

Agentschap van de Generale Thesaurie
Ministerie van Financiën

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Agentschap

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Inquiries

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Date October 2023
 Invitation to submit the business plan for Primary
 Dealership 2024 of the Dutch State

Dear Sir/Madam,

You have indicated your interest in a primary dealership for The State of The Netherlands.

The following questions are part of the application procedure for becoming a primary dealer for The State of The Netherlands in 2024. Please send your reply and formal application before **Monday 6 November 2023 close of business** by email to dealerselectie@minfin.nl. We will be finalising the selection process in the beginning of December. In due course, we will share with you the draft documentation for your sign-off. Thereafter the final documentation will be circulated for signing, if your organisation is selected for the primary dealership for The State of The Netherlands in 2024.

Should you have any questions regarding the process, please feel free to contact us.

Kind regards, on behalf of the minister of Finance of The Netherlands,

Karen van der Wiel

Deputy Agent of the Dutch State Treasury Agency / Head of Policy & Risk Management

1. Legal details

Please fill in the legal entity name.

- a. For ISDA purposes:
- b. For GMRA purposes:
- c. For dealer contracts:

2. Strategy and Commitment

- 2.1) Please provide a general description of why the Dutch State Treasury Agency (DSTA) would benefit by having your firm as a Primary Dealer.
- 2.2) What is the added value of being a Primary Dealer for DSTA for your firm and which elements of the Primary Dealership do you value most?
- 2.3) Please provide a description and a headcount figure for dedicated staff (traders, sales professionals, analysts, etc.) to Eurozone sovereign bonds and bills in general. Where a dedicated team for DSLs and DTCs is established, please include a description and headcount figure for such dedicated staff. Please indicate your expectations on this information for the near and medium term.
- 2.4) If applicable, for Eurozone countries, please provide information about your primary dealerships for the period January 2023 until (and including) September 2023, in the format given below. What kind of ambitions do you have as a Primary Dealer in other countries?

Sovereign Bond Market (2023 Jan-Sep)				
	Primary Market		Secondary Market	
Country	Market share (%)	Rank	Market share (%)	Rank

Sovereign Bill Market (2023 Jan-Sep)				
	Primary Market		Secondary Market	
Country	Market share (%)	Rank	Market share (%)	Rank

3. Financial Position

- 3.1) For your firm and each group entity involved in the Primary Dealership: Please provide the current (i) long term unsecured debt rating and the (ii) long term issuer rating of each of Moody's, S&P and Fitch as well as the current outlook of such rating. Furthermore, please include the outlook on the rating, any recent rating movements, actions or comments.
Explanatory Note: The DSTA believes that Primary Dealers that have an investment grade credit rating are better able to provide services when acting as Primary Dealer.
- 3.2) Please describe the most important recent changes in your firm's financial position e.g. write-offs, new capital issuances, state guarantees, acquisitions of other firms etc.

- 3.3) Please describe your firm's current status in implementing regulations; Basel III/Basel IV/CDR V regulations (or equivalent US regulations, if applicable).
- 3.4) Please provide your firm's current (or most recently published) tier 1 & 2 capital ratios, core tier 1 capital ratio, supplemental tier 2 capital ratio, debt-to-equity ratio, loan-to-deposit ratio, leverage ratio, total risk weighted assets, capital requirements and liquidity requirements.
Explanatory Note: The information should be provided for each entity listed in question 1 above.
- 3.5) Elaborate on your firm's funding profile by providing what percentage of funding consists of (common) equity, deposits, long-term and hybrid debt and what percentage consists of other types of funding (including short-term debt, repos and federal funds purchased). Provide the current (or most recently published) total balance sheet size of your firm.
Explanatory Note: The information should be provided for each entity listed in question 1 above.
- 3.6) Provide the following details: total revenues, net profits, total shares outstanding, market capitalisation, return on assets, return on equity, and the profit margin for 2022 and for 2023 (January - September) using the most recent data.
- 3.7) Provide the geographical distribution of your firm in terms of revenues (in numbers and percentage) and number of employees using the format below.

Region:	2022		2023 (Jan - Sept)	
	Revenues	Number of employees	Revenues	Number of employees:
Continental Europe				
UK				
North America				
South America				
Asia-Pacific				
Middle East				
Africa				

4. Market Performance

- 4.1) Please describe your firm's ambitions if you are appointed as DSTA Primary Dealer for the upcoming calendar year in the primary market for both DSLs and DTCs. Cover at least participation in auctions including primary market shares, type of clients to be served, and distributional channels to be used.
Explanatory Note: During the calendar year, the DSTA will regularly assess the performance of each of its Primary Dealers against the ambitions indicated in its business plan.
- 4.2) Please comment on your firm's ambitions in the secondary market for DSLs and DTCs, particularly focussing on market shares, types of clients and distributional channels.
Explanatory Note: During the calendar year, the DSTA will regularly assess the performance of each of its Primary Dealers against the ambitions indicated in its business plan.

- 4.3) Per client type, provide the percentage of total sales volume for sovereign bonds and bills. Please indicate the geographical distribution of your clients in volume for
- 2022; and
 - the period January 2023 until (and including) September 2023.

<i>Client Type</i>	<i>Sovereign Bond Market (%)</i>	<i>Sovereign Bill Market (%)</i>
<i>Country/Region of Clients served</i>	<i>Sovereign Bond Market (%)</i>	<i>Sovereign Bill Market (%)</i>

5. Research and Promotional Activities

- 5.1) Please elaborate on what research you plan to conduct in the coming year regarding DSLs, DTCs, the sovereign bond market, or the sovereign bill market.
- 5.2) Briefly describe what type of promotional activities you plan to do in the future regarding DSLs, DTCs, and the DSTA. Also describe promotional activities focussing on specific geographical regions, including regular (e.g. yearly) conferences in the fixed income area.
- 5.3) Please indicate whether and how the DSTA could contribute in regards to the already scheduled promotional activities.
- 5.4) Please elaborate on your views on investor roadshows in 2024. In which format do you expect these will be held as to have an optimal interaction between the DSTA and possible investors? Are there any specific geographical regions which would merit an additional non-deal related roadshow? If so, please give a short description of the set-up.

6. Practical information about your organisation

- 6.1) Please include an organisational chart of the levels of management and formal lines of authority within your organisation regarding fixed income and fixed income derivatives.
- 6.2) Please provide an overview of the (public) holidays in 2024 during which you would like to be exempted from quotation obligations.

Please provide the full legal name, LEI and banking supervisor for the applicant and each other entity listed under question 1 above. Please use the format shown below.

LEI	
Name of banking supervisor	
Full Legal Name	
Legal Address	
PO Box	
City and Country	

Telephone	
E-Mail	

In addition, please provide the contacts details (Name, Address, Telephone number and E-mail address) for each of the following contacts:

- Primary dealer contact

Name	
Address	
Telephone number	
E-mail address	

- Contact for harmonized trade reports (SMTR reports)

Name	
Address	
Telephone number	
E-mail address	

- ICT or electronic trading contact

Name	
Address	
Telephone number	
E-mail address	

- Head of back office

Name	
Address	
Telephone number	
E-mail address	

- Head of settlement

Name	
Address	
Telephone number	
E-mail address	

- Swap desk, bond desk and bill desk

Name	
Address	
Telephone number	
E-mail address	

- Compliance contact name (for the purpose of the DDA Allocation and Price Compliance Statement. Note that the compliance contact(s) is/are required to include their signature in de Primary Dealer Contract)

- Name	
Address	
Telephone number	
E-mail address	

6.3) Please provide the invoice details for the TRS Segment Fees, contact person(s) and the details of where the invoice can be sent to.

6.4) Please provide at least one email address at which your organisation wants to receive:

- The SMTR-reports
- The Quotation-reports

7. Corporate social responsibility & green bonds

7.1) Does your firm have a corporate social responsibility (CSR) policy? If yes, please provide a link to the relevant website(s) and please give a few examples of CSR related activities.

7.2) Does your firm have experience in executing green bond issuance and/or advising on green bond issuances? Please elaborate the green bond expertise available at your firm and your position in the primary and secondary market for (sovereign/SSA/corporate) green bonds.

7.3) What is your view on the development of the green bond market in the coming years, specifically in relation to the development and application of the EU Green Bond Standard and sustainable finance disclosure obligations for financial institutions.

8. Additional information

8.1) Please provide any additional information that you consider relevant in view of your application for the Primary Dealership of The State of the Netherlands.