

# Doing Business with CERN

Pakistan - 20 January 2023

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Head of Procurement for Accelerators and Technology



#### **AGENDA**

- Introduction
  - Legal Framework
  - Budget
  - What we buy
- Procurement @ CERN
  - Procurement Service
  - Principles
  - Procedures
- Procurement website



1/20/2023

Jérôme Pierlot



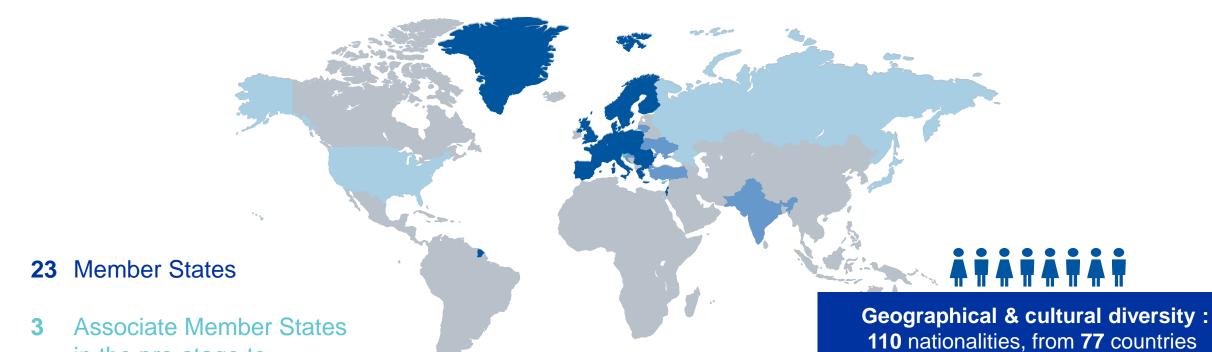


### Legal Framework

- CERN, an Intergovernmental Organization, was established in July 1953, by the "Convention for the establishment of a European Organization for Nuclear Research";
- As an Intergovernmental Organization, CERN is not a legal entity under national law but governed by public international law;
- CERN is therefore entitled to establish its own internal rules necessary for its proper functioning, such as the rules under which it purchases equipment and services.



# In 1954 CERN had 12 Member States Today CERN has 23 Member States



7 Associate Member States

in the pre-stage to

membership

6 Observers

Yearly budget ~ 1200 MCHF

2676 Staff members

**1556** Contractors' employees

**19.4%** Women

11175 Physicists /Users



# **Yearly Budget (contributions 2022)**

	Country	Percentage of Total	Amount (CHF)		Country	Percentage of Total	Amount (CHF)
	Germany	20.32%	245 017 700		Czech Republic	1.10%	13 220 000
	United Kingdom	14.20%	171 219 200	<b>®</b>	Portugal	1.09%	13 148 350
	France	13.42%	161 894 900		Greece	0.99%	11 894 950
	Italy	10.10%	121 766 050		Hungary	0.71%	8 580 300
	Spain	7.25%	87 403 500	•	Slovakia	0.51%	6 151 800
	Netherlands	4.63%	55 847 250	<b>C</b> *	Turkey*	0.41%	4 961 450
+	Switzerland	3.84%	46 281 900		Bulgaria	0.33%	3 977 800
	Poland	2.88%	34 787 950	Ŷ.	Serbia	0.25%	3 002 950
	Belgium	2.71%	32 668 100	C	Pakistan*	0.15%	1 843 950
-	Sweden	2.49%	30 045 050	0	Slovenia**	0.12%	1 484 800
#	Norway	2.21%	26 636 300		Estonia**	0.11%	1 310 850
	Austria	2.15%	25 937 750	<del>***</del>	Cyprus**	0.09%	1 025 350
✡	Israel	1.95%	23 501 450		Latvia*	0.09%	1 024 850
	Denmark	1.77%	21 381 600		Croatia*	0.08%	1 000 000
<b>(</b>	India*	1.40%	16 838 200		Lithuania*	0.08%	1 000 000
+	Finland	1.30%	15 708 050		Ukraine*	0.08%	1 000 000
	Romania	1.20%	14 424 700		Tota	al 100%	1 205 987 050



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### What we buy

- Recurrent supplies & services
- Accelerator technologies required for consolidation projects and new developments

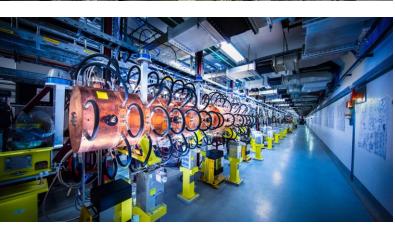














### What we buy

- Civil engineering
- Cooling and ventilation
- Electrical engineering and magnets
- Information Technology
- Mechanical engineering and raw materials
- Electronics and radiofrequency
- Cryogenic and vacuum equipment
- Health and safety equipment,
- Transport and handling equipment
- Office supply, furniture
- Industrial services on the CERN site



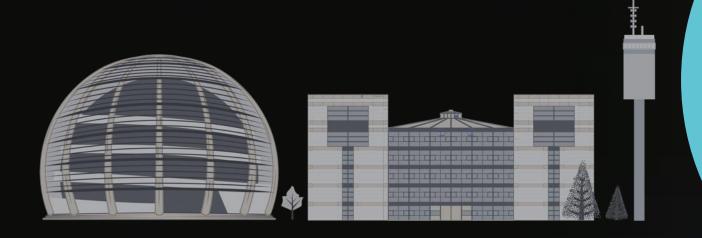
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### **Procurement Expenditure**







# PROCUREMENT @CERN



#### **The Procurement Service**

The mission of the Procurement Service is to procure all supplies and services for CERN

**Meeting all requirements:** 

specified and contractual technical, delivery and performance requirements

At the lowest possible overall cost

While:

Achieving balanced industrial return for CERN Member States

**Respecting CERN Procurement Rules** 



### **Principles of the CERN Procurement Rules**

Transparency and Impartiality

Selective Tendering Procedure

2 Limited Tendering

5 Confidentiality

Objectivity and equal treatment / fair competition

6 Adjudication Basis



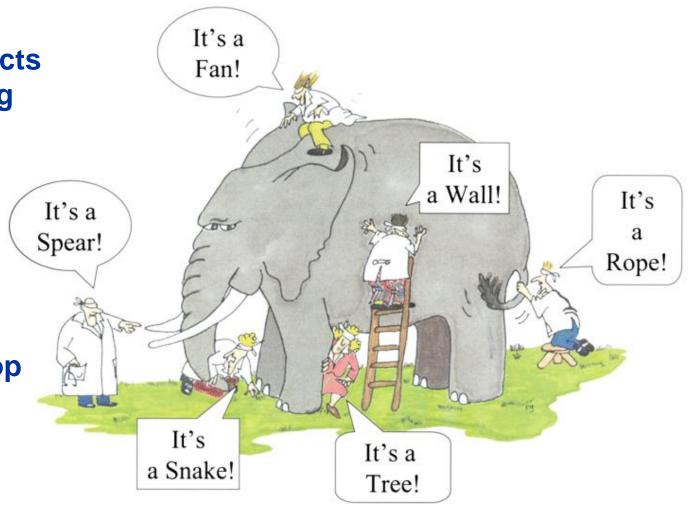
# How do we buy?

Off-the shelf or non-standard products which can be produced with existing manufacturing techniques or technologies:

=> Functional specification

Non-standard products where industry has neither the required know-how nor the interest to develop and design the products:

=> Build-to-Print specification



Prototypes and or Pre-series might be required



# 3 Types of Enquiries

#### "Price Enquiry" (DO):

- 1. Enquiries < 10'000 CHF
- 2. 10'000 CHF ≤ Enquiries < 200'000 CHF



#### "Invitation-to-Tender" (IT):

3. Enquiries ≥ 200'000 CHF





### Enquiries < 10'000 CHF

#### "Price Enquiry" (DO)





Purchase Order (PO) made to the lowest compliant bidder.





### 10'000 CHF ≤ Enquiries < 200'000 CHF

#### "Price Enquiry" (DO)

- Price Enquiry prepared / managed by Procurement Officer;
- Technical specification prepared by Technical Officer;
- Submission deadline: 4 weeks from date of dispatch;
- Minimum of 3 bids requested;
- All price enquiries above 50'000 CHF are sent to the Industrial Liaison Officers (ILOs) for information;
- PO made to the lowest compliant bidder.





### Enquiries ≥ 200'000 CHF

- Start-up Meeting + Announcement
- Phase 1: MS / "Market Survey"
  - "Technical Description" + "Qualification Questionnaire" Specification Committee;
  - Submission deadline: 4 weeks, or more if the MS is still online.



- Tender Form, Technical Specification and all Annexes, Specification Committee;
- Submission deadline: 4 weeks Clarification Bidders Conference as required;
- Bids shall be submitted via CERN's e-tendering application.
- Phase 3 : Opening & Evaluation of the bids
  - Technical verification, recalculation of unit prices, clarification as necessary;

Alignment rule applicable?





# **Alignment Rule**

#### RULE

Under certain conditions as defined in CERN Procurement Rules, a bidder offering goods originating\* in poorly balanced Member States is allowed to align his price to that of the lowest bidder and thereby be awarded the contract.

\* At least 60% for supply contracts or; at least 40% for service contracts awarded on the lowest compliant basis.

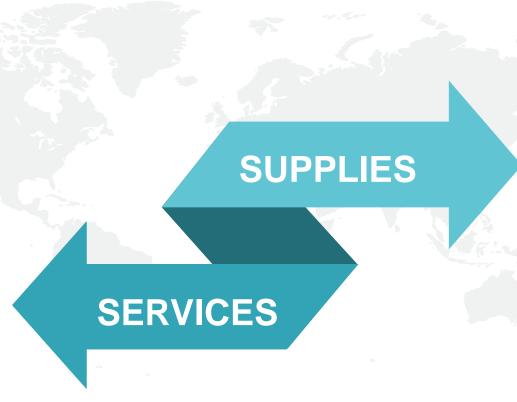


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### **Country of Origin**

"Country(ies) in which the bidder is established."

If at least 40% of the total amount of the bid comes from a poorly balanced MS, then the whole bid will be treated as that from a bidder in a poorly balanced MS.



"Country(ies) where the supplies (including their components and subassemblies) are manufactured or undergo the last major transformation by the contractor or its subcontractor"

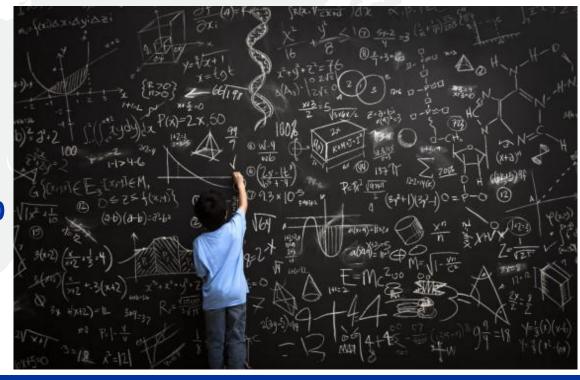
If at least 60% of the total amount of the bid comes from a poorly balanced MS, then the whole bid will be treated as that from a bidder in a poorly balanced MS.



### **Industrial Return Coefficient**

The Industrial Return Coefficient (IRC) of a Member State is defined as the ratio between that Member State's percentage share of the value of all Supply contracts and that Member State's percentage contribution to the CERN Budget over the same period.

- Well balanced Member States: IRC ≥ 1
- Poorly balanced Member States: 0.40 ≤ IRC < 1
- Very Poorly balanced Members States : IRC < 0.40





### **Alignment Rule**

#### **RULE**

Under certain conditions as defined in CERN Procurement Rules, a bidder offering goods originating\* in poorly balanced Member States is allowed to align his price to that of the lowest bidder and thereby be awarded the contract.





**Supplies Contract only, adjudicated on the Lowest Compliant Basis** 



With a total amount exceeding 100'000 CHF.

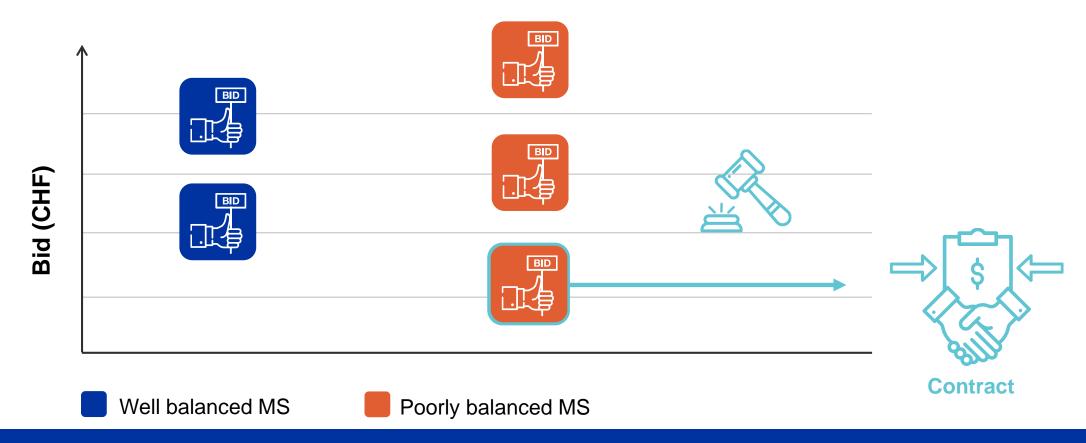


**Price difference shall not exceed 20%** 



### Alignment rule (Scenario 1)

#### Lowest bid from a PB MS

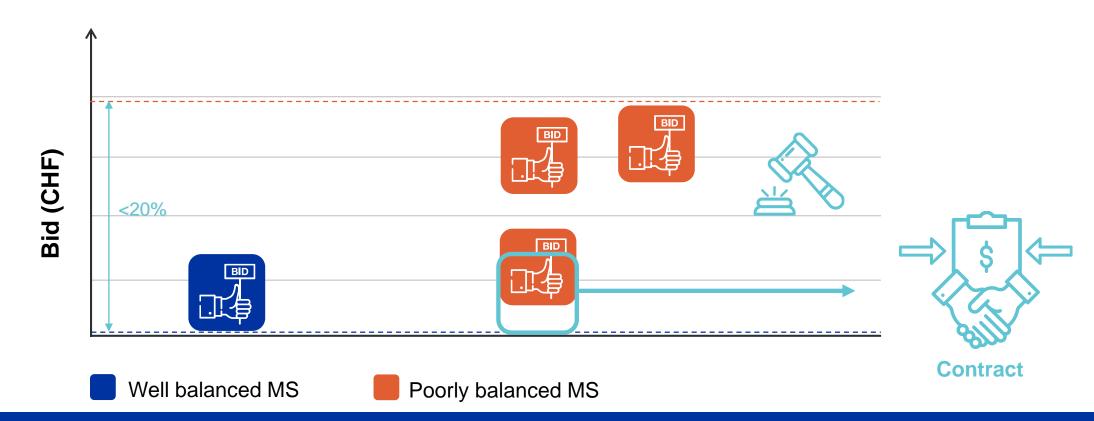




### Alignment rule (Scenario 2)

#### Lowest bid from a WB MS

(a) 1st bidder from PB MS aligns

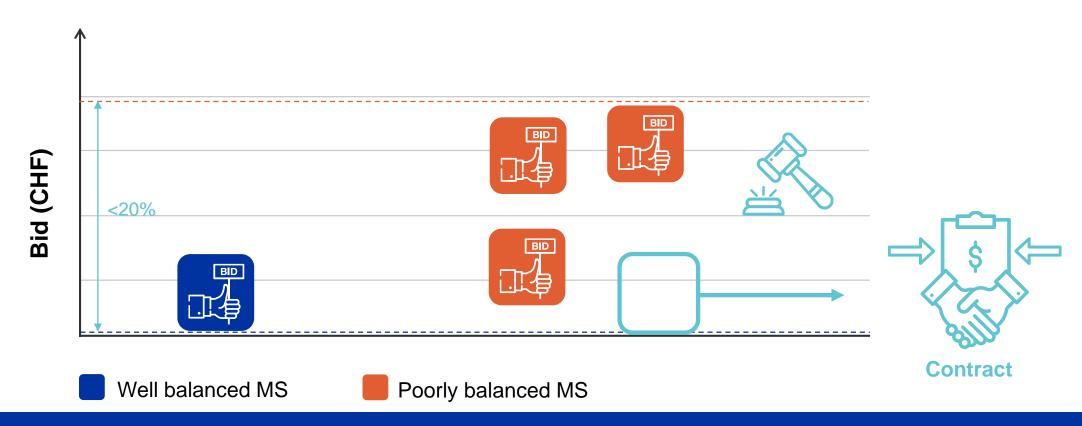




### Alignment rule (Scenario 2)

#### Lowest bid from a WB MS

(b) if not, 2nd lowest bidder from PB MS aligns

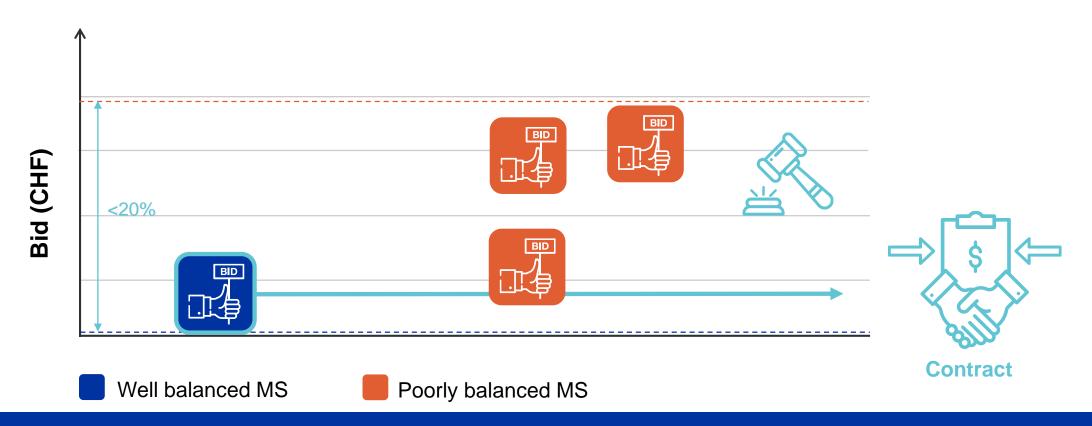




### Alignment rule (Scenario 2)

#### Lowest bid from a WB MS

(c) if no alignment of second two bids, contract placed with lowest bidder from WB MS

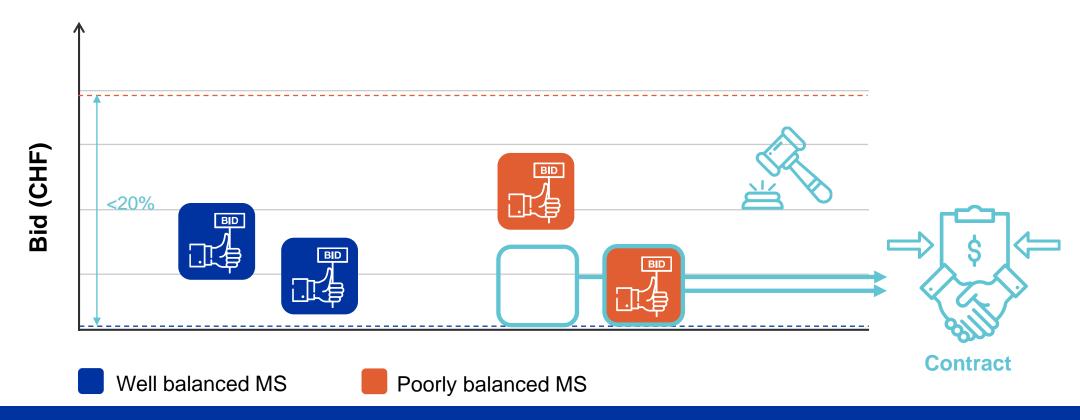




### Alignment rule with splitting (Scenario 3)

Lowest bid from a PB MS another bid from a PB MS falls within 20% of the lowest

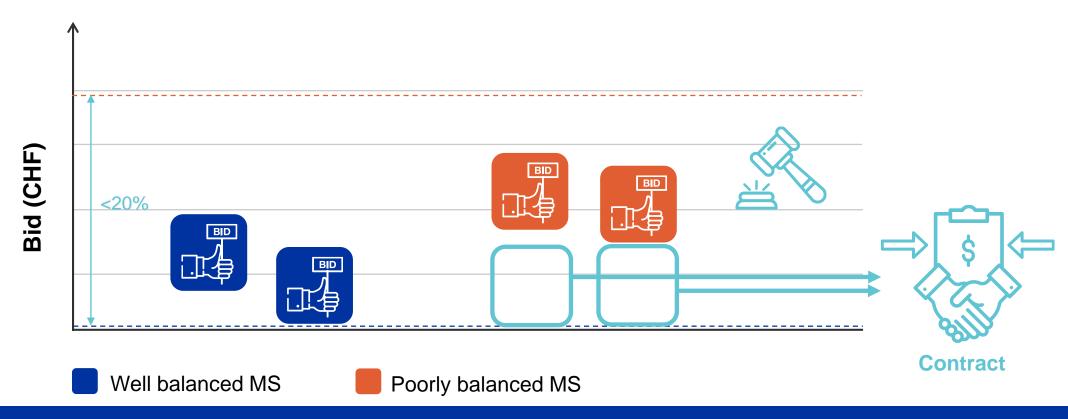
Bidder from PB MS aligns ———— contracts placed with the 2 lowest bids from PB MS





### Alignment rule with splitting (Scenario 4)

Lowest bid from a WB MS and two bids from PB MS fall within 20% of the lowest

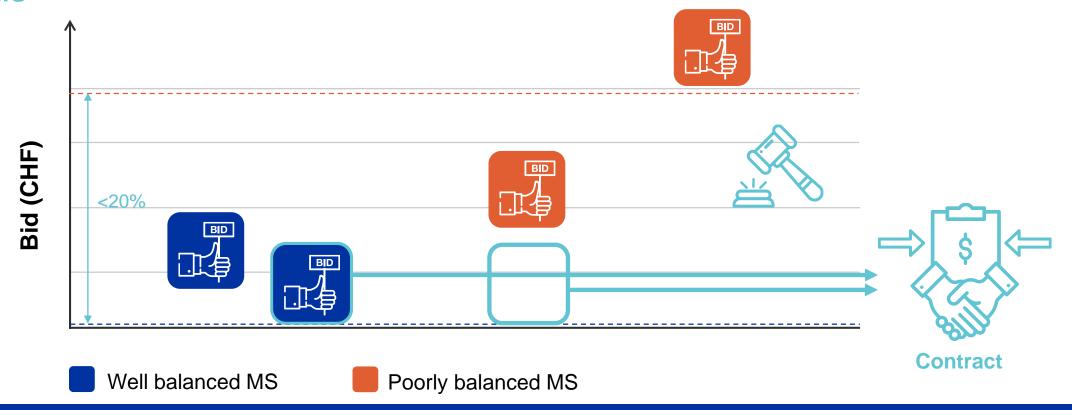




### Alignment rule with splitting (Scenario 5)

#### Lowest bid from a WB MS and a bid from PB MS falls within 20% of the lowest

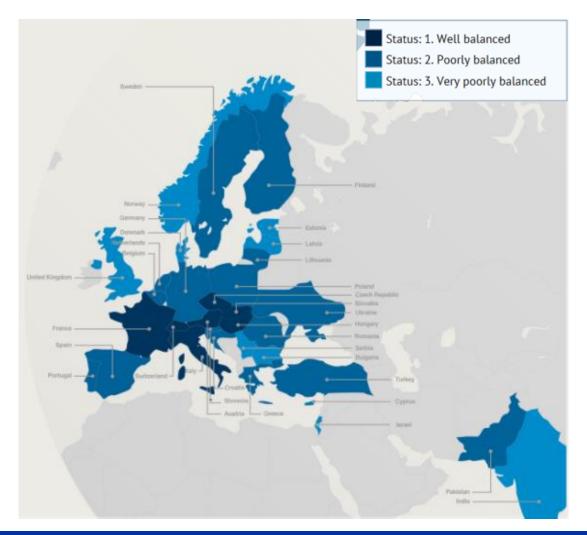
Lowest bidder from PB MS align ———— contracts placed with the lowest bid and the bid from PB MS

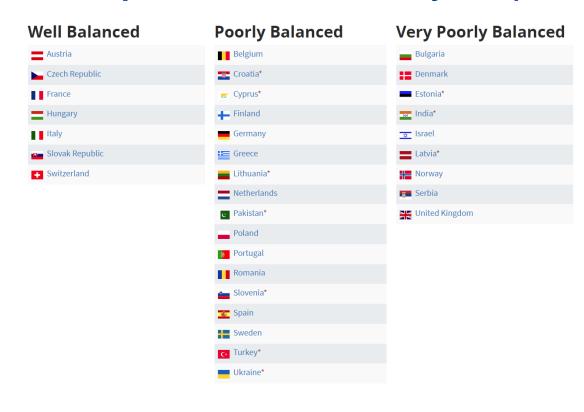




### Member States Classification (Supplies)

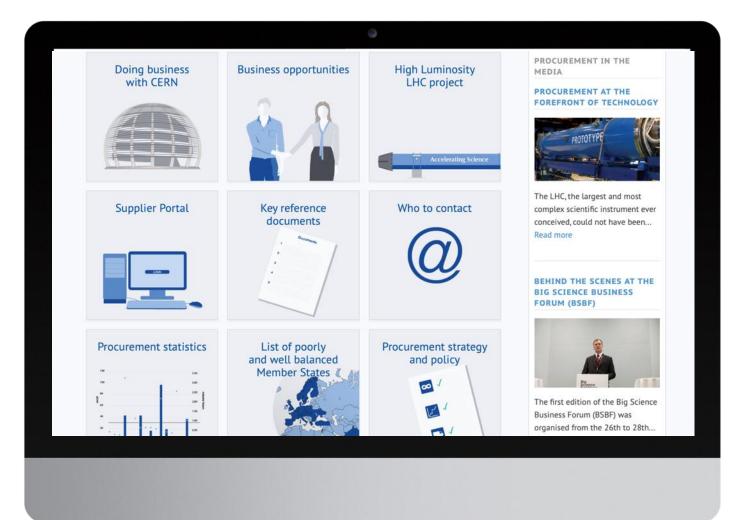
(1st March 2022 – 28 February 2023, based on the previous 4 calendar years):







# PROCUREMENT WEBSITE





#### **Procurement Website**

http://procurement.web.cern.ch















# **CERN Shopping List**

https://forthcoming-ms.app.cern.ch/#!/

#### Forthcoming Tendering Procedures

Forthcoming tendering procedures expected to exceed 200k CHF are listed below. Except if specified otherwise, the firms that have the right to reply to the Market Survey are only the ones which country of origin of supplies and services is one of CERN Member States.

If you would like to know more about a specific procedure, please, click on one of the following procedures. In case you are interested in a specific Market Survey, you will find the related document under "Available action". However, if the Market Survey documents have not been released yet, you are invited to express your interest by sending an email to the email address depicted in the same section.

Firms may reply as long as the tendering procedures are still on this page. Therefore, in case the deadline for replies indicated in the Market Survey cover letter is over disregard the date on the cover letter but please send your reply to the Market Survey as soon as you can.

If you have any questions, please address them to procurement.service@cern.ch or to the procurement or technical officers in charge of the corresponding market survey.

Finally, we invite you to consult this page frequently as the status of each procedure is regularly updated.





#### **Procurement Website**

http://procurement.web.cern.ch

















# **Suppliers Database Registration**



- Update your firm's profile by modifying existing information or adding new one
- · Send and receive correspondence related to orders and invoices
- How do I get started?

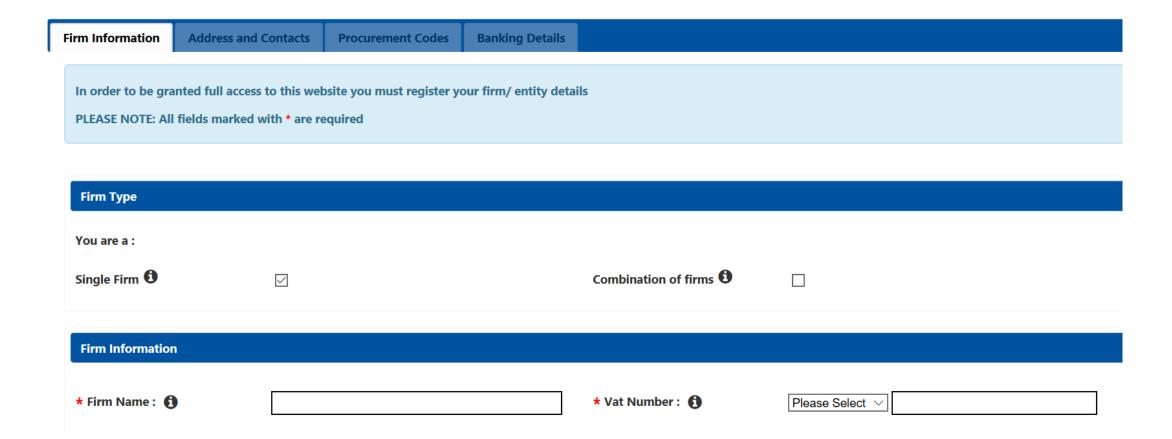
NOTE: Please be aware that failure

to provide correct login information three times will result in your account being locked

- If you are already registered in CERN's supplier database, you can gain full access to CERN's supplier portal by entering your e-mail address and password and selecting Login.
- · If you wish to be registered in CERN's supplier database, you should select the Register option and fill in the necessary information.
- Once you have been successfully registered in CERN's supplier database, you will receive a confirmation e-mail.



# **Suppliers Database Registration**





# Suppliers must register in the Suppliers Portal

#### MANDATORY

#### for all exchanges with CERN, in particular to:

- Be visible for future opportunities (with the procurement codes you have indicated),
- Receive and follow-up orders,
- Send invoices.

#### **Suppliers Portal**

Welcome to CERN's eProcurement platform

https://procurement.cern.ch/aspx/Home

Using this platform, you will be able to receive orders, manage the delivery of supplies and send invoices for processing.

If you are having trouble registering your firm, please consult this video tutorial or the French version under tutoriel.

Once you have registered your firm, you will be able to log on to the platform to manage your firm's profile and contact details.

If you have any further questions, please contact CERN's eProcurement platform support team at Supplierdb.Support@cern.ch.

Supplierdb.Support@cern.ch.



#### **Procurement Website**

http://procurement.web.cern.ch

















#### **Contacts**

#### **CERN Procurement**

#### **Head of Section**



Lisa Bellini Devictor

Role(s)
Head of Section

Section

Administration and General Infrastructure

Procurement Service Management

#### Practice Area

Supply contracts

#### Experience

Lisa completed her Civil Engineering degree in France and an MSc in Management in New York. Having worked for ten years in the French and English administration on procurement processes for motorways and Public Private Partnerships, she joined CERN in May 2010 as a Procurement and Contract Officer

Languages Spoken

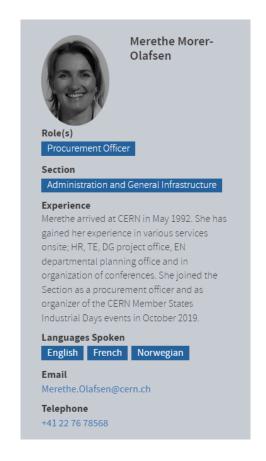
French English

Email

lisa.bellini.devictor@cern.ch

#### Telephone

+41 22 767 3626



#### **CERN Technical Contacts**



#### **Civil Engineering and Buildings**

Activity	Contacts
Heating and Air-conditioning Equipment	Mauro Nonis
Hoisting and Handling Gear	Ingo Rühl
Civil Engineering and Buildings	Luigi Scibile

#### **Electrical Engineering**

Activity	Contacts
Magnets and Superconductors	Luca Bottura
Switch Gear, Switchboards, Power Transformers and Power Cables	Nicolas Bellegarde
Power Supplies and Converters	Jean-Paul Burnet
Crates and Low Voltage Power Supplies	Vincent Bobillier, Francois Vasey

#### Electronics

Activity	Contacts
ASIC's and related design tools	Michael Campbell
Electronic Measuring Instruments	Vincent Bobillier
Electronic Modules and Crates	Marc Vanden Eynden, Vincent Bobillier, Andrzej Siemko, Raphaël Berberat, Javier Serrano, Erik van der Bij
Integrated Circuits and Printed Circuit Boards	Andrzej Siemko, Raphaël Berberat
RF and Microwave Components and Equipment	Erk Jensen



#### **Contact for Pakistan**

#### **ILO: Industrial Liaison Officer**

#### **Pakistan**



#### Who to contact in your Country

Industrial Liaison Officers (ILO's) are appointed by CERN's Member States to facilitate the flow of communication between CERN and its suppliers. ILO's can provide advice on the opportunities available for doing business with CERN and the support available to firms in their local regions.

# Thank you

