

The European Confederation of Associations of Manufacturers of Insulated Wires and Cables

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By Email

ECBL/C/255A/02

12 June 2002

TO COUNCIL:

Messrs: H von Deimling, G Hauser, S J van Kesteren, V Battista, A Bundgaard-Jensen,

J Byrne, E. Fulford, D Goenaga, R Gouldstone, M Martin, Ev. Moustakas, A Neiva de Oliveira, T. Puhakka, A J M van Schie, I Schulz, J Sjödén, B. Thomas, K Wohlgemuth, W Gyger, M Wolfrum, F Gonzalez, M Lemaire,

C. Raskin, R Johnsen, H Lemaignen.

c.c. National Secretaries, Mr M H Kelly

#### Europacable – Code of Practice for Use in Electronic Market Place

Dear Councillor,

At the last meeting of the Council, agreement was sought for approval of the Europacable Code of Practice for use in the Electronic Market Place.

Whilst there was no objection to the principles contained in the Code, Mr. Bundgaard-Jensen queried whether or not the version circulated to the Council under Document ECBL/C/255/02 was the correct version (See ECBL/C/261/02 Item 3).

On investigation we find that Mr Budgaard-Jensen is correct and the version circulated under Document ECBL/C/255/02 was not the most recent as agreed by the Utilities Board. The version to be approved is appended below and with apologies we ask Councillors to approve this version. If we receive no response by the 30<sup>th</sup> June we will assume that you have no comments and we will proceed to implement the Code as agreed at the Council Meeting.

Sincerely yours,

Thomas Neesen



The European Confederation of Associations of Manufacturers of Insulated Wires and Cables

### Code of Good Practice for Use of Electronic Market Place

Guide Lines for fair co-operation between suppliers and buyers in the electronic market place

Europacable and its members welcome the use of the electronic market place and wish to contribute to the development of new Purchasing systems. Through improved information and communication between buyers and suppliers we can reduce process costs to the benefit of both parties. In this Code of Practice we have set out complementary guidelines for Internet Auctions that follow traditional business principles. We believe these are equitable between Buyer and Supplier's interests in arranging the supply of cables.

# Transparency and Rules

- 1.1 Before an auction is held, the rules that will be applied and the criteria that must be met in order to participate should be circulated to all potential participants by the Purchaser. Suppliers meeting the criteria and wishing to proceed should then confirm their willingness to participate.
- 1.2 Not less than one week before the date of the Auction, a list of all suppliers accepted for participation in the Auction should be circulated to the participants.
- 1.3 The participants should be informed of the evaluation criteria, including weighting if relevant, by which the decision will be made.
- 1.4 The supplier should be given the opportunity to be trained in the electronic tools and processes to be used during the auction.
- 1.5 The starting time and the duration of the Auction should not be changed without reasonable notice to, or without agreement by, all participants. The rules to be applied in the event of any extensions must also be known by all participants.
- 1.6 The Auction process should normally end in a definite purchase decision, which is binding for both the supplier and the purchaser. All the participants should be advised within one week of the winning participant(s), or in an exceptional circumstance, the reasons for not awarding the business.

1.7 Any rules for the settlement of disputes caused by the auction process should be made known to participants.

### Basis of the Auction

- 2.1 The Purchaser should issue details of the goods and or services that are to be auctioned, at least three weeks before the date of the Auction, to enable participants' sufficient time to prepare.
- 2.2 The details of goods and services to be auctioned should include:-

The specification of the products required

The quantity of each product required

The nature of any service required

The duration of supply of the product or service

Any requirements for pre certification of goods or processes

The lead-time required

Any stocking requirements

The delivery requirements in terms of drum lengths and delivery locations

Any price adjustments for metals or other materials and labour costs

Any arrangements for the return of cable drums

Any costs which are expected to be borne by the supplier

Insurance requirements

The Payment terms applicable

Settlement of disputes during the contract

# Confidentiality and Security

- 3.1 The Buyer, the Supplier and any internet providers or other service companies involved in the Auction process must guarantee confidentiality of price levels and other commercially or technically sensitive information from disclosure to unauthorised third parties.
- 3.2 This guarantee of confidentiality shall be preferably demonstrated by an independent third party body.