

Invitation to tender

Outsourcing of tasks related to receipt of Schengen visa applications in the People's Republic of China

General Information

The Ministry of Foreign Affairs and Trade of Hungary aims to continuously improve the quality of its services offered to the general public. It also aims to provide favourable conditions for the visa applicants during the visa application process. In order to extend the accessibility of the Hungarian Consular Service and also approach potential visa applicants in other locations, the Ministry outsources specific services to external service providers (**ESP**) in relation to receipt of Schengen (Hungarian) visa applications. In accordance with Articles 43 and 44 of the EC Regulation 810/2009 (of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas) and with the decision of the Ministry No. KKM/18742/2015/Adm., the Ministry hereby invites external service providers to take part in a tender (not involving negotiation for a contract) to provide services related to receipt of Schengen visa applications and other related tasks in **the People's Republic of China (not covering Hong Kong)**. (This tender is not covering visa applications within the framework of visa representation agreement however it would be added after a trial period of 3 to 6 month and with the consent of the represented country.)

1. Object of the tender

The Ministry is inviting tenders for the provision of services related to the receipt and control of applications for Schengen visas in **Beijing and Shanghai** with later gradual extension of scopes of activities to other cities **if and when Chinese regulations allow that**.

In 2014, there were approximately 18.500 Schengen (Hungarian) visa applications processed by the **Hungarian Missions in Mainland China** with an annually increasing tendency.

By outsourcing the receipt of visa applications, it is expected that a higher number of visa applicants will be able to submit their applications at the offices of the chosen external service provider in China.

2. Description of needs

In the context of the present call for tender it is important that the external service provider must be able to assume responsibility for preliminary tasks prior to decision-making on Schengen visa applications, such as providing information to applicants about Schengen visa regulations and procedures, answering telephone inquiries from applicants, checking/screening applications and making sure that the required documentation has been submitted, handling application fees, managing appointments for interviews, recording of basic application data and intake of biometrics with a client software provided, delivering applications to Hungarian Missions in China, returning passports (and related documents if any) to the applicants after the application has been processed. The place of delivery of passports pending the place of submission will be specified in the Agreement.

The Ministry attaches importance to the high level of data security, in accordance with the related Hungarian and EU legislation. The external service provider shall make all the necessary arrangements in terms of offices, staff and organization, so that applicants may submit their applications without undue delay. The external service provider must also comply with the requirements stated in EC Regulation 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas (Articles 43 and 44, as well as Annex X).

The services of the external service provider comprise the following main tasks:

- Providing information on Schengen visas and immigration regulations and procedures on a designated website (Chinese and/or English);
- Operation of a call-center – answering general telephone inquiries concerning rules and regulations as well as application status;
- Receiving and screening of applications (Chinese and English language application form as well) to ensure that they are duly completed, signed and contain all the required supporting documentation;
- Collecting and transferring application fees;
- Operating an appointment scheduling system for interviews if and when the Hungarian Missions request such;
- Recording basic application data with the software provided by the Ministry;
- Digital capture of biometric identifiers (fingerprints, facial image applicable);
- Regularly (possibly on daily basis) delivering applications, passports, supporting documentation and digital application data to and from the Missions in a secure manner;
- Handing out passports and supporting documentation to the applicants when they are returned from the Missions. Applicants must be informed within 24 hours (e.g. via phone, SMS or e-mail).

Receipt of applications

The external service provider has to check that all required fields of the visa application forms are filled in and that the application has been signed by the applicant. It should also be verified that the required supporting documentation is delivered together with the application forms and passport photos meeting specific requirements. The website of the external service provider shall contain a link to the application forms available on the Missions' website. Print-out forms and checklists should also be available to the applicants at the Visa Application Centres. In case an application appears incomplete as per the checklist, the applicant should be made aware about the lack of sufficient documentation. The external service provider shall further ensure that applications are received in a strictly neutral manner.

Applications of specific applicant categories are handled directly by the Missions (e.g. members of official delegations, V.I.P. clients/companies etc.).

Application data recording

The external service provider shall record visa application data by using the Ministry's software application. However, penalty shall be imposed for errors according to a "quota" (point 6 of this document). The Ministry provides this software free of charge for the external service provider's exclusive use and is ready to share, on request, with its Installation and Administration Guide (36 pages) and the User's Manual (30 pages) in PDF format.

The Ministry is the sole copyright owner of this software. However, in case of any modification requirement the external service provider can contact the developer of this software directly, but in order to keep the consistency and integrity of this software application the Ministry requires the source code of the modified application for inspection and approval. The service provider and the developer are required to prove that the modified application which is intended to use at the service provider's own facilities is generated from the above mentioned source code.

External service providers may use any other biometric equipment established in their workflow, but they are required to integrate those equipment, or the captured biometric data with the Ministry's software application. The integration procedure has to ensure that the applicant's alphanumeric and biometric data are associated unambiguously.

The cost of any needed modification, further IT development or the solution of compatibility problem is at the external service provider's own expense.

Compatible devices with the Ministry's software application are as follows:

- passport readers: Adaptive Recognition Hungary (ARH) CLR233 and newer models
(e.g.; ARH ComboSmart RL);
3M ePassportReader (model no.: CA000003348);
3M ePassportReader (AT 9000)
- fingerprint scanners: ARH AFS510 stand-alone;
Speed Identity G3 – integrated biometric enrolment station with
ARH AFS510 or CrossMatch Guardian fingerprint scanner.

Payment of fees

On behalf of the Hungarian Missions, the external service provider must collect the visa fee to be paid by applicants for processing their Schengen visa applications (if it should apply according to the Schengen rules – none, 35 or 60 Euros per application). The external service provider may charge a service fee as per application, not exceeding 30 Euros per application. The amount of the service fee shall be set in the agreement to be concluded with the external service provider. Any change related to the service fee shall only be applied with the prior approval of the Ministry. The external service provider shall give the applicant a receipt stating the amount collected, clearly showing the administrative (visa fee) and the service fee. Applicants falling into the categories of persons exempt from paying the administration fee of 60 or 35 Euros and submitting their applications at the Visa Application Centers (VAC) are only required to pay the service fee. The Missions shall receive a copy of the receipts and a weekly report of the administrative and service fees collected by the external service provider.

The external service provider may offer additional services for extra fees like photocopying, courier service for delivery of passports etc. All such services offered and their fees must be fair and in line with the locally accepted/accustomed prices. The external service provider shall give clear information to applicants that the additional services are optional and are not required or operated by the Missions.

Security level

The external service provider shall be able to offer a high level of physical security. The premises of the Visa Application Centers shall be protected against criminal and terrorist acts by means of metal detectors, code locks on doors and similar measures. It is important, however, that these security measures respect cultural and religious traditions, for example in connection with body search.

The external service provider shall be able to offer a high level of data security. Application data is confidential and must be protected against fraud and data corruption. Personal data (name, address, phone Nr. etc.) should strictly be used for application purposes and cannot be used for other purposes (e.g. marketing or advertisement). Should the external service provider violate the aforementioned security rules the Ministry shall terminate the contract immediately and launch investigation.

Passports and supporting documentation must be kept in safes overnight and the transfer of passports and documentation to and from the Missions as appropriate should be made in an appropriate safety arrangement (e.g. accompanied by security guards and/or minimum two or three persons) Surveillance cameras in the offices and the service area should be used as far as possible and with regard to the relevant legislation of China.

The aforementioned physical and data security requirements are basic requirements and a bid will not be considered if a tenderer fails to comply with them.

Service level

The external service provider shall provide information on visa regulations and visa procedures on a website. Related information is available on the websites of both the Ministry and the Hungarian Missions. The website of the external service provider shall contain a link to the homepage of the Hungarian Missions also in order to ensure that applicants have continuous access to updated information. The information to be published will be provided by the Hungarian Missions in China. The information on regulations and procedures shall also be posted on the walls at the Visa Application Centers or available through freely accessible information stands. In addition, the external service provider shall operate a call center offering the same general information on requirements and procedures and on the status of the applications.

It would be preferable that the website of the external service provider would carry information on the status of individual applications as far as this information is available to the external service provider. The following status information might be given out:

- Application received by the visa center;
- Application transferred to the mission;
- Application is in the decision making process at the Hungarian Mission;
- Answer/decision received from the mission;
- Passport (and returned documentation) sent back from the Mission.

Applicants may be entitled to have access to the above information using a password issued by the external service provider when the application is delivered. Staff members of the external service provider must be service-minded and sensitive to the national, cultural and religious traditions of the country in which they are operating.

Payments and financial control

The external service provider will receive no payments from the Ministry, Hungarian Missions or any other Hungarian Official Representation, but will be entitled to collect a service fee from each applicant as per application. The external service provider shall set up a list of fees containing all services offered to applicants.

The external service provider shall indicate that it is subject to regular audits in accordance with the legislation of China. Furthermore, the operation of the external service provider shall be subject to internal financial control.

Transfer of fees

Application (administrative) fees must be regularly transferred to the Hungarian Missions' bank account (in CNY/RMB) as appropriate. The Hungarian Missions will decide upon a transfer frequency.

Performance control and security checks

The Hungarian Missions will have the right to supervise and check the performance of the external service provider's staff, as well the security of the operations. These inspections will be made at any time upon the request of the Hungarian Missions and may include on-site inspections as well. Some might be unannounced and involve fictitious customers appearing as applicants at the Visa Application Center. The service provider should open a dedicated IP address for on-line access to the video surveillance system (for consular monitoring reasons) at the Center during working hours.

3. Deadlines

The Ministry has set up the following time frames for the tendering process:

| Activity | Date |
|--|--|
| <u>Deadline for receipt of tenders</u> | <u>October 15, 2015; 12:00 (Budapest time)</u> |
| Period for evaluation of tenders | October 26 - 30, 2015 |
| Contract signing | by December 01, 2015 |

The Ministry reserves the right to make changes in the schedule.

4. Qualification requirements

Performance capability and relevant experience of complying with the requirements of the contract:

The external service provider shall submit a detailed presentation of the service provider's composition/structure and a description of the external service provider's relevant experience and competence. As well as a statement of tools, technical equipment, IT-systems and support that are available to the external service provider for carrying out the contract. The external service provider must name the subcontractors intended to be employed.

Financial ability

A credit report from a credit analysis company showing the tenderer's financial economic situation must be submitted with the tender. The credit report should show the external service provider's credit score along with an analysis of the score. The credit report should not be older than six months at the time of submission of the tender.

Legally established enterprise

The external service provider must submit a (copy of) certificate of registration or a register printout.

5. General requirements

The external service provider must confirm that the following criteria will be met:

- The premises of the Visa Application Center should be in appropriate, secure offices with access and facilities for disabled people as well.
- Choose its staff (they must speak Chinese and some of them English, too) according to skill and integrity criteria. The external service provider shall also ensure that the staff is appropriately trained so that they deal with applicants in a courteous way, that they do not discriminate people on the grounds of their sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, and that they respect the rules of confidentiality which shall also apply once members of staff have left their job.
- Take all necessary measures to achieve direct monitoring and effective management of its staff, especially by adopting and implementing work regulations, where necessary in a service contract drawn up by the external service provider.
- Install and ensure the maintenance of a surveillance system in the offices where visa applications will be received. It would be desirable that the Missions be also able to monitor the activities in the office areas.
- Computer equipment used by the external service provider must ensure optimal security for all collected data.
- The offices of the external service provider must be equipped with emergency electrical power supply and two separate computer connections or a maintenance contract ensuring the reestablishment of normal working conditions in less than an hour.

Use of a computerized system for setting up appointments and tracking visa applications would be preferable in order to be able to determine at any time where an application is in the decision process and inform the visa applicant of such. Data used for this tracking shall not include any sensitive information. Any specific application data shall be deleted after the passport has been returned to its holder, the visa having been granted or refused, or, where necessary, the day after the appointment in the event the visa applicant fails to attend an appointment.

6. Penalties for defects of services

ESP shall be subject to penalties for failing to provide adequate service as follows:

- Application form having omitted or erroneous fields;
- Application form is not signed by the applicant or in case of a minor his/her parents exercising permanent or temporary parental authority;
- Supporting documents are not adequately arranged;
- Passport contains observation related to bio data page;
- Biometric data incomplete or erroneous;
- Data inputting of mandatory field is incomplete or erroneous;
- Fee, refund or remittance report is erroneous;
- Remittance is delayed;
- Incorrect information provided via telephone or email;
- Applicants' waiting time is excessive.

7. Award criteria

The tenders will be ranked on the basis of an overall assessment of compliance with the award criteria in order to determine which tender is the most advantageous. A scoring scale of 1-100 will be used.

Tender materials should be structured in accordance with the following award criteria:

| Award criteria | Weight in % <i>(Total is 100%)</i> |
|---|--|
| <p>The area, location, conditions of the proposed Visa Application Centers The premises should be modern, secure, and inviting with access and facilities for disabled people (10%). A precise description of the procedures envisaged (10%). A document summarizing the proposed provisions for the protection of personal data. Particular attention should be given on measures taken to ensure the confidentiality of application data (10%). A description how the applicants can obtain information and make appointments (10%).</p> | 10+10+10+10 |
| <p>Previous experiences, references Detailed description of the previous experiences (including the number of qualified staff), references of the external service provider (10%). Recording application data (alphanumeric) including digital capture of biometric identifiers (fingerprints) and handling SQL (15%) databases. Previous or existing cooperation with Hungarian and/or other Schengen member states' Mission, Consulates or Agencies in Hungary or/and in Mainland China or/and outsourcing agreement with a member state represented by Hungary would be an asset (15%).</p> | 10+15+15 |
| <p>Price of the service The external service provider is to specify the fee it will charge per application at the Visa Application Centers as a per application service fee. The amount should be quoted in Euros and in CNY (Chinese yuan).</p> | 5 |
| <p>A timetable for opening the Visa Application Center</p> | 15 |

8. Tender materials

Tenders must be written in English. They must be structured as shown below, divided into the chapters shown and in the sequence stated:

Tender letter

- Reference number
- Firm's legal name
- Address, enterprise registration number
- Contact person with postal address, e-mail address and telephone number
- Confirmation of tender validity period
- Confirmation of compliance with the general requirements in point 5

Documentation of fulfilled qualification requirements

- Detailed presentation of the external service provider's composition/structure, relevant experience and competence
- A list of countries for whose Ministries of Foreign Affairs and/or Embassies are currently utilizing the services of the external service provider
- Copy of Certificate of registration
- Declaration of no outstanding public dues
- Draft external service provider contract
- Statement according to which the applicant accept the result of the tender and renounce the right of contest in administrative or judicial way
- Statement of transparent organization according to Act CXCVI of 2011 on National Assets.

9. Submission of tenders

Deadline: October 15, 2015, 12:00 (Budapest time)

Tender offers must be delivered by mail in a closed envelope to the following address:

*Magyarország Külgazdasági és Külügyminisztériuma
Konzuli és Állampolgársági Főosztály
Dr. Bencsik Zita főosztályvezető
Nagy Imre tér 4.
1027 Budapest
HUNGARY*

10. Treatment of the tenders

The Ministry will make the decision until October 31, 2015. Afterward, the applicants will be informed about the results and the negotiations will be opened immediately with the chosen applicant/applicants about the signature of the contract and the starting date of the service.

The Ministry reserves the right to declare an application as invalid if the above mentioned requirements are not fulfilled. Furthermore, the Ministry reserves the right to declare the whole tender as invalid.

11. Contact

Any queries relating to this invitation to tender may be addressed to the Ministry's contact person:

Mr. Ákos HANDLER (e-mail: AHandler@mfa.gov.hu)

Budapest, September 22, 2015