



EUROPEAN CENTRAL BANK

EUROSYSTEM

DIRECTORATE GENERAL MARKET INFRASTRUCTURE AND PAYMENTS

ECB-PUBLIC

DIRECTORATE DIGITAL EURO, END-TO-END PRODUCT AND DELIVERY DIVISION

28 MARCH 2024

## **REQUEST FOR PROPOSAL (RfP) FOR THE PROVISION OF DIGITAL EURO OFFLINE STRATEGY AND DESIGN [PRO-009526]**

The European Central Bank (ECB) is seeking through this procurement procedure a supplier (hereinafter the 'Tenderer') for the provision of consultancy works and services related to the design and provisioning of offline digital euro and intends to award a contract (the 'Contract') to the Tenderer offering the best value for money.

Therefore, the ECB would like to invite you to submit a proposal for the stated requirements in accordance with the conditions stated below. If for any reason you are unable to provide a quote at this time, we would be grateful if you inform us.

### **1 Specifications**

#### **1.1 Background information**

The Directorate General Market Infrastructure & Payments, Directorate Digital Euro (DGMIP/DEUR) of the European Central Bank (ECB) through this Request for Proposal (the 'RfP') is seeking a senior consultant to provide works and services for supporting the digital euro project preparation phase part 1 as an advisor to the design and delivery of an offline digital euro (hereinafter the 'Deliverables').

#### **1.2 Scope of the Deliverables**

The ECB is seeking a senior consultant (hereinafter the 'Consultant') with substantial expertise in the domain of contactless communication technologies, specifically with proficiency in managing and deploying applications that operate on the secure element. This entails a deep understanding of the secure element's architecture and its integration with contactless interfaces, primarily NFC (Near Field Communication), to ensure secure transactions and data exchanges. The role requires a comprehensive knowledge of security protocols, encryption standards, and best practices in developing and maintaining secure, efficient, and reliable contactless communication systems. The Consultant shall leverage this technical expertise, contributing to realise an optimal user experience for offline contactless payments across various form factors.

Specifically, the Consultant shall develop technical strategies for the remote deployment of the offline digital euro solution on Secure Elements, which will be crucial to fulfil the project deliverable "Roll-out plan for the offline digital euro solution". This involves profound understanding of the ecosystem around Secure Elements, including the roles of Trusted Service Managers (TSMs), original equipment manufacturers (OEMs), mobile network operators (MNOs), and other stakeholders in the deployment process. Moreover,

in context of offline digital euro payments at the Point of Sale (POS), the Consultant shall assess technical options how an offline digital euro can be integrated in the existing POS terminal landscape, contributing thereby to the fulfilment of the project deliverable “Offline digital euro as part of the POS Strategy”. A special focus should be given in this context on analysing how the digital euro offline solution can be incorporated into current payment industry standards.

In addition, the Consultant shall actively participate in the formulation of the requirements of the offline digital euro. This involves not only technical and operational aspects, but also assessing its feasibility, scalability, and compliance with relevant standards. Furthermore, the Consultant shall provide comprehensive advice on any detailed technical design proposed by the selected providers of the digital euro offline solution. This advisory role encompasses evaluating merits and limitations of these suggestions, considering their alignment with the Eurosystem's strategic goals, and the overarching customer experience objectives.

The ECB invites Tenderers who meet the eligibility and selection criteria laid down in Section 4, to submit a proposal in accordance with the conditions set forth in this RfP.

The Contractor shall provide the Deliverables to the ECB as further specified in Section 1.3 (the ‘Deliverable modalities’). The Contract is envisaged to start on the 1 May 2024 (indicatively) and to have a duration of 12 months. The Contract may be extended at the option of the ECB in accordance with Section 12.1 of the General Contract Terms (**Annex 3.3**) for an additional period of 12 months, up to a maximum contract duration of 24 months in total.

The contractual relationship shall be based on the attached draft contract (**Annex 3**). Any Tenderer submitting a proposal accepts thereby the terms and conditions of this Contract. Any Tenderer submitting a proposal confirms that he or she does not participate in any form (single candidate, incl. any part of their organization - consortium members, affiliates, other entities, subcontractors, if applicable), in any of the ECB public tenders on Digital Euro components, namely *PRO-009494 Offline Solution*, *PRO-009485 – Alias Lookup*, *PRO-009486 Secure exchange of Payment Information*, *PRO-009487 – Risk and Fraud Management*, *PRO-009488 App and Banking SDK*.

### **1.3 Deliverable modalities**

The Consultant shall contribute to the design and delivery model of an offline digital euro. Typical activities for the Consultant include (non-exhaustive list):

- a. Develop technical strategies for the remote deployment of the offline digital euro solution on Secure Elements;
- b. Provide technical expertise in realising an optimal user experience for offline contactless payments via various form factors;
- c. Contribute to the assessment on the technical options on how an offline digital euro can be integrated in the existing POS terminal landscape;
- d. Contribute to the drafting of the detailed requirements of the offline digital euro solution.

The Consultant shall contribute, among other tasks, to the completion of the project deliverables “Roll-out plan for the offline digital euro solution”; “Offline digital euro as part of the POS Strategy”; as well as to the completion of any deliverable on the detailed technical design of the offline solution, by providing advice on the suggestions of the selected provider(s) of the digital euro offline solution. The number of days of consultancy to be provided and the dates of performance are subject to agreement between the Contractor and the ECB and shall be defined by written confirmation after the conclusion of the Contract. The ECB estimates that the Consultant will be requested to perform around 90 working days per total contract duration, including meetings through online channels (e.g. MS Teams, WebEx, Zoom) and/or, meetings at the ECB premises in Frankfurt am Main, Germany. The number of days for the contract duration and the weekly number of days are only an indicative non-binding estimation and do not commit the ECB to order Deliverables in such amount/frequency. This estimation is based on the assumption that the Contractor’s works and services would be provided 2 days per week. The ECB reserves the right to inform the Contractor with a prior 2 week notice should a more or less intensive provision of works and services be required for a dedicated time period.

The Consultant shall perform the Deliverables remotely. The ECB may request the Contractor to perform (part of) the Deliverables at ECB premises in Frankfurt am Main, Germany with at least a 5 working days notice - this may include, amongst other aspects, participation in meetings, conferences and other work activities. The ECB will issue further instructions on the place of performance of the Deliverables.

The Contractor shall perform the Deliverables using her/his own technical resources (hardware, software and internet access).

Unless otherwise agreed, the works and services shall be delivered and performed in English.

#### **1.4 Qualifications (expertise and experience) of the Tenderer**

The Tenderer shall meet the minimum requirements set in Section 4.5.1.

#### **1.5 Remuneration**

The ECB shall pay to the Contractor for the provision of the Deliverables:

- (a) a remuneration calculated on time and material basis, at a daily rate of EUR 1,500.

The Contractor is expected to carry out his or her work remotely, from within the EEA. The Contractor will be entitled to the pro-rata remuneration on the basis of eight working hours per day for the provision of Deliverables. The ECB reserves the right to request on-site work for a maximum of 5 days per month.

For neither on-site (if requested by the ECB) nor off-site (remote) work, the Contractor shall be entitled to the accommodation, subsistence and subsidiary costs or any reimbursement for travel or transportation expenses.

## 1.6 Structure of the tender documentation

The tender documentation consists of this Request for Proposal and the following annexes:

- Annex 1 – Supplementary Procurement Rules
- Annex 2 – Tenderer’s statement
- Annex 3 – Draft contract
- Annex 3.1 – Works Specific Terms
- Annex 3.2 – Services Specific Terms
- Annex 3.3 – General Contract Terms
- Annex 4.1 – Introduction to Security Clearance
- Annex 4.2 – Security Self-Declaration
- Annex 5 – Hypothetical scenario description and answer sheet
- Annex 6 – Confidentiality Declaration Individual Persons

## 2 Legal framework

This procurement procedure shall be governed by Decision ECB/2016/2 of 9 February 2016 laying down the Rules on Procurement<sup>1</sup> and the supplementary rules attached as **Annex 1**. The procurement procedure is carried out as a procedure without negotiations and without publication of a notice in accordance with Article 35 of Decision ECB/2016/2.

## 3 Preparation and submission of the proposal

### 3.1 Contact person; Address and time-limit for the submission of the proposal

The contact person for the procurement procedure shall be Nico Schmidt ([digitaleuro-procurement@ecb.europa.eu](mailto:digitaleuro-procurement@ecb.europa.eu)). In addition:

On an exceptional basis, the ECB will accept email submission under the following conditions:

- Tenderers must submit their tender via e-mail **before 12:00, Frankfurt local time, on 15 April 2024** by attaching their full offer to the following e-mail address [digitaleuro-procurement@ecb.europa.eu](mailto:digitaleuro-procurement@ecb.europa.eu) and by copying [procurement@ecb.europa.eu](mailto:procurement@ecb.europa.eu);
- Tenderers shall title their offer: **PRO-009526 Proposal for Digital Euro Offline Strategy and Design**;
- Tenderers shall password-protect their tender documentation against unintended reading, before submitting it to the ECB.;
- Tenderers shall NOT submit the corresponding password together with the proposal submission. They shall submit it in a separate email to: [digitaleuro-procurement@ecb.europa.eu](mailto:digitaleuro-procurement@ecb.europa.eu) one day after the tender submission deadline, i.e. **before 12:00 Frankfurt local time on 16 April 2024**;

<sup>1</sup> OJ L 45, 20.2.2016, p. 15-43, as amended by Decision ECB/2016/17 (OJ L 159, 16.6.2016, p. 21–22) and Decision ECB/2020/10 (OJ L 69, 6.3.2020, p. 41-45), all published on <http://www.ecb.europa.eu/ecb/proc/tenders/html/index.en.html>.

- If the proposal file is bigger than 20 megabytes, tenderers shall zip the attached file and/or send their tender documentation in two/three separate e-mails thereby ensuring that each e-mail submission will not exceed 20 megabytes. Tenderers shall clearly identify the chronological and total number of separate e-mails in all the emails that they submit (e.g. part 1/(2) of the proposal submission and part 2/(2) of the proposal submission). For administrative reasons, the ECB reserves the right to exclude tenderers that have submitted their proposal by way of submitting more than 3 separate e-mails.

**Important:**

Please note that tenderers bear the responsibility:

- to prove, if necessary, the timely dispatch and arrival of their tender via e-mail and
- that the submitted proposal documentation is password protected and that they provide the password to the ECB only after the deadline for tender submission has expired. Proposals received after the tender submission time-limit shall be excluded.

During the preparation of tenders, all Tenderers are encouraged to submit questions to the ECB on any aspect of the tender procedure, the business case or the tender documentation.

Tenderers must address all queries regarding this tender procedure via e-mail to [digitaleuro-procurement@ecb.europa.eu](mailto:digitaleuro-procurement@ecb.europa.eu). Any type of communication relating to the tender procedure (including Tenderers' questions relating to the procurement procedure and ECB's requests to the Tenderers to provide clarifications) must be made via e-mail to [digitaleuro-procurement@ecb.europa.eu](mailto:digitaleuro-procurement@ecb.europa.eu)

The ECB shall endeavour to answer all queries as quickly as possible but cannot guarantee a minimum time response. The ECB shall not be bound to reply to queries received less than seven calendar days before the time-limit for the submission of tenders but will try to do so if possible.

If a query is of general interest, the ECB shall communicate the query and the corresponding answer to all Tenderers who have asked for the tender documentation. The query shall be anonymised, and information of a commercially confidential nature shall not be disclosed.

During the tender procedure Tenderers shall not contact any other ECB staff members or organisations/persons working for the ECB with regard to this tender procedure. Tenderers shall also not contact potential competitors unless they intend to form a temporary grouping with them or to involve them as subcontractors. Any violation of this communication rule may lead to the exclusion of the Tenderer in question.

Unless otherwise requested, all communication with the ECB shall be made in English.

### **3.2 Form and content of the proposal**

3.2.1 The proposal shall contain the following information and documents:

- (a) A fully completed and signed Tenderer Statement (**Annex 2**);
- (b) The filled-out **Annex 5** describing the Tenderer's approach to the stated questions; and
- (c) A detailed curriculum vitae, including the Consultant's relevant expertise and practical experience (maximum 10 pages or European CV format).

The proposal must be signed otherwise it may be excluded. The signature should be in the Tenderer Statement. The proposal shall fulfil the requirements set out in this RfP and should also include anything that may be considered necessary for the performance of the requested services even if this is not explicitly mentioned in this RfP. Tenderers shall submit all documents and information in English.

### **3.3 Price quotations; validity of the proposal**

The prices set in the draft contract cover all costs and expenses relating to the performance of the Contract.

By submitting a proposal, all Tenderers acknowledge that their proposal shall remain valid for a period of six months from the closing date for receipt of proposals.

All prices are expressed in euro, exclusive of EU VAT, but including any applicable third country turnover tax. The ECB is an institution of the European Union and its purchases for official use are exempt from VAT levied in EU Member States.

### **3.4 Contract**

The contractual relationship shall be based on the attached draft contract (**Annex 3**). Any Tenderer submitting a proposal accepts thereby the terms and conditions of this Contract.

Tenderers are not allowed to propose changes or additions to the ECB's draft contract. Only minor changes or additions both aiming at clarification may be accepted. Tenderers who intend to propose such minor changes or additions shall (i) indicate in their proposal the article they would like to change or add to, (ii) provide an alternative proposal and (iii) explain their proposal. The ECB reserves the right to exclude Tenderers proposing substantial changes to the draft contract that affect the allocation of risks between the parties. The ECB may, at its own discretion, not consider changes or additions proposed at a later stage.

Prior to contract signature, the successful Tenderer shall fill in and sign the Security Self-Declaration (Annex 4.2) and the Confidentiality Declaration Individual Persons (Annex 6).

## **4 Evaluation of proposals and award**

### **4.1 Evaluation process**

4.1.1 The evaluation process will take place in three stages (Article 29 of Decision ECB/2016/2), namely

- (a) the verification of the formal requirements laid down in this RfP;
- (b) the verification of the Tenderers' eligibility in accordance with Section 4.3;
- (c) the evaluation of the proposals against the minimum selection requirements and the award criteria listed in Section 4.5.

The stages of the evaluation process will be carried out in no particular order. Only the tenders meeting all the mandatory/minimum requirements of **each stage above**<sup>2</sup> shall be considered in the final qualitative and/or financial evaluation.

4.1.2 Following the evaluation of written proposals, the ECB may invite the best ranked Tenderer(s) for a presentation in order to verify compliance with the ECB's requirements and to clarify open questions.

#### **4.2 Formal tender requirements**

4.2.1 The ECB shall exclude proposals that

- (a) were dispatched or received after the expiry of the time-limits for the submission of proposals; or
- (b) are substantially incomplete; or
- (c) were not submitted in English.

4.2.2 The ECB may, at its own discretion, exclude proposals that do not comply with other substantial formal requirements laid down in this RfP.

#### **4.3 Eligibility criteria**

4.3.1 The ECB shall exclude Tenderers that are in one of the situations described in Article 30(4) of Decision ECB/2016/2 (e.g. conviction for fraud or corruption) or have been excluded from participation in any future tender procedure for a certain period of time in accordance with Article 30(8) of Decision ECB/2016/2.

4.3.2 The ECB may exclude Tenderers that are in one of the situations described in Article 30(5) of Decision ECB/2016/2 (e.g. insolvency, grave professional misconduct, misrepresentation).

4.3.3 The ECB shall exclude Tenderers that are subject to EU restrictive measures adopted under Article 29 of the Treaty on the European Union (TEU) or Article 215 of the Treaty on the Functioning of the EU (TFEU), such as Regulation (EU) No. 833/2014 and Regulation (EU) 269/2014, or Tenderers that involve entities subject to such measures. The prohibition to involve such entities applies throughout the whole performance of the contract. The sanctions that apply can be found in the Official Journal of the EU.

4.3.4 The ECB shall exclude Tenderers that participate in any form (single candidate, incl. any part of their organization - consortium members, affiliates, other entities, subcontractors, if applicable), in any of the ECB Tender public tenders on Digital Euro components, namely PRO-009494 Offline Solution, PRO-009485 – Alias Lookup, PRO-009486 Secure exchange of Payment Information, PRO-009487 – Risk and Fraud Management, PRO-009488 App and Banking SDK.

4.3.5 Tenderers shall declare in their Tenderer's statement (attached as **Annex 2**) that they meet the eligibility criteria. Tenderers shall inform the ECB without undue delay if any circumstances arise after the submission of their proposal that may affect their eligibility.

4.3.6 The ECB reserves the right to request from Tenderers documentary evidence in support of the statements made in the Tenderer's statement.

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<sup>2</sup> Awarding stage (c) may also contain mandatory/minimum requirements, which must be met before entering the final qualitative and/or financial evaluation.

#### **4.4 Selection criteria**

The ECB reserves the right to exclude Tenderers if it becomes aware that they do not have the economic, financial, technical and professional capacity to perform the Contract.

#### **4.5 Minimum selection requirements and award criteria**

4.5.1 The ECB shall award the Contract to the Tenderer who submits the economically most advantageous proposal, taking into account the award criteria listed below.

4.5.2 Each Tenderer can propose **one (1) Consultant**. Further proposed profiles will be rejected and not further evaluated. The Consultant can be the Tenderer herself/himself. The Consultant shall meet the minimum requirement below. A proposal not including a profile who meets the minimum requirement may be rejected and not further evaluated under the award criteria of Section 4.5.3.

English language skills of at least C1 level according to the Common European Framework of Reference (CEFR) for languages<sup>3</sup>.

4.5.3 The proposals shall be evaluated on the basis of the following award criteria:

Award criteria	Weighting
<b>Quality of the proposal</b>	<b>100%</b>
a. Completeness and appropriateness of the description of how the Tenderer would approach hypothetical scenarios as detailed in <b>Annex 5</b> to this RfP:	50%
1. Question 1 on form factors related to the offline digital euro solution for P2P and POS transactions;	12.5%
2. Question 2 on two distinct strategies for organising the remote deployment of the offline digital euro solution on the secure elements of mobile devices;	12.5%
3. Question 3 on comparison of the offline digital euro concept with the existing flow of offline EMV payment at the POS;	12.5%
4. Question 4 on advantages and disadvantages of using an embedded Secure Element (eSE), an embedded Universal Integrated Circuit Card (eUICC) and Universal Integrated Circuit Card (UICC) in context of the offline digital euro solution.	12.5%
b. Curriculum Vitae to demonstrate experience, qualifications and expertise relevant to carrying out the assignment) <sup>4</sup>	50%

<sup>3</sup> <https://www.coe.int/en/web/common-european-framework-reference-languages/table-1-cefr-3.3-common-reference-levels-global-scale>

<sup>4</sup> Expected qualifications are:

- a. Extensive hands-on experience (over 5 years) in remote application deployment on secure elements, with a thorough understanding of Trusted Service Manager (TSM) operations. Additionally, profound knowledge (over 10 years) of relevant GlobalPlatform specifications.
- b. Comprehensive hands-on proficiency (over 10 years) in drafting technical and functional requirements, especially within the field of contactless communication technologies associated with secure elements.
- c. A solid understanding of terminal design, security standards, and industry protocols is desirable. The ideal candidate should have practical experience (over 3 years) in integrating payment solutions into terminals, along with knowledge of EMV as well as contact/contactless payment technologies.
- d. Experience in large-scale and complex projects (multi country and/or multi-stakeholder development and rollout) (at least 5 years) in a technical advisory and/or steering role.

Candidates meeting one or two of the expected qualifications above will be scored 4 points. Candidates meeting at least three of the expected qualifications above will be scored 5 points.

4.5.4 The ECB shall evaluate all proposals using a scoring system with a maximum of 100 points. The maximum number of points achievable per award criterion are equivalent to the percentage weightings allocated to the award criteria. The ECB shall evaluate all proposals using a scoring system with a maximum of 100 points. The maximum number of points achievable per award criterion are equivalent to the percentage weightings allocated to the award criteria.

4.5.5 The quality of the proposals shall be evaluated as follows:

- (a) the quality related award criteria listed in Section 4.5.3 shall be assessed one by one against the ECB's requirements set out in the specifications and evaluated on the basis of a scoring system from zero to five points as follows:

<b>Score</b>	<b>Definition</b>
0 point	No evidence/Total failure: The tender totally fails to address the criterion under examination or cannot be assessed due to missing evidence.
1 point	Very Poor: The criterion under examination is addressed in an incomplete and unsatisfactory manner; serious concerns.
2 points	Poor: The criterion under examination is partly addressed but with at least one major issue.
3 points	Fair: The criterion under examination is generally addressed with at least one minor issue.
4 points	Good: The criterion under examination is fully addressed.
5 points	Excellent: The criterion under examination is fully addressed and the tender offers some added value.

- (b) the ECB shall evaluate the quality of the proposals using a scoring system with a maximum of 100 points, based on the criteria and corresponding weightings set out in Section 4.5.3;
- (c) proposals which do not obtain at least 3 points (out of a maximum of 5) for each of the sub-criteria may be considered to be of an unacceptably low quality, rejected and not further evaluated;
- (d) the score obtained for each award criterion will be multiplied with its allocated weight to calculate the weighted score per criterion. All the weighted scores will be added together ("added scores") and hereafter converted into points as detailed in section 4.5.5 (b) above. The proposal with the highest added scores will, for the purpose of the ranking of the proposals, obtain the maximum points as indicated in section 4.5.5 (b) above and the other proposals will receive proportionally less.

4.5.6 The economically most advantageous proposal is the proposal with the highest final score.

## 5 Outcome of the procurement procedure

## **5.1 Notification of award**

- 5.1.1 Following the award decision, the ECB shall inform the Tenderers in writing and without undue delay of the results of the procurement procedure.
- 5.1.2 Tenderers may within 15 calendar days of receipt of the notification request the ECB to provide the main reasons for rejecting their proposal. Such requests shall be submitted in writing (e.g. by e-mail to [procurement@ecb.europa.eu](mailto:procurement@ecb.europa.eu)). The ECB does not assume any responsibility for queries which are not submitted accordingly. In case of doubt, the tenderer shall demonstrate the ECB's receipt of such request. The ECB may decide to withhold certain information where the release of such information would affect other suppliers' legitimate commercial interests, would hinder application of the law or would otherwise be contrary to the public interest.