favourable terms to projects furthering EU policy objectives (approximately 90% of its lending inside the EU and 10% outside the EU).

The EIB continuously adapts its activity to developments in EU policies. The EIB enjoys its own legal personality and financial autonomy within the EU and operates in keeping with strict banking practice and in close collaboration with the wider banking community, both when borrowing on the capital markets and when financing capital projects.

The EIB is not subject to prudential supervision, but aims to comply with relevant EU banking directives and best banking practice. This aspect has been retained in Article 12 of the Statute, specifying that the Audit Committee shall verify that the activities of the Bank conform to best banking practice.

- The EIF is the Group's specialist provider of risk finance to benefit small and medium-sized enterprises across Europe.

The EIF designs and develops venture capital and guarantee instruments which specifically target this market segment. In this role, the EIF fosters EU objectives in

support of innovation, research and development, entrepreneurship, growth, and employment. With investments in over 400 funds, the EIF is a leading player in European venture capital due to the scale and the scope of its investments, especially in high-tech and early-stage segments.

The EIF is not subject to prudential supervision, but aims to comply with relevant EU directives and best market practice, and enables compliance with relevant best banking practice at Group level for the purposes of prudential consolidation. The EIF Audit Board, which is appointed by the General Meeting, is responsible for the annual audit of EIF accounts according to Article 22 of the Statutes.

More information can be obtained on the sites <http://www.eib.org/> and <http://www.eif.org/>.

2. Background of the subject matter

The objective of this Call for Tenders is to request proposals for the establishment of two (2) Multiple-Operator Framework Agreements (**FA**) for up to 4 years to perform tasks in the Internal Audit (**IA**) Department of the EIB Group, if and when these are needed.

All interested economic operators meeting the minimum requirements (see sections 6.2 and 6.3 below) are invited to submit a tender.

IA is responsible for internal audit services in both the EIB and EIF. It is composed of two Divisions; one covers the functions of the EIB whereas the second covers the activities of the EIF and Information Technology (IT) across the EIB Group.

The Heads of IA Divisions (EIB, and EIF and IT) will supervise the FA Service Providers' work. For each contract awarded under the Framework Agreement ("**Assignments**"), an IA auditor will be in charge of directing the work of the FA Service Provider.

3. Description of the Framework Agreement (technical specifications)

3.1. Main parameters

Awarding Authority	The European Investment Bank Group (the "EIB Group") including the European Investment Bank and the European Investment Fund, represented by the European Investment Bank.
Title	Framework Agreements for consultancy services to support the Internal Audit Department.
Procedure	Open call for tenders with publication of a contract notice in the OJEU
Expected start	Q1 2019
Type of contract	Multiple-Operator Framework Agreement (FA), with reopening of competition, with at least 3 (three) and up to 5 (five) successful tenderers for each lot, provided a sufficient number of admissible tenders has been received.
Duration	2 years (with an option to extend by two additional periods of one year each)
Maximum contract amount	Lot 1: up to EUR 4,800,000 over the maximum possible term of 4 years

	Lot 2: up to EUR 1,700,000 over the maximum possible term of 4 years
Lots	<p>This call for tenders is divided into 2 (two) distinct lots, each representing a different domain or market (see section 3.3):</p> <ul style="list-style-type: none"> Lot 1: Banking, Regulatory requirements of CRD IV / CRR and General Administration Lot 2: Information Technology. <p>Tenderers can participate in one or two lots. Tenderers should specify for which lots they are tendering and submit a separate and complete tender for each lot.</p> <p>Tenders will be evaluated separately for each Lot.</p>
Variants	Not permitted
Market access	Participation in this tender is not limited and therefore open to all economic operators irrespective of the country of establishment (i.e. countries of the European Union, the European Economic Area and third countries)
Tender submission method	Electronic submission, access via: https://etendering.ted.europa.eu/cft/cft-display.html?cftId=4058
Site visit	Not applicable
Data room	Not applicable

3.2. Objectives of the Framework Agreements and size

At least 3 (three) and up to 5 (five) successful tenderers per lot will be selected (each, a “**FA Service Provider**”), provided a sufficient number of admissible tenders has been received.

Assignments shall be awarded on the basis of individual audit engagements or a batch of several engagements where the subject is related; the award will follow competition among the FA Service Providers in the respective Lot.

Assignment tasks will involve (amongst others): collection and analysis of information, meeting with relevant stakeholders, drafting reports with findings and conclusions in relation to the areas described under section 3.3.

There is no obligation on the Bank to award any Assignments or to consult the FA Service Providers in relation to such requirements. Furthermore, the Bank at its sole discretion, reserves the right to engage in a separate procurement procedure to source any services that would otherwise fall within the scope of the Framework Agreement.

Further information regarding the operation of the Framework Agreements is contained in Model Framework Agreement and its appendices contained in the Procurement Documents.

3.3. Description of the services

IA's overall objective is to provide to EIB Group management a reasonable assurance that the EIB Group is operating properly and efficiently. IA tests the efficiency and effectiveness of existing internal control systems to ensure that adequate financial, banking and operational controls are in place to cover the associated risks. The audits of control frameworks are included in the Audit Plan that provides a rolling 3-year horizon on proposed audit activity. In addition, IA may require ad-hoc Assignments on specific issues on a decision of the Management Committee, the Audit Committee, the President of the Bank, or the Secretary General.

The Internal Audit Department governs itself by adherence to The Institute of Internal Auditors' mandatory guidance, which includes the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the *Professional Practice of Internal Auditing (Standards)*. The FA Service Providers must comply with this mandatory guidance when performing services for the Bank.

The Internal Audit Department is located in EIB's Headquarter in Luxembourg. However, the EIB Group has a number of external offices located within and outside EU; these external offices are part of the audit universe.

The successful tenderers will provide assistance for one or more of the following areas: Banking (including General Administration and Support) and Regulatory requirements of CRD IV / CRR, and Information Technology.

LOT 1 – Banking, Regulatory requirements of CRD IV / CRR and General Administration, including areas such as:

- Lending (within and outside the European Union), equity, and guarantee activities;
- Capital Markets (bond issuance, including derivatives), Treasury (including liquidity management and hedging);
- Mandate and advisory activities;
- Risk management activities for all banking activities;
- Regulatory requirements of CRD IV / CRR, including Credit risk, Financial risk management, Valuation and Stress testing.
- Personnel / Human resources activities;
- Building Services & Security;
- Financial accounting and reporting;
- General policy matters pertaining to the work of the IA function.

LOT 2 – Information Technology, including areas such as:

- Information Security;
- Asset Management including software licensing;
- Project Management including software development and acquisition;
- Access Control to the Bank's systems and applications;
- IT General application controls testing (on their own or in support of a business process audit);
- Infrastructure related reviews such as network management,
- Computer operations and system engineering;
- Compliance with contractual and legal requirements.

Specific comments on Best Banking Practices and regulatory requirements

IA provides assistance to the Audit Committee in its oversight of the Bank's application of Best Banking Practices (BBP). Such assurance is provided by Internal Audit through the inclusion of specific work in the annual Audit Plan and the performance of controls' testing linked to the reference standards in individual audit Assignments.

In particular, Internal Audit pursues a multi-year phased approach for CRD IV / CRR compliance reviews, with full coverage expected to be achieved within a four-year review cycle. Own funds and regulatory capital requirements covering Credit, Operational and Market Risk, as well as economic capital requirements and disclosure requirements are targeted and would be covered, for example, by Assignments to ICAAP, ILAAP, risk appetite, IRB models, credit risk mitigation, default, stress tests or business continuity.

The focus of the Assignments will be determined yearly, in the context of the definition of the annual Audit Plan. The scope of each Assignment will take into consideration the risk factors such as, for example, changes in the activities, products, organisational set-up, processes, systems, regulatory framework, and previously identified action points.

The Assignments typically examine the EIB Group's adherence to the applicable requirements of the CRD IV / CRR framework (including changes/updates of the regulatory framework) and take as reference recognised guidance (considered best practice) from EBA, BCBS and ECB, for example.

3.4. Description of roles and responsibilities

The tasks assigned will normally be carried out by the FA Service Providers jointly with, and under the supervision of, experienced EIB staff.

Each FA Service Provider will be required to appoint a named individual (and a back-up person) with overall responsibility for managing and administering the framework agreement, including Assignment requests from the Bank as they arise, and for identifying, managing and mitigating potential conflicts of interest in the delivery of Services. The **Framework Managers** must have excellent English and French language skills, i.e. level C1/2 Proficient user (according to the Common European Framework of Reference for Languages or equivalent), in order to adequately communicate with EIB staff, and previous experience in similar roles.

The Bank will also appoint a designated contact person.

3.5. Required Roles

The tenderers shall nominate for the Framework Agreements three members for Lot 1 and one member for Lot 2, each per the following required roles, which reflect the required level of responsibility necessary for the complexity of the tasks:

- **Audit Assignment Manager** with at least 15 years professional auditing / banking experience, validated by professional qualifications (e.g. Certified Internal Auditor, FCA, Chartered Accountant or other relevant audit / financial services designations). Excellent knowledge of written and spoken English i.e. level C1/2 Proficient user (according to the Common European Framework of Reference for Languages or equivalent).
- **Senior Auditor** with at least 10 years professional auditing / banking experience, validated by professional qualifications (e.g. Certified Internal Auditor, FCA, Chartered Accountant or other relevant financial services designations). Very good knowledge of written and spoken English i.e. level B

1/2, Independent user (according to the Common European Framework of Reference for Languages or equivalent).

- **Auditor** with at least 5 years professional auditing / banking experience, if possible validated by professional qualifications (e.g. Certified Internal Auditor, FCA, Chartered Accountant or other relevant financial services designations). Very good knowledge of written and spoken English, i.e. level B 1/2, Independent user (according to the Common European Framework of Reference for Languages or equivalent).

3.6. Location

The services will mainly be provided on-site at the EIB Group's premises (Luxembourg or other), where offices and office equipment, including PCs attached to the Bank's network, will be provided. Specific tools needed for individual Assignments will have to be supplied by the FA Service Provider.

If services are requested to be provided outside EIB Group premises, detailed terms of reference will be agreed upon at the outset of the Assignment.

On-site services should be provided during the Bank's working days between the hours of 08:00 and 19:00 according to a schedule agreed to by the parties in advance. In exceptional circumstances, presence may be required during evenings, weekends and holidays.

3.7. Working papers

At the end of each Assignment the FA Service Provider will be required to provide the EIB with working papers documenting in detail the work done. The documentation produced by the FA Service Provider must comply with the standards advocated by the Institute of Internal Auditors (IIA) and stored within the TeamMate Audit Management system (for which access rights will be granted). Prior to the end of an Assignment the FA Service Provider will be required to provide a report summarising the findings or any type of deliverable agreed to before the start of the Assignment. The FA Service Provider's findings will be discussed with IA and cleared with other services of the Bank. The working papers and the FA Service Provider's final report will become the property of IA.

3.8. Security restrictions

No remote access to the Bank's IT systems will be granted to the FA Service Providers.

3.9. Confidentiality

Without prejudice to § 11 of the EIB's *General Terms and Conditions for Framework Contracts for the Provision of Services*, the EIB underlines the strictest level of confidentiality regarding the audit Assignments.

Individual consultants from the FA Service Providers engaged on EIB audit Assignments must not disclose the existence or content of the data that come to their knowledge through the Assignments, except to the persons specifically designated by Internal Audit. The individual consultants should not leave the EIB Group's premises with sensitive or confidential information, except with the express and explicit agreement of the Internal Audit staff in charge. The FA Service Provider will be required at the end of each Assignment to return or destroy all data it may have acquired during the course of the individual Assignment.

3.10. Quality Assurance

The FA Service Providers will use quality assurance systems that ensure the optimal quality of processes and deliverables of the specific Assignments. Any specific problems with submission of reports or acceptance of deliverables will be resolved at the end of the specific Assignment before final payments are made. Poor performance will be flagged by IA as soon as it is detected, and discussed with the FA Service Provider at progress meetings. Poor performance could for instance relate to:

- Lack of responsiveness;
- Unjustified delays in the delivery of reports;
- Not enough preparation for interviews with counterparts in the Bank and with clients;
- Lack of sound analysis; and
- Reports that are not well structured and/or are insufficiently clear.

4. Information On Tendering

4.1. Procedure

The establishment of the Framework Agreements will be made in accordance with the open procedure. The procedure is conducted in accordance with the provisions of the *EIB's Corporate & Technical Assistance Procurement Guide* (the "EIB Guide"), which is largely based on Directive 2014/24/EU on public procurement.

The EIB Guide can be found at www.eib.org/infocentre/publications/all/guide-for-procurement-of-services-supplies-and-works-by-the-eib-for-its-own-account .

4.2. Lots

The Tenderer must specify at the time of submission the lot or lots for which it is tendering. If a Tenderer submits an offer for more than one lot, the offers have to be clearly separated for each lot. This applies to both paper and electronic form. Each offer will be evaluated separately.

4.3. Joint tenders (consortia) and Subcontracting

4.3.1. Joint tenders

Joint tenders are authorised in compliance with the terms and conditions provided in **point 7.1** of 'General Administrative and Submission Clauses'.

4.3.2. Subcontracting

The tenderer may subcontract part of the tasks specified in the technical specifications to other economic operators in compliance with the terms and conditions for subcontracting specified in **point 7.2** of 'General Administrative and Submission Clauses'.

If the tenderer intends to subcontract above 20% of the total contract amount to other economic operators, and the subcontractor(s) is/are already identified, the tenderer shall provide the following documentation for each subcontractor as defined in **point 7.2.2** of 'General Administrative and Submission Clauses'.

4.4. Identification of the Tenderer: legal capacity and status

The tender must include Form 2 Deed of Undertaking presenting the name of the tenderer and the name of the single contact person in relation to this tender and presenting all entities forming the consortium in case of joint offer as well as any declared subcontractors.

In case of joint tender, Form 2 Deed of Undertaking must be signed by a duly authorised representative of each member of the tendering consortium, or by a single representative authorised by all members of the consortium (with power of attorney).

4.5. Timetable

Milestone	Deadline*	Notes
Deadline for sending requests for clarification	Wednesday 31/10/2018 at 15:00 CET	See point 3 of `General Administrative and Submission Clauses` for additional information
Deadline for submission of tenders	Thursday 15/11/2018 at 15.00 CET	See Appendix 1 of `General Administrative and Submission Clauses` for additional information
Opening session (<u>not public</u>)	Friday 16/11/2018 at 11:00 CET	See point 5 of `General Administrative and Submission Clauses` for additional information
Signature of the contract for the required services	1 st Quarter 2019	Estimated

CET = Central European Time

* Please note that EIB holidays for 2018 are as follows:

29, 30 March; 2 April; 1, 10, 11, 21 May; 23 June; 15 August; 1, 2 November, 24, 25, 26, 31 December.

5. Tender Requirements and Structure

The Tender must include:

- Part A - Administrative documentation (administrative requirements, exclusion and selection criteria), Forms 1-7
- Part B - Technical offer, Forms 8-10
- Part C - Financial offer, Form 11

For further information on the tender structure, please see the General Administrative and Submission Clauses.

By submitting a tender, the Tenderer shall be deemed to have accepted the terms of this Call for Tenders as contained in the procurement documents, their appendices, and any published clarifications.

6. Assessment of the Tenders

The evaluation of the submitted tenders for the Framework Agreements will be conducted in accordance with the EIB's rules on procurement. The tenders will be evaluated by an Evaluation Committee working under conditions of confidentiality. The identity of the members of the Evaluation Committee will not be disclosed.

The evaluation is based on the information provided in the submitted tenders and against the criteria set out in this document. It takes place in three phases:

- i. In the first instance, the administrative requirements set out in section 6.1 will be reviewed, following which tenders received will be assessed against the exclusion and selection criteria and rules set out in sections 6.2 – 6.3 herein. These criteria will be assessed on a pass/fail basis, and those tenders receiving one or more “fail” scores will be rejected.
- ii. Tenders will be assessed against the technical award criteria, weightings and rules set out in section 6.4.1 – 6.4.3. Tenders not achieving the stated minimum technical scores set out will be rejected.
- iii. Finally, tenders will be assessed under the financial criteria set out in section 6.4.4. The technical and financial scores will be added to create a total score that will rank the tenders received.

Only tenders meeting the requirements of one phase will advance to the next phase.

6.1. Administrative Requirements

The applicable administrative requirements will be:

<i>Ref</i>	<i>Name</i>	<i>Pass/Fail Rule</i>
Form 1	Tenderer Contact Form	To be completed and signed by the Tenderer
Form 2	Deed of Undertaking	To be completed, initialled and signed by the tenderer
Form 3	Consortium member declaration	To be completed and signed by each consortium member (if applicable)
Form 4	Subcontractor Declaration	To be completed and signed by each subcontractor (if applicable)

The evidence required will be the submission of the above-mentioned Forms with the tender.

6.2. Exclusion Criteria

Pass/Fail Rule:

In order to participate in this call for tenders, tenderers (and each consortium member and subcontractor as applicable) must not be in one of the situations described in **point 6.3** of 'General Administrative and Submission Clauses'.

Evidence:

Signed tenderer declarations found in **Form 5** of the 'Administrative forms for EIB tenders'. Verification of the declarations submitted shall be in accordance with **point 6.5** of 'General Administrative and Submission Clauses'.

6.3. Selection Criteria

As part of the tender submission, the Tenderer (including each group member and each subcontractor being relied upon to fulfil the selection criteria) must provide the evidence mentioned below in order to demonstrate that they fulfil the following selection criteria, rules and evidence required as applicable to them.

The Bank will require that the Tenderer replaces a group member/subcontractor which does not meet a relevant selection criterion. Any proposed replacement will be assessed under the same conditions.

6.3.1. Suitability to pursue the professional activity

Requirement:

The tenderer must prove that they are registered to pursue the professional activity under national law.

Evidence:

A certificate of registration in the relevant trade or professional registers in the country of establishment/incorporation. If the tenderer is not required or allowed to register in such a register for reasons related to its statute or legal status, EIB shall accept, as satisfactory evidence, a sworn declaration or certificate, membership of a specific organisation, express authorisation, or entry in the VAT register.

6.3.2. Economic and Financial Capacity - General Turnover

Pass/Fail Rule:

- (Lot 1): Tenderer's turnover must exceed EUR 2,400,000 during any of the previous 3 financial years.
- (Lot 2): Tenderer's turnover must exceed EUR 850,000 during any of the previous 3 financial years.

Where a Tenderer relies on the capacities of other entities (group members and/or subcontractors) to fulfil this criterion, the Bank will require the Tenderer and those entities to be jointly liable for the execution of the Framework Agreement and any contract awarded thereunder. In such cases, the pass/fail rule may be satisfied under a consolidated assessment.

Evidence: a statement (Form 6) of overall turnover for a maximum of the last three financial years available, depending on the date on which the Tenderer was set up or started trading, as far as the information on this turnover is available.

The original statement of overall turnover must be approved by an independent source in accordance with the applicable legal provisions of the country of the Tenderer (or the group member, or subcontractor as the case may be).

If the turnover is not expressed in EUR in the original statement, the Bank will apply the foreign exchange reference rates published by the European Central Bank on www.ecb.int/stats/exchange/eurofxref/html/index.en.html on the date that the verification evidence is submitted to the Bank.

If the Tenderer is unable to provide the aforementioned documents (e.g. if their publication is not required under the company law of the country in which the economic operator is established), other documentation proving the pass/fail rule may be submitted such as a letter/statement by certified auditors confirming the required financial data.

6.3.3. Technical and Professional Capacity - Previous Experience

Pass/Fail Rule

- (Lot 1): Tenderers must demonstrate prior experience within the last three years of the successful delivery of five contracts or assignments of a relevant and comparable nature, scale and complexity to the required services under the framework agreement including the assessment of (i) overall control to a recognised best practice auditing standard (e.g. Statement on Standards for Attestation Engagements or equivalent) and (ii) compliance with Basel/capital requirements, namely consultancy or outsourcing to G-SII as defined by EBA. These assignments should cover at least 5 of the areas relevant for the Lot as described in Section 3.3.
- (Lot 2): Tenderers must demonstrate prior experience within the last three years of the successful delivery of three contracts or assignments of a relevant and comparable nature, scale and complexity to the required services under the framework agreement including the assessment of (i) overall controls to a recognised best practice standard (e.g. reviews related to Sarbanes Oxley, ISO 27000 series, COBIT, Reporting on Controls at a Service Organization such as SOC 2 reports and International Standard on Assurance Engagements (ISAE) No. 3402 or equivalent) and (ii) compliance with Basel/capital requirements, namely consultancy or outsourcing to G-SII as defined by EBA.. These assignments should cover at least 3 of the areas relevant to the Lot as described in Section 3.3.

Where a Tenderer is relying on the capacity of other entities (group members and/or subcontractors) to meet this rule, such entities must (i) be proposed to perform those services for which these capacities are required and (ii) submit a letter of commitment in the tender to that effect. In such cases, the pass/fail rule may be satisfied under a consolidated assessment.

Evidence of the above is to be provided by completing Form 7 (Project Reference Form (PRF)). Tenderers should provide at least five (5) PRFs and a maximum of seven (7) for Lot 1 and at least three (3) PRFs and a maximum of seven (7) for Lot 2. If a tenderer submits more than seven (7) PRFs only the first seven (7) in the order of sequence in the tender will be analysed.

6.4. Award Criteria

The Framework Agreements under each Lot will be awarded to the most economically advantageous tenders as determined by the following award criteria, minimum scores and weightings:

Ref	AWARD CRITERIA	Max Score Available	Min Score Required ⁽¹⁾
6.4.1	Technical Merit of Proposed Team	300	150
6.4.2	Methodology for Service Delivery	200	100
6.4.3	Audit Approach (Case Study Scenario)	250	125
6.4.4	Total Notional Price	250	n/a
	TOTAL	1,000	n/a

Tenderers must submit with their tenders detailed information for assessment against each of the award criteria in order to enable the Bank to assess all tenders fully and score them appropriately. In the case of groups or sub-contracting, assessment will be made on the basis of the tender as a whole.

The EIB reserves the right to reject any tender that fails to comply with the technical specifications contained in section 3.

6.4.1. Technical Merit of Proposed Team

Tenderers must indicate in Form 8 the team proposed to deliver the services under the Framework Agreement including the provision of comprehensive CVs demonstrating the expertise and experience of the proposed team to deliver all services required (see section 3).

Lot 1: Tenderers must nominate three team members per required role (as per Section 3.5)

Lot 2: Tenderers must nominate one team member per required role (as per Section 3.5)

This information will enable the Bank to assess the quality and balance of the resources allocated to deliver services.

6.4.2. Methodology for Service Delivery

Tenderers must describe their proposed methodology (Form 9, tenderer's own template) to deliver the range of services required under the Framework Agreement, demonstrating quality and adequacy of the proposed organisational and applied processes to fulfil tasks including:

- reporting mechanisms internally within the Tenderer's team,
- reporting mechanisms externally with the Bank,

¹ Tenders which do not meet one or more of the indicated minimum scores will be deemed invalid and will therefore be eliminated from the competition.

- approach to the allocation of tasks, responsibilities and coordination of team members, responsibilities and tasks including continuity of service in case of short/long absences (replacement of key team members),
- quality management measures,
- approach to conflict management, and
- approach to ensure effective file management, review and administrative support.

6.4.3. Audit Approach (Case Study Scenario)

Tenderers must describe their proposed approach (in Form 10, tenderer's own template) to a case study relevant to the Lot(s) being applied for. The description of the audit approach should include:

- an audit plan indicating human resources required, skill levels / profile of the auditors and approximate cost,
- outline of the main risks,
- outline of expected controls to address key risks,
- outline of the audit steps / tests used to assess the extent to which the risks are mitigated,
- nature of any external benchmarks, standards, regulations, laws, best practice which would be used as a form of measurement,
- nature of any auditing methodologies, which would be applied, and
- any proposed objective / scope extensions beyond the text provided which would add value to such an audit engagement.

LOT 1 - Credit Risk Stress Test

The Group stress testing framework is in place to determine significant internal credit risk parameters and assess how they change for different macroeconomic scenarios.

The following stress tests are held:

- Transversal macroeconomic stress tests aiming at capturing the bankwide impact of an adverse macroeconomic situation on risks which are deemed material;
- Reverse macroeconomic stress tests aiming at identifying the macroeconomic scenario(s) which could generate a given adverse outcome;
- The replication of supervisory mandated stress tests; and
- (eventual) Ad-hoc bank-wide stress tests.

This audit will review the key processes associated with the design and compliance of the Stress Testing framework, its effectiveness and efficiency of operation.

For selected specific stress testing exercises the audit will cover:

- The credit stress testing methodology's scope, adequacy and compliance;
- The evaluation of the chosen severity, adversity and plausibility;
- The adequacy and soundness of the inputs;
- The plausibility of assumptions and their challenging process;
- The accuracy of the calculations and results;
- The consistency of reporting and adequacy of management action;

The description of the audit approach should include:

- An audit plan indicating human resources and skill levels / profile devoted, the calendar and, the cost;
- A work programme outlining the main risks, expected controls and the audit steps / tests used to assess the extent to which the risks are mitigated;

- Nature of any external benchmarks, standards, regulations, laws, best practice which would be used as a form of measurement;
- Nature of any auditing methodologies, which would be applied;
- Any proposed objective / scope extensions beyond the text provided which would add value to such an audit engagement.

LOT 2 - Middleware /Integration Service

The term “middleware” is most commonly used for applications allowing software components that have been developed independently and that run on different networked platforms to interact with one another. The Bank is operating mainly message oriented middleware as software supporting the sending and receiving of messages between distributed systems. These tools are referred to as “Integration Services” and include Enterprise Service Bus (ESB) by IBM, MQ Series and Data Service. This audit will review the IT General Computer Controls over access management, change management and operations. The review should also cover the information security controls. The audit should seek to utilise data analytics where possible.

6.4.4.Total Notional Price

Tenderers are required to complete Form 11 setting out the maximum daily rates for the delivery of services under the Framework Agreement.

The rates submitted in Form 11 shall be

- fixed and non-revisable during the potential 4-year term of the Framework Agreement,
- quoted in EURO,
- free of taxes and duties (the EIB enjoys exemption from VAT under Article 3 of Protocol No 7 on the Privileges and Immunities of the European Communities),
- inclusive of any obligations arising from the technical specification (section 3), the terms and conditions of the Framework Agreement (Procurement Document 2), as well as any clarifications published before the deadline date for submission of tenders, and
- inclusive of all billing elements and general expenses connected with the services to be rendered, including attendance at meetings at the EIB Headquarters in Luxembourg.²

In order to arrive at a single comparative figure for evaluation purposes (Total Notional Price), the Bank will apply notional volumes as set out in Form 11 to the maximum daily rates quoted. These volumes will be used for tender evaluation purposes only and shall not be construed as a confirmation of services to be procured by the Bank under the Framework Agreement.

Only those tenders that have met the minimum scores required as set out in the award criteria table above will be eligible to have their Total Notional Price assessed. The tender with the lowest valid Total Notional Price will be awarded the maximum score achievable (250) and all

² Non-general expenses for travel and/or accommodation outside of Luxembourg at the prior request of the Bank will be reimbursed separately but only after prior written approval and upon submission of original supporting documents, including receipts and used tickets.

other Total Notional Prices submitted by the other valid tenders will be scored using the following formula:

$$Sf = (Pmin / P) \times 250$$

where: Sf = score obtained

P = Tenderer's Total Notional Price

Pmin = the lowest valid Total Notional Price

6.4.5. Award of the framework agreements

The technical and financial scores will be summed to obtain the tender's overall score and a ranking of tenderers will be established per Lot. The Framework Agreement is a multiple contract with at least 3 (three) and up to 5 (five) FA Service Providers per lot provided a sufficient number of admissible tenders has been received.