Communication from the Minister for National Development of Hungary pursuant to Article 3(2) of Directive 94/22/EC of the European Parliament and of the Council on the conditions for granting and using authorisations for the prospection, exploration and production of hydrocarbons

(2013/C 224/13)

PUBLIC INVITATION TO TENDER FOR A CONCESSION

FOR THE PROSPECTION, EXTRACTION AND EXPLOITATION OF GEOTHERMAL ENERGY UNDER CONCESSION IN THE KECSKEMÉT AREA

On behalf of the Hungarian State, the Minister for National Development ('the Contracting Authority' or 'the Minister') as the minister responsible for mining and for overseeing State-owned assets hereby issues a public invitation to tender for the prospection, extraction and exploitation of geothermal energy under a concession contract on the basis of Act CXCVI of 2011 on national assets ('the National Assets Act'), Act XVI of 1991 on Concessions ('the Concessions Act') and Act XLVIII of 1993 on mining ('the Mining Act'), subject to the following conditions.

1. The Minister will publish the invitation to tender, adjudge the bids and conclude the concession contract in cooperation with the Hungarian Office for Mining and Geology (*Magyar Bányászati és Földtani Hivatal*) in accordance with the Concessions Act and the Mining Act. Bids that meet the tender specifications will be evaluated by an Evaluation Committee set up by the Minister.

On the recommendation of the Evaluation Committee the Minister will issue the decision awarding the concession, on the basis of which the Minister may then conclude the concession contract with the successful bidder in accordance with Section 5(1) of the Concessions Act [1].

The language of the tendering procedure is Hungarian.

2. Participation in the tendering procedure is open to any domestic or foreign natural person and to any transparent organisation within the meaning of the National Assets Act provided they meet the tender specifications; joint bids are also permitted. In the case of joint bids for this concession activity or area, the bidders must designate one of their number as representative, but assume joint and several liability for performance of the concession contract. Under the tendering procedure domestic and foreign bidders will be treated on an equal footing.

For the purpose of carrying out the activity subject to concession, using its own resources the bidder signing the concession contract ('the Concession-Holder') must, within 90 days of signing, set up a company with legal personality and with its registered office in Hungary ('the Concession Company'); the Concession-Holder must hold the majority of the shares, business interests and voting rights in the company at the time it is set up and for as long as it continues to exist, and must, as owner, undertake to enforce the requirements specified in the concession contract within the Concession Company. The Concession Company will enjoy the rights and be subject to the obligations under the concession contract as a mining operator.

3. Duration of the concession: 35 years from the entry into force of the concession contract; the original duration may be extended once without a further call for tenders for a maximum of half of its original duration if the Concession-Holder and Concession Company have complied with all their obligations in accordance with the contract and on time.

4. Data on area designated for concession

Area designated for concession: The area is situated between the municipalities given in the table below in the county of Bács–Kiskun.

Municipality	County	Municipality	County	Municipality	County
Ágasegyháza	Bács-Kiskun	Kecskemét	Bács-Kiskun	Nyárlőrinc	Bács-Kiskun
Ballószög	Bács-Kiskun	Kerekegyháza	Bács-Kiskun	Orgovány	Bács-Kiskun

[1] At the date on which this invitation to tender is being published, the member of the Government responsible for overseeing State-owned assets and for mining is the minister for national development in accordance with Section 84*(d)* and *(g)* of Government Decree 212/2010 of 1 July 2010 governing the duties and powers of certain ministers and of the State secretary for the Prime Minister's Office.

Municipality	County	Municipality	County	Municipality	County
Fülöpháza	Bács-Kiskun	Lajosmizse	Bács-Kiskun	Szentkirály	Bács-Kiskun
Helvécia	Bács-Kiskun	Nagykőrös:	Bács-Kiskun	Városföld	Bács-Kiskun

Size of area: 525,3 km^2.

Overburden of area designated for concession: – 2 500 m measured from the surface and the bedrock: – 6 000 m measured from the surface.

The border point coordinates delimiting the area designated for concession can be viewed in the Uniform National Projection System by clicking on the 'Koncesszió' tab on the website of the Hungarian Office for Mining and Geology (http://www.mbfh.hu) and on the website of the Ministry of National Development (http://www.kormany.hu/hu/nemzeti-fejlesztesi-miniszterium).

5. Minimum net concession fee: HUF 50 000 000 (fifty million forint), but a bid for a larger fixed amount may be entered in the tendering procedure. Once the result is published, the successful bidder must pay the concession fee for the amount, in the manner and by the date specified in the concession contract.

6. Participation in the concession tendering procedure is subject to payment of a participation fee of 3 % of the minimum concession fee set in the Tender Document, i.e. HUF 1 500 000 (one million five hundred thousand forint) plus VAT; this amount is to be paid in the manner specified in the Tender Document.

7. In addition to paying the participation fee, for their bid to be valid bidders must lodge a tendering security of 7 % of the minimum concession fee set in the Tender Notice, i.e. HUF 3 500 000 (three million five hundred thousand forint), by the deadline for submitting bids as a guarantee that the bid is binding. The tendering security paid will be forfeited to the Contracting Authority if the bidder withdraws or if the bidder is successful but then fails to conclude the contract or fails to pay the concession fee offered, for the amount, in the manner and by the deadline stipulated in the contract. The tendering security is to be paid in the manner specified in the Tender Document.

8. The mining royalty to be paid on the basis of the concession contract will be a percentage of the current mining royalty laid down in the Mining Act in accordance with the Minister's decision, plus 5,50 %.

9. The legal, financial, technical and other conditions and information relating to the tendering procedure can be found in the Tender Document.

10. The Tender Document may be collected at the Customer Service Office of the Hungarian Office for Mining and Geology (Columbus utca 17-23, 1145 Budapest, Hungary; telephone: +36 13012900) on working days between 8 a.m. and 2 p.m. up until the day before the submission deadline on presentation of adequate documentary proof that the purchase price for the Tender Document has been paid (preferably a bank statement showing that the bank account has been debited for the amount). The Hungarian Office for Mining and Geology will issue the purchaser with a certificate in their name confirming that they have received the Tender Document.

When purchasing the Tender Document, for the purposes of being contacted and receiving communications the purchaser must also submit a Concession Bidder Identification Sheet, on which they must state their name and address, an e-mail address (to which communications from the Contracting Authority regarding the Tender Document may be sent) and their tax identifier and declare that they are duly authorised to purchase the Tender Document.

11. The purchase price for the Tender Document is HUF 25 000 (twenty-five thousand forint) plus VAT, which must be paid by transfer into Hungarian Office for Mining and Geology account No 100032000-01417179-00000000. The message accompanying the transfer must state 'Geotermikus energia kutatása, kinyerése, hasznosítása Kecskemét elnevezésű területen tárgyú Koncessziós pályázati eljárás, Koncessziós pályázati kiírás vételára (Invitation to tender for the prospection, extraction and exploitation of geothermal energy under concession in the Kecskemét area, Purchase price for concession tender document)' and the name and address of the bidder. The purchase price for the Tender Document may not be paid in cash and is non-refundable in part or in full.

12. Bids may be submitted only by persons certified as having purchased the Tender Document and having paid both the participation fee and the tendering security.

13. Bids must be submitted in person on 15 November 2013 between 10 and 12 o'clock at the Customer Service Office of the Hungarian Office for Mining and Geology (address: Columbus utca 17-23, 1145 Budapest, Hungary) in Hungarian, as specified in the Tender Document.

14. From the time it is submitted the bid becomes binding on the bidder and remains binding until the tendering procedure is ended. Bidders may not exclude liability for failure to abide by their bid.

15. The Minister reserves the right to declare the concession tender procedure unsuccessful. No claims arising from the tender procedure being declared unsuccessful may be lodged against the Minister, the Hungarian State represented by the Minister, or the Ministry of Development as the Minister's place of work.

16. The successful bidder will acquire the exclusive right for the prospection, extraction and exploitation of geothermal energy in the area designated for concession for the duration of the concession through the Concession Company mandatorily set up for that purpose. Once the decision establishing the geothermal protection boundary becomes final and enforceable, the concession right for the prospection area will be restricted to the area of the geothermal protection boundary.

17. Each bidder may submit only a single valid bid.

18. Scheduled time limit for the adjudication of concession bids: within 90 days following the deadline for bids to be submitted.

19. The Contracting Authority will ensure a level playing field and will not apply any preferential criteria.

20. Tender adjudication criteria:

I. Assessment criteria relating to the content of the Programme of Work subject to concession:

— Programme design aiming for maximum prospection, extraction and exploitation of geothermal energy and seeking to conduct prospection as comprehensively as possible and across as broad an area as possible on the concession site; the projected quantity of exploitable geothermal energy (in PJ),

— how up-to-date the envisaged technical solutions are,

— the measures envisaged for protecting the environment and preventing and reducing damage in the course of the work subject to concession,

— the deadline for the research activity subject to concession.

II. (Assessment criteria relating to the bidder's ability to perform the concession contract

— the bidder's financial standing, the availability of the resources needed to finance the work to be performed under the concession, and the proportion of this accounted for by own resources,

— the total value of work performed in connection with prospection, extraction and exploitation of geothermal energy.

III. The size of the concession fee offered above the minimum concession fee set by the Minister.

The detailed adjudication criteria and the legislation governing the procedure for authorising the concession work and how it is to be performed and completed are specified in the Tender Document.

21. The concession contract

The concession contract is to be concluded within 60 days following the announcement of the result. This time limit may be extended by the Minister once only by a maximum of 60 days.

The successful bidder is entitled to carry out the exclusive State-controlled economic activity (prospection, extraction and exploitation of geothermal energy in a delimited area) permitted under the concession for the duration of the concession in accordance with the relevant legislation and the concession contract.

The draft concession contract is annexed to the Tender Document.

22. Information regarding the tendering procedure may be requested exclusively in Hungarian, in writing after the Tender Document has been purchased, in the manner stipulated in the Tender Document; replies will be made available to all parties by the Hungarian Office for Mining and Geology using the e-mail address indicated on the Bidder Identification Sheet submitted when the Tender Document was purchased.

Budapest, May 2013.

László NÉMETH
Minister