III
(Notices)

COMMISSION

CALL FOR EXPRESSIONS OF INTEREST FOR THE SELECTION OF THE .eu TLD REGISTRY
(2002/C 208/08)
(Text with EEA relevance)

1. BACKGROUND

Regulation (EC) No 733/2002 of the European Parliament and of the Council on the implementation of the .eu top level domain was adopted on 22 April 2002. It was published and entered into force on 30 April 2002 (1). This Regulation provides for the designation by the European Commission of a top level domain (TLD) Registry which will be entrusted with the organisation, administration and management of the .eu TLD. In Article 2 of the Regulation, the Registry is defined as 'the entity entrusted with the organisation, administration and management of the .eu TLD including maintenance of the corresponding databases and the associated public query services, registration of domain names, operation of the Registry of domain names, operation of the Registry TLD name servers and dissemination of TLD zone files'.

The purpose of this call for expressions of interest is to invite applications from organisations wishing to be considered as candidates for the Registry selection procedure. The selection procedure is based on an open call, and on principles of objectivity, non-discrimination and transparency.

The characteristics and tasks of the Registry are specified in Articles 3, 4 and 5 of the Regulation. The Commission wishes to point out in particular:

'Article 3

2. The Registry shall be a non-profit organisation, formed in accordance with the law of a Member State and having its registered office, central administration and principal place of business within the Community.

3. Having obtained the prior consent of the Commission, the Registry shall enter into the appropriate contract providing for the delegation of the .eu ccTLD code. To this effect the relevant principles adopted by the Governmental Advisory Committee shall be taken into account.

4. The .eu Registry shall not act itself as Registrar.

Article 4

1. The Registry shall observe the rules, policies and procedures laid down in this Regulation and the contracts referred to in Article 3. The Registry shall observe transparent and non-discriminatory procedures.

2. The Registry shall:

(a) organise, administer and manage the .eu TLD in the general interest of and on the basis of principles of quality, efficiency, reliability and accessibility;

(b) register domain names in the .eu TLD through any accredited .eu Registrar requested by any:

(i) undertaking having its registered office, central administration or principal place of business within the Community, or

(ii) organisation established within the Community without prejudice to the application of national law, or

(iii) natural person resident within the Community;

(c) impose fees directly related to costs incurred;

(d) implement the extra-judicial settlement of conflicts policy based on recovery of costs and a procedure to resolve promptly disputes between domain name holders regarding rights relating to names including intellectual property rights as well as disputes in relation to individual decisions by the Registry. This policy shall be adopted in accordance with Article 5(1) and take into consideration the recommendations of the World Intellectual Property Organisation. The policy shall provide adequate procedural guaranties for the parties concerned, and shall apply without prejudice to any court proceeding;

(e) adopt procedures for, and carry out, accreditation of .eu Registrars and ensure effective and fair conditions of competition among .eu Registrars;

(f) ensure the integrity of the databases of domain names.

Article 5

Policy framework

1. After consulting the Registry and following the procedure referred to in Article 6(3), the Commission shall adopt public policy rules concerning the implementation and functions of the .eu TLD and the public policy principles on registration. Public policy shall include:

(a) an extra-judicial settlement of conflicts policy;

(b) public policy on speculative and abusive registration of domain names including the possibility of registrations of domain names in a phased manner to ensure appropriate temporary opportunities for the holders of prior rights recognised or established by national and/or Community law and for public bodies to register their names;

(c) policy on possible revocation of domain names, including the question of bona vacantia;

(d) issues of language and geographical concepts;

(e) treatment of intellectual property and other rights.

2. Within three months of the entry into force of this Regulation, Member States may notify to the Commission and to the other Member States a limited list of broadly recognised names with regard to geographical and/or geopolitical concepts which affect their political or territorial organisation that may either:

(a) not be registered; or

(b) be registered only under a second level domain according to the public policy rules.

The Commission shall notify to the Registry without delay the list of notified names to which such criteria apply. The Commission shall publish the list at the same time as it notifies the Registry.

Where a Member State or the Commission within 30 days of publication raises an objection to an item included in a notified list, the Commission shall take measures, in accordance with the procedure referred to in Article 6(3), to remedy the situation.

3. Before starting registration operations, the Registry shall adopt the initial registration policy for the .eu TLD in consultation with the Commission and other interested parties. The Registry shall implement in the registration policy the public policy rules adopted pursuant to paragraph 1 taking into account the exception lists referred to in paragraph 2.

4. The Commission shall periodically inform the Committee referred to in Article 6 on the activities referred to in paragraph 3 of this Article.

The evaluation and selection of the Registry will take place on the basis of the selection criteria adopted according to the Regulation and included in this call for expressions of interest. The Commission may decide to use external experts to assist in this evaluation. The choice of experts will be made on their competence, independence and their specific knowledge of the market.

2. INVITATION TO SUBMIT APPLICATIONS

In accordance with Regulation (EC) No 733/2002 of the European Parliament and of the Council of 22 April 2002 on the implementation of the .eu top level domain, the European Commission is hereby inviting submissions for the selection of a Registry which will be entrusted with the organisation, administration and management of the .eu top level domain.

In order to assist applicants and to standardise the type of information submitted, an indication of the type of information requested by the Commission is provided in the Annexes to this call. All applicants should present their application in accordance with the information requested in the Annexes. The application must be signed by an authorised representative of the organisation. Additional relevant information may be submitted at the discretion of the applicant, but any submissions not providing all of the information requested in the annexes will not be considered as eligible. An electronic copy of the expressions of interest on diskette should also be included with the submission.

Applications are invited to be submitted in one step. The selection of the Registry shall be made as a result of this call for expressions of interest. No additional call is intended to take place for the selection of the Registry.

Submission of applications which have not met the deadlines set out below will not be considered for evaluation under this call notice.

Expressions of interest in response to this notice should be submitted by registered mail posted not later than 25 October 2002 (1) (date of postmark), or by delivery (in person or by an authorised representative or a private courier service) to the address mentioned below no later than 25 October 2002 (17:00). A receipt must be obtained as proof of submission, signed and dated by an official in the department mentioned below.

Applications must be submitted in four copies (three copies bound, one unbound) in one of the official languages of the Community. The four copies must be placed inside two sealed envelopes. The outer envelope must bear the address mentioned below, the inner envelope must bear the address described above and be marked ‘Applicants to expressions of interest for the selection of the .eu top level domain Registry, submitted by (name of applicant) — not to be opened by the internal mail department’. Self-adhesive envelopes must not be used.

The deadline for the submission of the expressions of interest is 25 October 2002. The address to which expressions of interest should be sent or delivered is:

European Commission
Information society Directorate-General
Mr G. PAPAPAVLOU
Unit A4 ‘Internet-related services’
BU 33 05/09
B-1049 Brussels.

(1) Minimum 37 days from the date of publication, assuming the publication can take place no later than 3.9.2002.
The Commission undertakes to send a confirmation of receipt to the applicant within five days of receiving the application.

It is the responsibility of the applicants to ensure that applications are addressed to the address given above and are despatched in time to arrive by the deadline. The Commission cannot be held responsible for packages wrongly addressed nor for proposals that are split between packages with no adequate identification to allow the different parts to be reassembled.

Information:

Information about Regulation (EC) No 733/2002 can be found at the following website:

http://europa.eu.int/information_society/topics/telecoms/internet/eu_domain/index_en.htm

Contacts:

The European Commission is responsible for the implementation of Regulation (EC) No 733/2002. The Commission department responsible for the implementation is Unit A4 of Information Society Directorate-General.

If necessary the following persons of this department can be contacted:

George Papapavlou — George.Papapavlou@cec.eu.int — tel. (32-2) 295 49 90
William Dee — William.Dee@cec.eu.int — tel. (32-2) 296 56 35
Anne Troye — Anne.Troye@cec.eu.int — tel. (32-2) 299 02 80.

3. ELIGIBILITY CRITERIA

The following criteria will be checked for all applications:

— date of reception of the application on or before the deadline for reception,
— signature of the representative of the legal entity submitting the application,
— completeness of the application,
— status of the applicant.

The Registry must be a non-profit organisation, formed in accordance with the law of a Member State and having its registered office, central administration and principal place of business within the Community.

The application shall identify clearly the Member State in which the non-profit organisation is formed and provide complete information about the location of its registered office, central administration and its principal place of business.

In order to confirm that the status of the applicant conforms to these requirements, the application must include the information set out in Annex 1.

In addition, if the non-profit organisation is set up by a consortium of firms or groups of contractors, the application should include information about the role and status of each member or group. A description of the internal organisation of the non-profit organisation should also be provided unless this is provided in the articles of association or similar type of statutes.

If the non-profit organisation is not yet established at the time of the application, applicants should submit as much tentative information as available regarding each of the above requirements and in addition a clear and precise indication about the timetable and procedure for such establishment.

The Registry must carry out the necessary tasks as a prime contractor, not as an agent nor subcontractor. Subcontracts may be allowed where necessary for the performance of the work, under the conditions established by the Governmental Advisory Committee of ICANN (Internet Corporation for Assigned Names and Numbers) in ‘Principles for the delegation and administration of country code top level domain’ of 23 February 2000, in particular clauses 4.1, 9.2 and 9.3 thereof, and with prior and written authorisation of the Commission. In such cases, the contractor shall ensure that the Commission enjoys the same rights and guarantees in relation to third parties as in relation to the contractor himself.

In the cases where applicants propose to subcontract any part of the Registry functions, applications shall include the related information as set out in Annex 1(10).

Applications which do not fulfil the eligibility criteria will not be evaluated.

The decision to exclude a proposal for failing eligibility criteria will be taken by the Commission. The applicant of an ineligible proposal will be informed immediately after the Commission decision.

4. SELECTION CRITERIA

The selection of the .eu Registry will be based on Regulation (EC) No 733/2002 and on the criteria outlined in this section. The applications must include the information on the selection criteria as set out in Annex 2.

A. Quality of service

The Registry is the entity entrusted with the organisation, administration and management of the .eu TLD including maintenance of the corresponding databases and the associated public query services, registration of domain names, operation of the registry of domain names, operation of the Registry TLD name-servers and creation and management of the TLD zone files.
Applicants must demonstrate their ability to organise, administer and manage the .eu TLD in the general interest and on the basis of principles of quality, efficiency, reliability and accessibility. Applications shall describe the type of organisation, administration and management intended to be put in place and shall provide information on expertise available in the organisation to achieve these functions. Regard may be had to the extent the applicant itself will be able to fulfil the functions as a Registry as opposed to the use of subcontractors.

Applications shall also include a description of the proposed registrar accreditation procedure and conditions, including technical considerations, and the related method to ensure effective and fair conditions of competition among registrars if available a draft accreditation agreement may be included. The Registry shall not act itself as registrar.

The .eu TLD Registry will also need to take sufficient measures to ensure that the .eu TLD is promoted effectively within the EU, that it generates consumer/user confidence, is conducive to innovation and that it can adapt to the future requirements of potential registrants. Particular attention needs to be given to the linguistic diversity of the European Union, and the need to promote the .eu TLD in the official languages of the EU. Applications will describe how the applicants intend to achieve these objectives.

This selection criterion will be marked with a maximum of 30. A threshold of 20 will be required for applicants to be considered for selection.

B. Human and technical resources

Applicants must demonstrate an adequate level of human and technical resources in order to be able to put in place and operate a registration management system which provides a high level of reliability (including contingency provisions in the event of failure), accuracy and efficiency. Geographic diversity in the applicants' proposed management structure and staff will also be considered a positive attribute for the purposes of evaluation.

Applicants also need to demonstrate that the .eu TLD will be managed in a way which is at the very least consistent with the minimum ICANN required functional and performance specifications for ccTLDs registry services.

This selection criterion will be marked with a maximum of 20. A threshold of 14 will be required for applicants to be considered for selection.

The application must include the information as set out in Annex 3.

C. Financial standing

Applicants must demonstrate a level of financial security and stability which is consistent with the tasks involved. Consideration therefore will be given to the quality of the business plan provided for the proposed registry operation.

The application will include adequate information about the anticipated costs and capital requirements, availability of capital and insurance, a revenue model (including a pricing model), relevant market analysis, a marketing plan and registry failure provisions.

The cost/quality of service relationship is a significant element in the evaluation of the financial standing.

In addition, applicants should provide information on the annual external audits they will submit themselves to.

This selection criterion will be marked with a maximum of 20. A threshold of 14 will be required for applicants to be considered for selection.

No Community financial contribution is available in relation to the implementation of the Regulation. The Registry will collect fees from third parties for the performance of its functions. The investments and expenditure by the Registry are to be undertaken against the expectation of revenue from registrations. After the first year of activities, if a surplus is recorded that may not be invested for enhanced quality of service purposes directly related to the Registry's organisation, administration and management of the .eu TLD, such surplus will be transferred each year to the Community budget. Consideration shall be given to the need to ensure an appropriate operating reserve.

D. Consultation mechanisms

Applicants should indicate how they intend to consult and take account of the views of other interested parties, in particular with public authorities, undertakings, organisations and natural persons representing different elements of the European Internet community and stakeholders.

In particular, applicants should indicate what consultative mechanism they intend to use for the initial definition of a registration policy and for its subsequent modification.

This selection criterion will be marked with a maximum of 30. A threshold of 20 will be required for applicants to be considered for selection.

E. Representation

Applicants should indicate how they intend to establish and maintain communication with, and if appropriate participate in, relevant regional or international Internet related organisations (including notably CENTR (Council of the European National Top Level Domain Registries), RIPE (Réseaux IP Européens), ICANN).

This selection criterion will be marked with a maximum of 10. A threshold of 5 will be required for applicants to be considered for selection.
F. Impact on the domain name marketplace

The Regulation states that 'the .eu TLD should promote the use of, and access to, the Internet networks and the virtual marketplace based on the Internet, in accordance with Article 154(2) of the Treaty, by providing a complementary registration domain to existing country code top level domains (ccTLDs) or global registration in the generic top level domains, and should in consequence increase choice and competition.' Consideration will therefore be given to the likely impact that the applicant's proposal would have on the competitive situation in the domain name marketplace.

Applications should include relevant data relating to share of sales of the non-profit organisation members or stakeholders in TLD registration activities at regional and global level. Shares should be separately provided for (1) 'all gTLDs', (2) 'all ccTLDs', (3) each of the gTLDs in which the respective member or stakeholder is active, (4) each of the respective ccTLDs in which the respective member or stakeholder is active.

This selection criterion will be marked with a maximum of 20. A threshold of 14 will be required for applicants to be considered for selection.

G. Implementation mechanisms for public policy provisions

Article 5(1) of the Regulation requires the Commission, after consultation with the Registry, to adopt certain public policy rules concerning the implementation and functions of the .eu TLD, and public policy principles relating to the registration of domain names.

Applicants are therefore invited to identify options for mechanisms to implement the provisions of Article 5(1), outline the financial, logistical and resource implications of such options and to indicate the preferred option of the applicant (and the reasons for preference). The applicant should also indicate which options have been used to formulate the revenue-cost model included in the section entitled 'financial standing'. Such information will be used by the Commission to help define the public policy rules to be adopted. It should be clear to applicants that the policy to be applicable may differ from the proposal of the selected Registry.

This criterion will not be marked on the basis of the quality of the policy option concerned, since policy will be later decided by the Commission assisted by the Committee mentioned in Article 6 of the Regulation. It will be marked on the basis of the quality of the relationship between the revenue-cost model and alternative policy options.

The maximum mark may be 10. A threshold of 5 will be required for applicants to be considered for selection.

H. EEA countries and EU enlargement

Applicants should demonstrate how they intend to take into consideration the expected extension of the Regulation to EEA countries and the potential extension to the candidate countries.

This selection criterion will be marked with a maximum of 10. A threshold of 5 will be required for applicants to be considered for selection.

5. PROCEDURE

Further to the evaluation of the expressions of interest received within the deadline given in section 2 above, the Commission will consult with the Member States in the manner provided for in the Regulation, and will proceed to the selection of an appropriate organisation to operate the .eu Registry.

The successful applicant will be invited to conclude a contract with the Commission, which will stipulate the tasks and responsibilities of the Registry as set out in the Regulation, including the public policy principles foreseen in Article 5(1), as well as the conditions according to which the Commission shall supervise the organisation, administration and management of the .eu TLD by the Registry and the conditions on the basis of which the Registry was selected. The contract will be limited in time and renewable. The initial contract shall be for a period of five years and could be renewed for another five years.

If, at any point before the signature of the contract, contract negotiations are terminated because either the applicant themselves withdraw, or because in the opinion of the Commission the conclusion of an appropriate contract is not possible, the reasons to terminate the contract negotiations will be duly and promptly notified to the other party. If at any stage in the selection process and before the signature of the contract such an eventuality does occur, the Commission reserves the right to open negotiations with another applicant which has submitted an eligible expression of interest and has fulfilled the selection criteria.

Following signature of the contract by the Registry and the Commission, the Commission will communicate its decision on the selection of an .eu ccTLD Registry operator to the Internet Corporation for Assigned Names and Numbers (ICANN) and request ICANN to ensure the delegation of the .eu ccTLD to the designated organisation subject to the appropriate procedure for ccTLD delegation. After having obtained the prior consent of the Commission, the Registry will be expected to enter into an appropriate contract with ICANN.

The Regulation also provides that the Registry will be subject to public policy rules concerning the operation of the .eu TLD, which will be adopted by the Commission after having consulted the Member States and the Registry. These rules will address the need to prevent speculative and abusive registration of domain names, provide for a policy on the possible revocation of domain names (including the question of bona vacantia), issues of language and geographical concepts, a policy for the treatment of intellectual property and other rights, and provide a policy on the extra-judicial settlement of conflicts policy.

Such public policy rules concerning the implementation and functions of the .eu TLD and public policy principles on registration will have to be implemented by the Registry once adopted.
The effect of the contract between the Commission and the Registry will take place upon signature of the contract by the contracting parties. In case there is no agreement between the Commission and the contractor on the resources necessary to be made available by the contractor to fulfil the obligations included in the public policy, the contract may be terminated. In such a case the Commission reserves the right to open negotiations with another applicant which has submitted an eligible expression of interest and has fulfilled the selection criteria.

The Community shall retain all rights relating to the .eu TLD including, in particular, intellectual property rights and other rights to the Registry databases required to ensure the implementation of the Regulation and the right to redesignate the Registry.

The Regulation is expected to be extended to the European Economic Area and amendments may be sought to the existing arrangements between the European Union and European third countries with a view to accommodate the requirements of the .eu TLD so that entities in those countries may participate. The Registry will be notified of such extension in such time as to make it possible for the Commission and the contractor to agree on the resources the contractor will put in place to fulfil his obligations in such extended area.

ANNEX 1

ELIGIBILITY CRITERIA

Information to be provided in compliance with the eligibility criteria related to the status of the applicant.

1. the full legal name, principal address, telephone and fax numbers, website(s) and e-mail address of the applicant corresponding to the non-profit organisation;
2. the complete location (address, telephone, fax, website(s) and e-mail address) of the registered office, central administration and principal place of business;
3. the address and contact details of all other business locations of the applicant;
4. the status of the organisation;
5. the law under which the organisation is established;
6. a certified copy of the articles of association or similar type of statutes of the organisation;
7. if the organisation is set up by a consortium of firms or groups of contractors the complete address and contact details of each member or group, as well as their role and status;
8. unless it is provided in the articles of association or similar type of statutes of the organisation, a description of the internal organisation of the non-profit organisation;
9. if the non-profit organisation is not yet established at the time of the application, the complete tentative information available regarding each of the above requirements and in addition clear and precise indication about the timetable and procedure for such establishment;
10. if the applicant proposes to subcontract any part of the registry function, in conformity with the Governmental Advisory Committee of ICANN ‘Principles for delegation and administration of ccTLDs’ of 23 February 2000, in particular — clauses 4.1, 9.2 and 9.3, they should provide relevant details, including the function to be subcontracted, the scope and terms of the proposed subcontract, the proposed subcontractor (if known), and a description of the proposed subcontractors technical, financial and management capabilities and expertise (if known). Any subdelegation shall be subject to prior and written authorisation of the Commission;
11. (optional) full names and positions of (i) all directors, (ii) all Members and (iii) all managers. Information on previous positions and experience as well as other current positions should, if relevant, be provided also.
ANNEX 2

SUBMISSION OF THE APPLICATION

The application form must be signed and dated by a party acting on behalf and with the authority of the proposed registry operator/applicant organisation, certifying that all the information provided in the applicant's proposal is true and accurate to the best of his/her knowledge. By so doing, the signatory and the applicant organisation accept that any material misstatement or misrepresentation may result in rejection of the application or cancellation of any subsequent contract based on such an application.

In addition to information related to eligibility, applicants should provide information under the headings outlined in this Annex. These criteria shall be evaluated according to the following scores:

— 1 insufficient,
— 2 poor,
— 3 average,
— 4 good,
— 5 excellent.

A. Quality of services

A1. Description of the applicant ability to organise, administer and manage the .eu TLD in the general interest and on the basis of principles of quality, efficiency, reliability and accessibility including general capabilities, expertise, previous relevant experience and, if applicable, current business operations. If the organisation is set up by a consortium of firms or groups of contractors, a description of the general capabilities, expertise, previous relevant experience and, if applicable, current business operations for each firm or group.

A2. Information on the management expertise of the proposed directors and managers, including personal experience and qualifications.

A3. Description of the proposed registrar accreditation procedure and conditions, including technical considerations, and the applicant's proposed method to ensure effective and fair conditions of competition among registrars.

A4. Description of the measures intended to be taken by the applicant to ensure the promotion of the .eu TLD within the EU, to generate consumer/user confidence, be conducive to innovation and adapt to the future requirements of potential registrants, and promote linguistic diversity.

B. Human and technical resources

B1. Demonstration of an adequate level of human and technical resources to put in place and ensure the operation of a registration management system which provides a high level of reliability (including contingency provisions in the event of failure), accuracy and efficiency. Demonstration of the geographical diversity of the management structure and the staff.

B2. Detailed description of the applicant's technical capability to carry out the tasks outlined in the Annex 3. This should include information on the number, experience and qualifications of key technical personnel and access to system maintenance and development tools and resources.

B3. Description of the technical plan for the proposed registry operations. This should include a general description of the proposed facilities and systems, the registry-registrar model, database capabilities, procedures for zone-file management, billing and collection systems, third party data escrow and backup (with data held solely in the European Union), associated public query services, system security, capability for handling peak capacities, system reliability and system recovery procedures (as outlined in Annex 3).

B4. Demonstration that the .eu TLD shall be managed in a way which is consistent with the minimum ICANN required functional and performance specifications of ccTLDs registry services.

C. Financial standing

C1. Description of the business plan for the proposed registry operation, including the services to be provided, the anticipated cost and capital requirements, availability of capital, the revenue model (including a pricing model), a market analysis/forecast, a marketing plan, a cost analysis, a resource requirement projection, an expansion plan for the five-year period of the contract, a risk analysis and a indication of registry failure provisions. The applicant can submit any additional information felt to be appropriate.
C2. Evidence of financial and economic standing to be provided by one of the following: statements from bankers or investors, balance sheets or extracts from balance sheets or a statement of overall turnover.

C3. Confirmation and details of general liability insurance provision, including the name and address of the insurance policy provider, and the amount of insurance cover.

C4. Information on the annual external audit.

D. Consultation mechanisms

D1. Description of the consultation of interested parties process and methodology.

E. Representation

E1. Description of the intended representation to regional and international Internet-related organisations.

F. Impact on competition

F1. Relevant data relating to share of sales of members or stakeholders in similar registration activities regionally or globally.

G. Implementation mechanisms for public policy provisions

G1. Description of the options to implement the provisions of Article 5(1) of the Regulation outlining financial, logistical and resource implications.

G2. Information about the options used by the applicant to formulate the revenue/cost model included in C1.

H. EEA countries and EU enlargement

H1. Demonstration of how the applicant intends to take into consideration the expected extension of the Regulation to EEA countries and the potential extension to the candidate countries.

ANNEX 3

The Registry will need to provide, as a minimum, the necessary systems, software, hardware, facilities, infrastructure for the following services:

1. operation and maintenance of the primary authoritative server for the .eu TLD;

2. operation and/or administration of the network of secondary servers for the .eu TLD;

3. creation and management of the .eu TLD zone file(s);

4. maintenance of an accurate and up-to-date registration database for all .eu TLD registrations;

5. maintenance of an accurate and up-to-date database of .eu TLD accredited registrars;

6. establishment of a third-party data escrow (with data held solely in the European Union) for .eu TLD zone file and domain name registration information;

7. compliance with relevant international standards (including IETF standards and future standards and procedures such as those being developed for internationalised domain names) and best practice procedures for the functions outlined above and in order to ensure the interoperability of the .eu TLD with the rest of the domain name system. Provisions for taking account of migration to IPv6 as and when appropriate;

8. promotion of awareness and registration in the .eu TLD by maintaining a website with up-to-date policy and registration information for the .eu TLD, and through other promotion and awareness means;

9. the operation and maintenance of associated public query services.
ANNEX 4

DRAFT SERVICE CONCESSION CONTRACT

The European Community, represented by the Commission of the European Communities ('the Commission'), which is represented for the purposes of the signature of this contract by (insert name, function, department) or his/her duly authorised representative,

of the one part.

and

(Company name and legal form)
(Statutory registration number)
(Registered/main office/place of operation)
(Address in full)
(VAT registration number)
(Registration number under a specific social security system)

represented by its/their/legal/statutory representative(s), (name) (function)

(the contractor),

of the other part.

Hereafter referred to collectively as the 'contracting parties'

Having regard to Regulation (EC) No 733/2002 of the European Parliament and of the Council on the implementation of the .eu top level domain,

The contracting parties have agreed as follows.

Article 1

Subject matter

The contractor is entrusted with the organisation, administration and management of the .eu top level domain (TLD).

The organisation, administration and management of the .eu TLD include notably the following functions:

— registration of domain names,

— maintenance of the corresponding databases and the associated public query services,

— operation of the Registry of domain names,

— operation of the Registry TLD name-servers,

— creation and management of the .eu TLD zone files.

The contractor undertakes to fulfil all obligations relating to the organisation, administration and management of the .eu TLD as follows from this contract and from Regulation (EC) No 733/2002. The contractor's technical obligations are described in the technical annex.
Article 2

Performance of the contract

1. The contract shall be performed in such a way as to exclude the possibility of the contractor or his staff supplying services under conditions identical to those governing the supply of services by an employed person. Under no circumstances may the contractor or his staff be integrated into the Commission’s administrative organisation.

2. The contractor undertakes to perform the tasks assigned to him according to the highest professional standards. In performance of the contract, the contractor is required to use only his own highly qualified, professional staff, except in the cases expressly provided for in Article 8 of this contract.

3. The contractor undertakes to provide the Commission with any information it may request for the management of the contract.

4. The contractor shall regularly update and back up any database necessary for the performance of the tasks and functions of the Registry including .eu TLD zone file and domain registration information.

5. The contractor shall not represent the Commission and may not behave in any way that would give such an impression. The contractor shall inform third parties that he does not belong to the European public service, but that he is exercising the tasks on behalf of the European Community.

6. The contractor shall notify the Commission immediately, in writing, of any change in his legal or financial circumstances, relating in particular to the legal form at the signing of the contract and the resources used to perform the contract.

Article 3

Duration

1. This contract is concluded for an initial period of five years from the date on which it is signed by the contracting parties.

2. The effect of this contract will take place upon signature of the contract by the contracting parties.

3. This contract may be renewed for another five years by both contracting parties in the form of a supplementary contract. The request for renewal shall be notified by either party between the 15th and 12th months before the end of the contract. Tacit renewal shall not be valid.

Article 4

Reporting requirements and deliverables

The contractor undertakes to submit to the Commission and make available to the public, normally via its Internet site, the following reports in [specify language] in order to facilitate transparency:

1. Implementation report

Nine months after the adoption by the Commission of the public policy rules, the contractor undertakes to submit a report on the implementation, effectiveness and functioning of the .eu TLD.

2. Progress report

For the first two years of the contract, the contractor undertakes to submit quarterly progress reports to the Commission detailing the contractor’s progress towards meeting the contract requirements. Thereafter, such reports shall be provided to the Commission every six months.

These reports shall indicate the status of all major events, as well as major work performed during the period, including registration policy and amendments to it, technical status, accomplishments, and complications experienced in fulfilling the contract requirements. Such reports shall also provide performance data related to operation of the .eu TLD including, but not limited to, the following: the total number of registry transactions; the number of new, transferred, deleted or revoked registrations in the .eu TLD (including cumulative registrations over time); the number of registrars accredited to register names in the .eu TLD space, including the operational status of those registrars; and the number of complaints and number of disputed names.
The Commission shall have 30 days from the receipt of such a report to:

(a) approve a report, with or without comments, reservation or requests for additional information; or

(b) request a new report.

If the Commission does not react within the 30-day period, the report shall be deemed to have been approved.

Article 5

Confidentiality

The contractor using his own staff in performance of the contract shall obtain from each staff member a written undertaking that they will respect the confidentiality of any information brought to their attention in the performance of the work and that they will not divulge to third parties or use for their own benefit or that of any third party any document or information not available publicly, even after completion of their assignment. A copy of the undertaking shall be sent to the Commission.

Article 6

Rights on the .eu TLD, permits and licences

1. The Community shall retain all rights relating to the .eu TLD including, in particular, intellectual property rights and other rights to the Registry databases required to ensure the implementation of the Regulation and the right to redesignate the Registry.

2. The contractor shall be solely responsible for taking the necessary steps to obtain any permit or licence required for performance of the contract under the laws and regulations in force at the place where the tasks assigned to him are to be performed.

Article 7

Liability

1. The liability of the contracting parties amongst themselves with regard to any losses, damages or injuries suffered in the context of the performance of this contract shall be governed by the law indicated in Article 13 of this contract.

2. The contractor shall take all necessary and reasonable measures to carry out the work incumbent on a defaulting subcontractor.

The measures to be taken in the event of force majeure shall be agreed between the contracting parties. The contracting parties expressly agree that any default of a product or service used for the purpose of performing this contract and affecting such performance, in itself does not constitute force majeure.

3. The Commission cannot be held liable for acts or omissions committed by the contractor or a subcontractor in the performance of this contract.

The contractor fully guarantees the Commission and agrees to indemnify it, in the case of any action, complaint or proceeding brought by a third party against it as a result of damage caused by any act or omission committed by the contractor or a subcontractor in the performance of this contract, only to the extent that the contractor or subcontractor have contributed to or are responsible for the loss or damage concerned.

In the event of any action brought by a third party against the Commission in connection with the performance of this contract, the contractor which may bear responsibility shall be required to assist the latter.

4. In the event of any action brought by a third party against the contractor in connection with the performance of this contract, the Commission may, without prejudice to paragraph 1 of this provision, assist the latter upon written request. The costs incurred by the Commission in this connection shall be borne by the contractor.

5. The contractor undertakes to take all the appropriate insurance to cover his abovementioned liabilities.
Article 8

Subcontractors

1. The contractor shall not, without the prior and written authorisation of the Commission, subcontract. The contractor shall not cause the contract to be performed in practice by third parties.

2. Where the Commission authorises the contractor to subcontract to third parties, he shall nonetheless remain bound by his obligations to the Commission under the contract. The Commission shall only authorise the contractor to subcontract to third parties tasks which prove necessary for the performance of its work and under the conditions established by the Governmental Advisory Committee of ICANN (Internet Corporation for Assigned Names and Numbers) ‘Principles for the delegation and administration of country code top level domain’ of 23 February 2000, in particular clauses 4.1, 9.2 and 9.3 thereof.

3. The contractor shall make sure that, in situations such as those described in paragraph 2, the Commission enjoys the same rights and guarantees in relation to third parties as in relation to the Contractor himself.

Article 9

Financial management, audit and control

1. The contractor shall perform the contract in accordance with the principles of sound financial management.

2. The contractor may not charge the European Union for performance of the requirements of this contract.

3. However, the contractor may establish and collect fees from third parties for performance of the requirements of this contract, provided that the fees are directly related to costs incurred. With respect to the first year of activities, the amount of fees to be imposed by the Registry shall be calculated in taking into account the anticipated costs included in its business plan submitted to the Commission.

4. The investments and expenditure by the contractor are to be undertaken by the contractor against the expectation of revenue from registrations. After the first year of activities, if a surplus is recorded that may not be invested for enhanced quality of service purposes, such surplus will be transferred to the Community budget in any year such surplus occurs. Consideration shall be given to the need to ensure appropriate operating reserve.

5. In order to allow the Commission to check whether there is a surplus to be transferred, the contractor undertakes to submit at the end of each accounting year an accounting balance of its activities. When the Commission comes to a decision on the value of the surplus to be transferred, a recovery order shall be issued and sent to the contractor who shall act accordingly by proceeding to the corresponding transfer of funds, within 60 days upon the receipt of the order.

6. The contractor undertakes to initiate annually a financial audit by an independent auditor and to submit it to the Commission. The cost shall be borne by the contractor.

7. On the basis of the conclusions of the financial audit, the Commission shall take all appropriate measures which it considers necessary.

8. The contractor shall provide all the detailed data requested by the Commission with a view to checking that the contract is being properly managed and performed.

9. The contractor shall, if so requested, attend meetings organised by the Commission or by any other body acting on its behalf with a view to monitoring, supervising and assessing performance of the contract. He shall facilitate the monitoring, supervision and assessment of such performance.

10. The contractor shall keep at the Commission's disposal the original or, in exceptional cases, duly substantiated, authenticated copies, of all documents relating to the contract for up to five years from the end of the contract indicated in Article 3.

11. The Commission may, at any time within the time limits set out in paragraph 12, arrange for an audit to be carried out, either by an outside body of its choice, or by the Commission departments themselves. The object of such an audit shall be to verify the contractor's compliance with the contract. The cost shall be borne by the Commission.
12. Commission audits, whether carried out by its own departments or by an outside body, may take place during
the contract or a period of five years following the end of the contract.

13. In order to carry out these audits, the Commission's departments and the outside bodies concerned shall have
total on-the-spot access, notably to the contractor's offices, at all times and to all the information needed for control
purposes. Where such information involves personal data, its use, distribution and publication shall be in accordance
of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free
movement of such data.

14. The European Court of Auditors shall have the same rights as the Commission, notably right of access, for the
purpose of checks and audits.

15. The Commission reserves the right to ask for a bank guarantee to the contractor.

**Article 10**

**Amendments or additions to the contract**

The provisions of the contract and the annex thereto may be amended or supplemented only by means of a
supplementary agreement initialled on each page and signed by each of the contracting parties or their authorised
representatives.

**Article 11**

**Termination — non-performance**

1. In the cases mentioned below, the Commission shall notify the contractor by registered letter with acknowl-
dedgement of receipt that he has one month to rectify the situation. At the expiration of this month, if the contractor has
not rectified the situation, the Commission may terminate this contract immediately, without indemnification, by
registered letter with acknowledgement of receipt.

(a) where the contractor is not in a position to deliver the resources (in term of finance, personnel, etc.) necessary to
fulfil the obligations included in the public policy;

(b) where the contractor has not implemented the public policy rules in its initial registration policy for the .eu TLD, or
applies such policy arbitrarily;

(c) where the contractor has declined to conclude an appropriate contract with ICANN (Internet Corporation for
Assigned Names and Numbers), regarding the delegation of the .eu TLD;

(d) where the Commission can reasonably assume that the contractor is unable to continue to manage, operate and
control the .eu TLD in accordance with the Regulation and the related public policies;

(e) where the contractor has not fully performed his contractual obligations.

2. The Commission may immediately terminate this contract, without indemnification, by registered letter with
acknowledgement of receipt:

(a) where the contractor concludes a contract with ICANN regarding the delegation of the .eu TLD, without prior
consent of the Commission;

(b) in the event of bankruptcy, of winding-up, of cessation of trading, of winding-up by court order or composition,
suspension of activities of the contractor or any similar proceeding provided for by national laws or regulations and
leading to a similar results;

(c) in the event of a serious financial irregularity;

(d) where the contractor has made false declarations for which he may be held responsible or has deliberately withheld
information in order to obtain this contract.
(e) where the contractor is unable, through his own fault, to obtain any permit or licence required for performance of the contract as specified in Article 6.

3. The contractor may terminate this contract at any time, in the case where he is not able to perform his contractual obligations, by giving nine months written notice to the Commission.

4. In the event that this contract is terminated in accordance with the above provisions, the Commission, with the cooperation of the contractor, shall take all necessary steps to transfer the administrative and operational responsibility for the .eu TLD and any reserve funds to such party as the Commission may designate. In such case, the contractor shall make all efforts to avoid disruption of the service and shall in particular continue to update the information subject to third-party data escrow until the time of completion of the transfer of the .eu TLD.

Article 12

Correspondence

All correspondence to the Commission concerning this contract shall be made in writing and sent to the following address:

European Commission
DG Information Society
For the attention of . . .
B-1049 Brussels.

Article 13

Applicable law and jurisdiction

1. This contract shall be governed by the law of the contractor's country.

2. The Court of First Instance of the European Communities and, in the case of an appeal, the Court of Justice of the European Communities shall have sole jurisdiction to hear any disputes between the Community and the contractor, as regards the validity, the application or any interpretation of this contract.

Article 14

Final provisions

1. The Technical Annex thereto is an integral part of this contract.

2. In the event of any conflict between the Technical Annex and any other provision of this contract, the latter shall take precedence.

Done at Brussels, in duplicate, in [specify language].

For the Commission

For the Contractor

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A. **Introduction**

The contractor must furnish the necessary personnel, material, equipment, services and facilities (except as otherwise specified) to perform the functions identified below.

The .eu TLD is the top level domain (TLD) of the Internet domain name system (DNS) that corresponds to the European Union.

The contractor will not be permitted to act as a registrar in the .eu TLD space. Furthermore, the contractor will be required to perform a core set of .eu TLD registry functions, as described in the contractor Requirements section below.

B. **Contractor requirements**

B.1. **Statement of purpose**

The purpose of this contract is to ensure centralised management and coordination of registry, database, and information services for the .eu TLD. In broadest terms, the .eu TLD is created to provide a locus for registration of domain names to serve the Internet community of the European Union, and is intended to be available to a wide range of registrants as specified in the Regulation. Given the foregoing, the following objectives have to be achieved:

1. ensure that procedures and a framework of accountability for the delegation and the administration of .eu TLD evolve into a robust, certain, and reliable system;
2. promote increased use of the .eu TLD by the Internet community of the European Union (including small businesses, consumers, Internet users, not-for-profit organisations, with residence, registered office, central administration or principal place of business in the European Union) and public authorities (i.e. Member State, city, and county, among others), through introduction of enhanced services, dissemination of information through advertising and/or other appropriate mechanisms, promotion of the .eu TLD in the official languages of the EU and simplification of registration services;
3. create an efficiently managed structure that ensures both registrant and consumer confidence and infrastructure stability;
4. create a stable, flexible, and balanced environment within the .eu TLD that is conducive to innovation and that will meet the future demands of potential registrants;
5. ensure continued stability of the domain name system as a whole and the .eu TLD;
6. promote robust competition within the .eu TLD and in particular registration services that will lead to greater choice, new, and better services for users.

B.2. **Core registry functions**

The contractor undertakes to provide any services necessary for the proper and efficient functioning of the .eu TLD. In particular, the contractor undertakes to provide the necessary systems, software, hardware, facilities, infrastructure and security for the following services:

1. operation and maintenance of the primary authoritative server for the .eu TLD;
2. operation and/or administration of the network of secondary servers for the .eu TLD;
3. creation and management of the .eu TLD zone file(s);
4. maintenance of an accurate and up-to-date registration database for all .eu TLD registrations;
5. maintenance of an accurate and up-to-date database of .eu TLD accredited registrars;
6. establishment of a third party data escrow (with data held solely in the European Union) for .eu TLD zone file and domain name registration information;
7. compliance with relevant international standards (including IETF (Internet Engineering Task Force) standards and future standards and procedures such as those being developed for internationalised domain names) and best practice procedures for the functions outlined above and in order to ensure the interoperability of the .eu TLD with the rest of the domain name system; provisions for taking account of migration to IPv6 as and when appropriate;
8. promotion of awareness and registration in the .eu TLD by maintaining a website with up-to-date policy and registration information for the .eu TLD, and through other promotion and awareness means; and

9. operation and maintenance of associated public query services.

B.3. Core policy requirements

1. The contractor undertakes to:

(a) observe the rules, policies and procedures laid down in the Regulation and adopted for its implementation, and the contracts referred to in Article 3 of the Regulation;


(c) organise, administer and manage the .eu TLD in the general interest and on the basis of principles of quality, efficiency, reliability and accessibility;

(d) register domain names in the .eu TLD through any accredited .eu Registrar requested by any:

— undertaking having its registered office, central administration or principal place of business within the Community, or

— organisation established within the Community without prejudice to the application of national law, or

— natural person resident within the Community;

(e) impose fees directly related to costs incurred;

(f) implement the extrajudicial settlement-of-conflicts policy and a procedure to resolve promptly disputes between domain name holders regarding rights relating to names including intellectual property rights as well as disputes in relation to individual decisions by the Registry. This policy shall be adopted in accordance with Article 5(1) of the Regulation and take into consideration the recommendations of the World Intellectual Property Organisation. The policy shall provide adequate procedural guarantees for the parties concerned, and shall apply without prejudice to any court proceeding;

(g) adopt transparent and non-discriminatory procedures for, and carry out, accreditation of .eu Registrars and ensure effective and fair conditions of competition among .eu Registrars;

(h) ensure the integrity of the database.

2. Moreover, the contractor undertakes to:

(a) conclude an appropriate agreement with ICANN regarding the delegation of the .eu TLD, with the prior consent of the Commission;

(b) establish and maintain communication with, and if appropriate participate in, relevant international Internet organisations (including ICANN, CENTR (Council of European National Top Level Domain Registries), RIPE (Réseaux IP européens));

(c) consult and take account of the views of other interested parties, in particular with public authorities, undertakings, organisations and natural persons representing different elements of the European Internet community;

(d) ensure the independence of the decisions to be taken under the extrajudicial settlement of conflicts policy;

(e) abide by the principles and procedures set out in the Government Advisory Committee of ICANN document ‘Principles for the delegation and management of country-code top level domains‘ of 23 February 2000 in so far as they are consistent with the Regulation.
C. Controls

C1. Technical verification of the contractor's activities

1. The Commission, or any representative authorised by it, may initiate a technical verification of the contractor's activities in order to check that the contract is being or has been carried out in accordance with the conditions set out in this contract or indicated by the contractor.

The verification procedure shall be deemed to be initiated on the date of receipt of the relevant registered letter with acknowledgement of receipt sent by the Commission.

It shall be carried out on a confidential basis.

2. The Commission or any authorised representative may have access to the locations and premises where the work is being carried out, and to any document concerning the work, and may request the submission of documents.

The Commission shall take appropriate steps to ensure that its authorised representatives treat confidentially the data to which they have access or which have been provided to them.

Prior to the carrying out of the technical verification, the Commission shall communicate to the contractor the identity of the authorised representatives who are intended to perform the verification.

3. The contractor shall provide appropriate assistance to the Commission or its authorised representatives.

4. A report on the technical verification of the contractor's activities shall be sent to the contractor. The latter may communicate his observations to the Commission within a month of receiving it. The Commission may decide not to take into account the observations conveyed after that deadline.

Call for proposals for promoting access of people with disabilities to the labour market, issued by National Agency for Regional Development, on the commission of the Ministry of Social and Family Affairs (its successor) (2002/C 208/09)

1. Publication reference

Phare HU0105-02: Promoting access of People with disabilities to the labour market (systematic improvement of rehabilitation instruments in the area of employment).

2. Programme and financing source

Within the framework of the Phare HU0105-02 Systematic Improvement of Rehabilitation Instruments in the Area of Employment Programme, the amount available under the present Call for proposals is EUR 5.7 million. EUR 3.0 million comes from the contribution of the European Union’s Phare Programme, EUR 2.7 million from the central part of the Rehabilitation Section of the Hungarian Labour Market Fund. A minimum of 10% of the total budget must be financed from the applicant’s own resources.

3. Nature of activities, geographical area and project duration

(a) Activity Area 1: development of vocational training

Introducing vocational training and re-training programmes leading to a qualification recognised by the National Training Register (OKJ), based on utilising modern technology (e.g. information/communication related technology), for disabled and partially disabled people.

Activity Area 2: therapeutic occupational programmes

Establishing proper conditions for the provision of therapeutic occupational programmes in rehabilitation/social care institutes for people with disabilities, establishing the physical, material and professional/personnel conditions to implement therapeutic occupational programmes; providing therapeutic occupational programmes, and sheltered employment.

Activity Area 3: development of services

The improvement and provision of services in the field of vocational rehabilitation, with special attention being paid to the preparation for starting a job, the exploration of job opportunities, support for a study phase, for transportation, health and psycho-social services, as well as support for job retention and the organisation of job opportunities and work experience.