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Doing business with CERN

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31 March 2014





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 benefits from immunity from national jurisdiction and execution. Thus, legal disputes between CERN and its suppliers and contractors are not submitted to national courts but solved via international arbitration.

CERN is thus entitled to establish its own internal rules necessary for its proper functioning, such as the rules under which it purchases equipment and services.



Mission of Procurement and Industrial Services

The mission of the Procurement and Industrial Services group is to:

- procure all supplies and services for CERN;
- meeting the specified and contractual technical, delivery and performance requirements;
- at the lowest possible overall cost, while;
- achieving balanced industrial return for the CERN Member States, and;
- respecting the CERN Procurement Rules.



Procurement Principles

- CERN procures supplies and services and awards orders and contracts in compliance with the principles of transparency and impartiality.
- CERN's tendering procedures are selective and do not take the form of open invitations to tender or price enquiries. They shall, in principle, be limited to firms established in the Member States.
- Invitation to tender and price enquiry documents shall be drafted in an objective way so as to guarantee fair competition.
- Subject to the provisions aimed at achieving balanced industrial return for all the Member States, contracts and orders shall be awarded to the firm whose bid meets the technical, financial and delivery requirements and:
 - Is either the lowest; or
 - Represents the best value for money.



Procedures for obtaining offers

- **Requirements not exceeding 10'000 CHF;**
Users may issue enquiries directly provided CERN procurement rules are followed;
- **Purchases between 10'000 CHF and 200'000 CHF**
Price Enquiries issued by Procurement Service;
- **Purchases exceeding 200'000 CHF**
Market Surveys & Calls for Tenders issued by Procurement Service.



Requirements between 10'000 and 200'000 CHF

Price enquiries:

- Deadline for bidders to submit bid is at least 4 weeks from mailing date;
- Invite 3 -5 firms;
- All enquiries exceeding 50'000 CHF are also sent to Industrial Liaison Officers (ILOs) for information;
- Adjudication based on lowest offer (FCA price) which complies with the technical, financial and delivery requirements, subject to the rules aimed at achieving well balanced industrial return coefficients for the Member States (from 100'000 CHF).



Requirements exceeding 200'000 CHF

Market Survey followed by a Call for Tenders:

- Announcement in the document “Advance information on Forthcoming Market Surveys and Calls for Tenders expected to exceed 200'000 Swiss francs”
- Market survey;
 - brief technical description (1-2 pages);
 - qualification criteria (financial and technical);
 - questionnaire.

Current Market Surveys available on Procurement Service home page

<https://found.cern.ch/java-ext/found/CFTSearch.do>

The screenshot shows a web browser window displaying the CERN Procurement Service website. The page title is "Forthcoming market surveys and calls for tenders" and it is provided by CERN. The page contains a search form with filters for Type of Contract, Reference, Activity Code, Requirement, and Cost Range. Below the search form is a table listing market surveys and calls for tenders.

Type of Contract	Reference	Requirement (Activity Code)	Description/Specific Condition	Cost Range	Market Survey scheduled for dispatch	Contacts and Interest in being contacted	Market Survey Documents	Invitation to Tender scheduled to dispatch
Supply	IT-3454/IT	Provision of external printshop activities (878)	Description: Printing of scientific publications and official CERN committee documents. Currently these services are provided in-house. This Market Survey is intended to study the feasibility of acquiring these activities from an external supplier. Specific Condition: Interested firms must have the ability to react quickly to requests, have a short turn-around of high priority jobs and fast delivery of orders to CERN and must be able to accept the electronic submission of documents.	B	September 2010	To be contacted send the attached form by an e-mail to purchasing_services@cern.ch Technically: N. Pocock Commercially: S. Sonnerat	No documents available	December 2010
Supply	IT-3679/GS	Supply of equipment and services for the access control systems and video surveillance for the CERN Site supervision (SUSI) (878)	Description: The contract shall include the supply and installation of access control and video surveillance systems for all CERN sites, including access to buildings and specially secured areas. The areas concerned do not include the accelerator interlocked areas. The access system must be based on Oracle databases, RFID technology & TCP/IP networking and open protocols for integration of card readers. The video surveillance system must be able to manage analogue and digital IP-based video surveillance cameras from multiple manufacturers. Specific Condition: The system must be compatible with the existing	C	September 2010	To be contacted send the attached form by an e-mail to purchasing_services@cern.ch Technically: R. Nanes Commercially: I. Lobmaer	No documents available	November 2010

Requirements exceeding 200'000 CHF

Call for tenders:

- Deadline for bidders to submit bid is at least 4 weeks from mailing date;
- Invite
 - 10 firms for contracts between 200'000 and 750'000 CHF;
 - 15 firms for contracts exceeding 750'000 CHF;
- All call for tenders are also sent to Industrial Liaison Officers (ILOs) for information;
- Adjudication based on
 - lowest offer (FCA price) subject to the rules aimed at achieving well balanced industrial return coefficients for the Member States, or
 - Best-value-for-money basis (for service contracts), but not subject to the rules aimed at achieving well balanced industrial return coefficients for the Member States. The adjudication is based on both price and quality criteria.



Country of origin

for a **supply contract**: is the country(ies) in which the goods are manufactured or where the last major modification took place.

for a **service contract** is the country(ies) in which the bidder is established.



The alignment rule

For contracts to be awarded on the lowest compliant bid basis and exceeding 100'000 CHF in value.

Under certain well-defined conditions 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.



20 Member States' contributions 2013 (CHF)

	Germany	20.29 %	219'569'800		Norway	2.50 %	27'065'550
	France	15.57 %	168'463'400		Austria	2.22 %	24'079'100
	United Kingdom	14.51 %	157'074'900		Greece	1.79 %	19'332'550
	Italy	11.77 %	127'439'850		Denmark	1.77 %	19'148'150
	Spain	8.53 %	92'344'900		Finland	1.43 %	15'447'150
	Netherlands	4.61 %	49'904'200		Portugal	1.23 %	13'289'900
	Switzerland	3.19 %	34'539'300		Czech Republic	1.07 %	11'589'000
	Belgium	2.77 %	30'025'200		Hungary	0.68 %	7'355'950
	Poland	2.72 %	29'443'300		Slovak Republic	0.51 %	5'472'250
	Sweden	2.55 %	27'547'650		Bulgaria	0.28 %	3'023'050

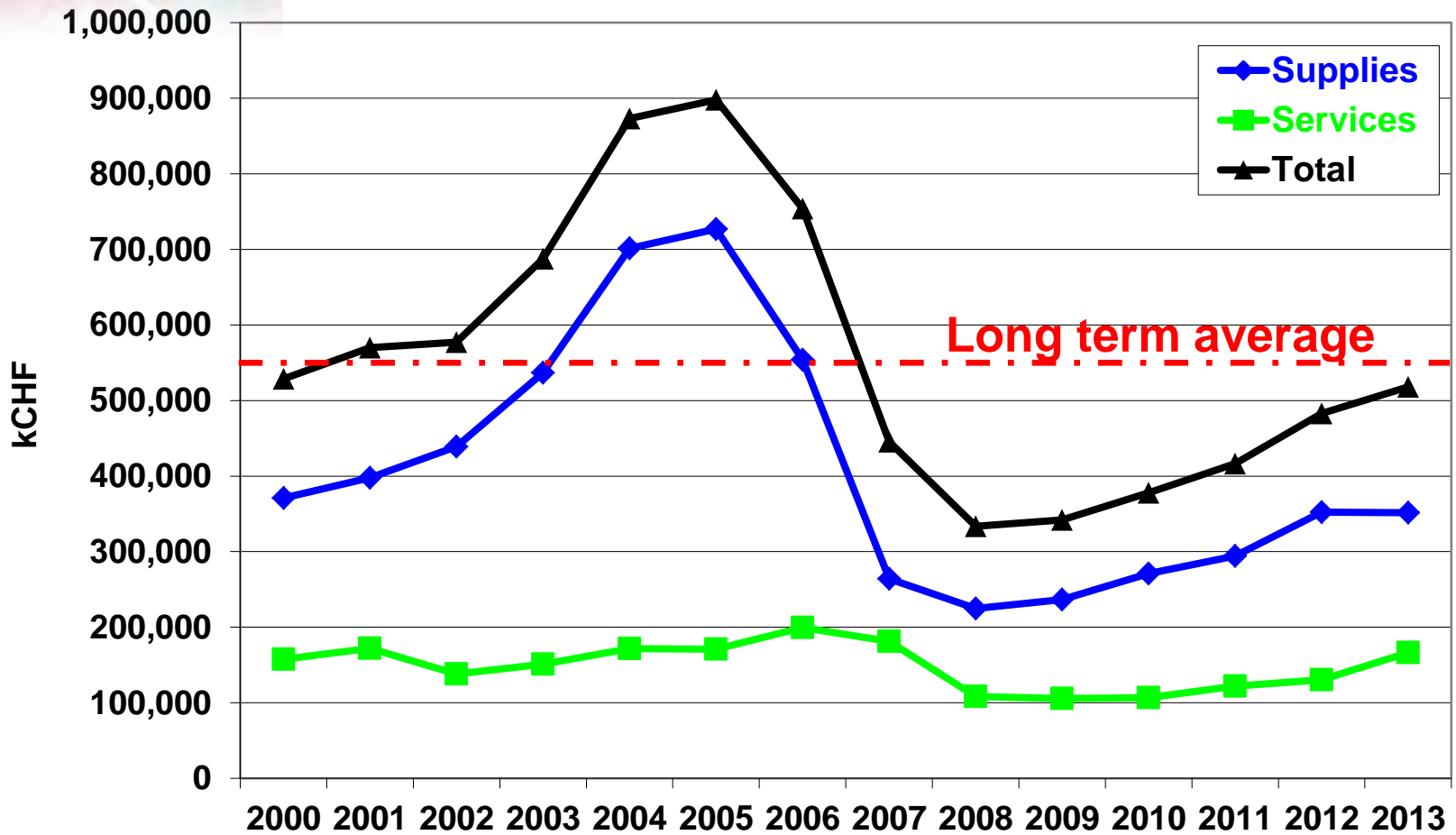
Total	100%	1'082'155'000
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Additional special in-kind contribution from France	1'925'000
Additional contribution from Romania as Candidate for Accession	6'530'250
Additional contribution from Israel as Associate Member State	3'131'550
Additional contribution from Serbia as Associate Member State	1'000'000

Total including additional contributions	1'094'741'800
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Procurement Expenditures 2000-2013





What do we buy?

Recurrent supplies and services

Civil engineering

Buildings, roadworks,

Utilities

Cooling & ventilation

Power distribution, cables

Infrastructure & services

Metal structures

Mechanical engineering

Radiation shielding

Transport & handling

Safety & access control

Installation, operation & maintenance

Data acquisition, computing & networking

Various supplies

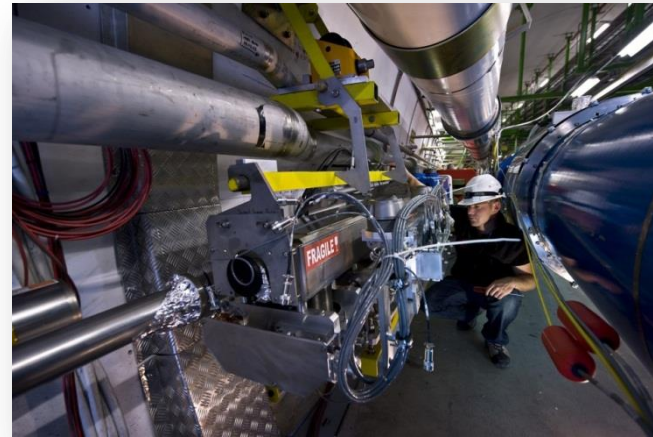
Furniture, tooling, gases, stationary, etc..



What do we buy?

accelerator technologies required for consolidation projects and new developments

Industrial controls & field buses
Timing & “fast” real-time controls
Beam collimation
Beam injection, ejection & dump
Radio-frequency equipment
Power converters
Beam instrumentation & diagnostics
Permanent and electromagnets
Cryogenic equipment

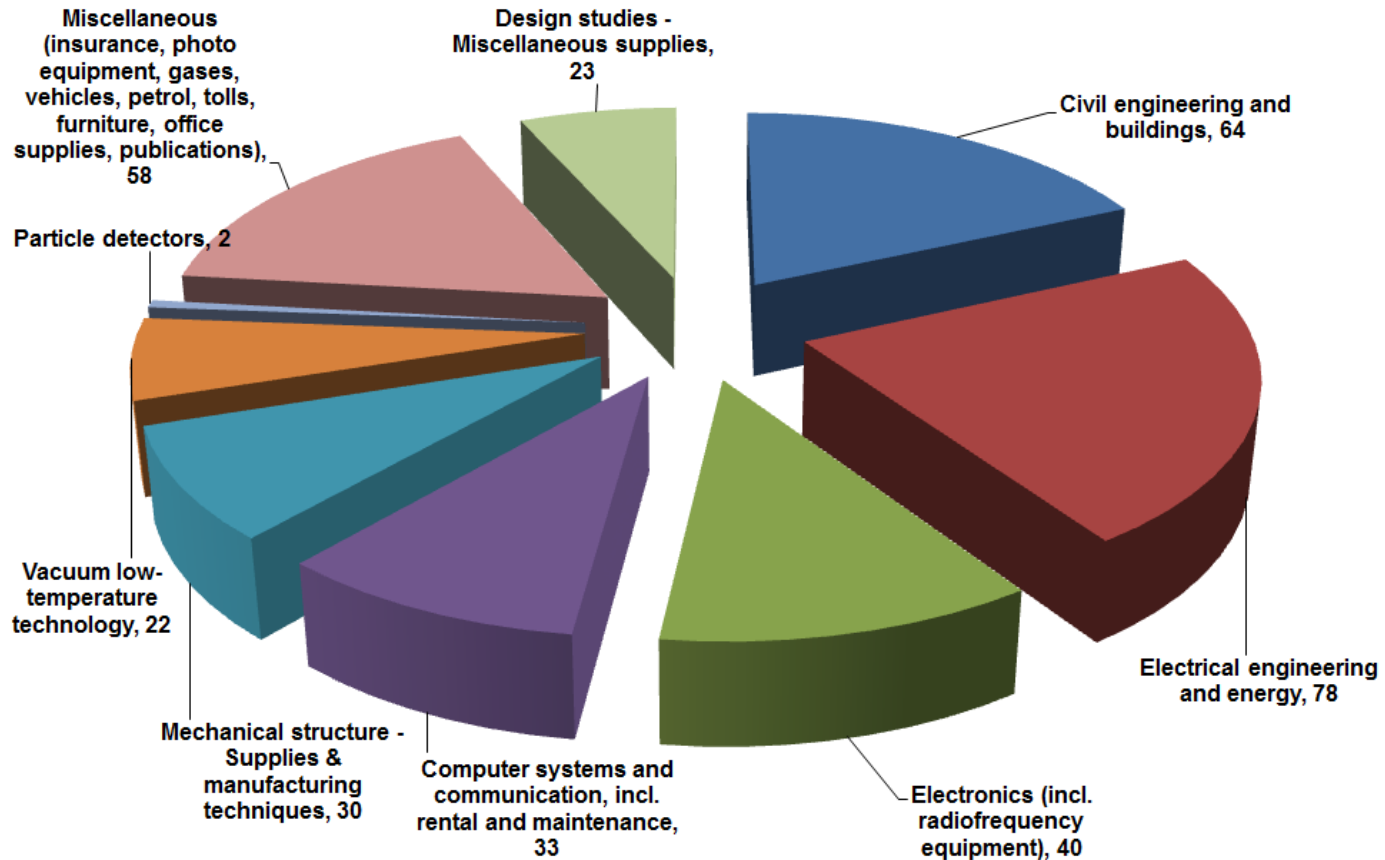


New Projects

- LHC Injectors Upgrade (LIU)
- Accelerators Consolidation (CONS)
- High Luminosity LHC (HL-LHC)
- Linear Collider Studies (LC)

What do we buy ?

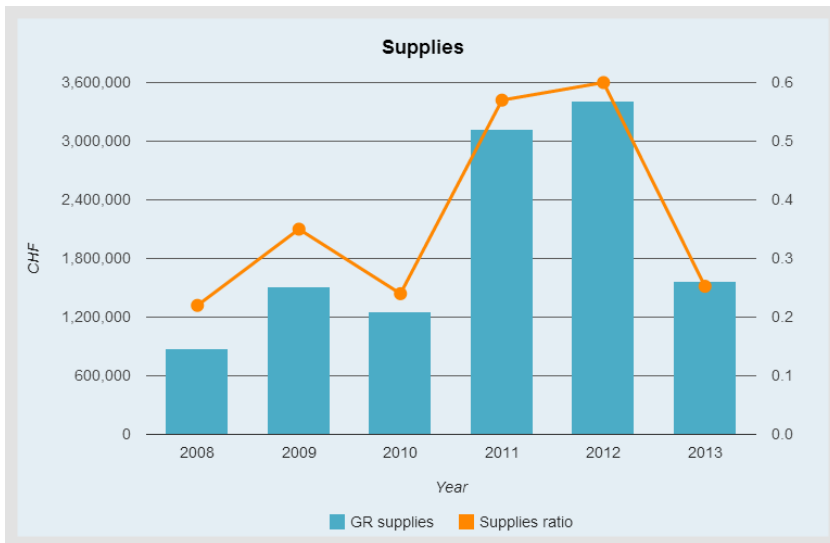
Supplies for 352 MCHF (2013)



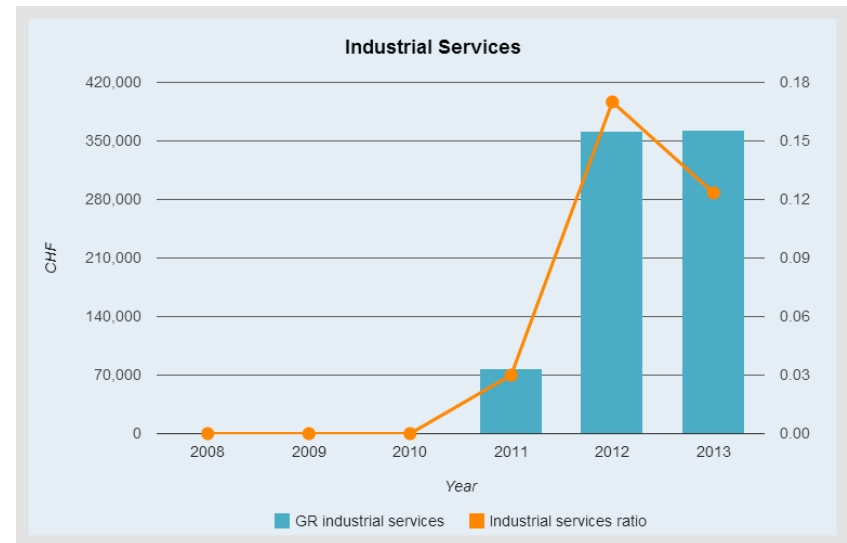
All amounts are in Swiss francs (MCHF)

Collaboration with Greek industry

Industrial return for supplies,
target for 2013 = 0.91



Industrial return for services,
target for 2013 = 0.40



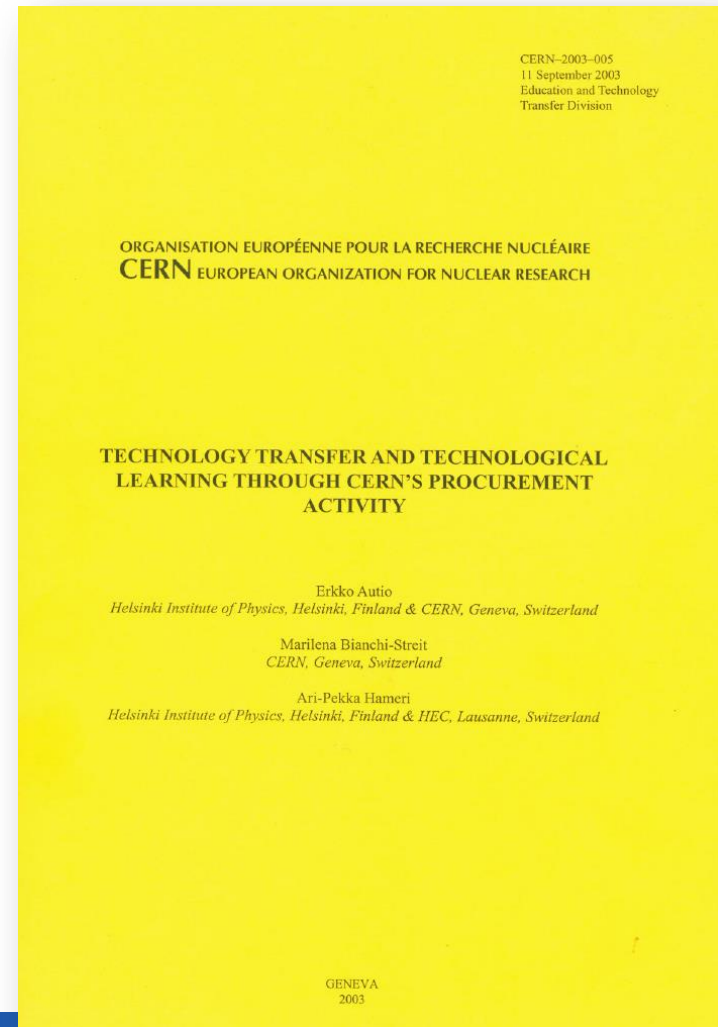
Collaboration with Greek industry

Some Greek suppliers, 2013

Supplier name	City
NOVOCAPTIS	THESSALONIKI
KAMPAKAS SA	XANTHI
SAFEDOOR	ATHENS
THE NATIONAL TECHNICAL UNIVERSITY OF ATHENS	ATHENS
RENTRON ELECTRONICS	P. FALIRO
EVRYDIKI P. KOSTARAKI	ATHENS
SPANOS	AVLONA - ATTIKIS
ELEKTROMECH	ATHENS
DROMEAS SA	ATHENS
CEO ENERGY SYSTEMS	ATHENS
PRISMA ELECTRONICS SA	ALEXANDRUPOLIS
TEMMMA S.A.	ATHENS

Study of Technology Transfer through Procurement

- Period studied 1997 – 2001
- Excluded: civil engineering, standard items, services and low value orders
- 629 companies contacted.



Result of contracts with CERN

- 38% had developed new products
- 42% increased international exposure
- 44% improved technological learning
- 52% would have had poorer sales performance without CERN
- 17% opened a new market
- 60% acquired new customers
- all firms had derived great value from CERN as a marketing reference





Successful suppliers

- Often small – medium sized and flexible firms
- Ensure full understanding of specifications – exceeded specifications may be too expensive
- Communicate with CERN (problems, issues, alternatives, etc.)
- Take into account test requirements and documentation
- Verification of performance by sub-contractors

Contacts with CERN

- Procurement web page
- <http://procurement.web.cern.ch/>
- Industrial liaison Officers (ILOs)

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Tel: +41-22-7671162 (CERN)

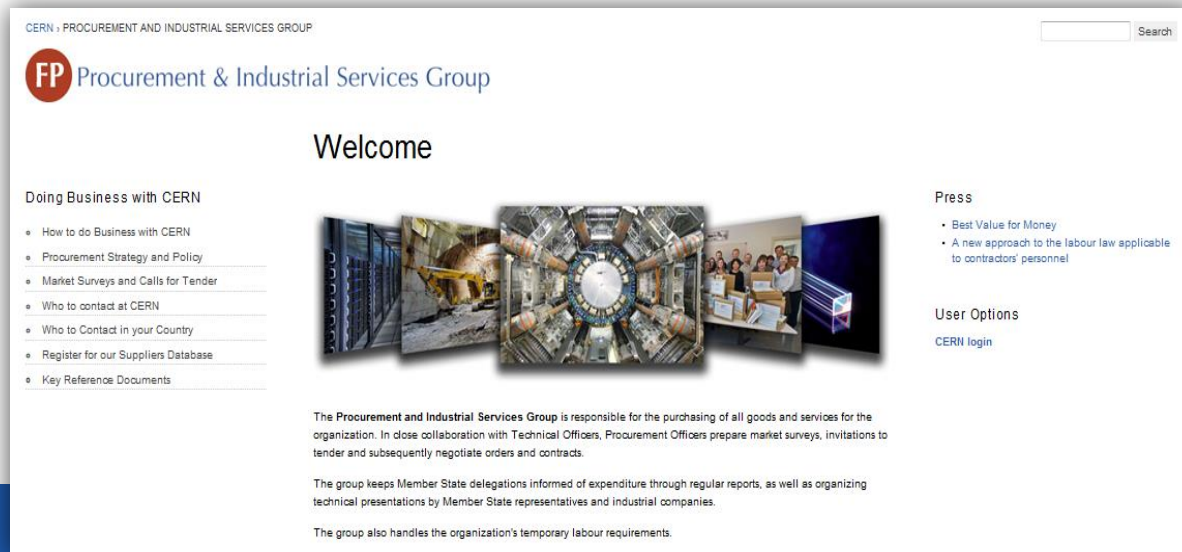
Tel: +30-6977-261060 (mobile)

Email: egazis@central.ntua.gr

Doing business with CERN

Organized exhibitions at CERN of groups of companies,
latest such events:

- France @ CERN
- Slovakia @ CERN
- Austria @ CERN
- Belgium @ CERN
- Germany @ CERN



CERN » PROCUREMENT AND INDUSTRIAL SERVICES GROUP

FP Procurement & Industrial Services Group

Welcome

Doing Business with CERN

- How to do Business with CERN
- Procurement Strategy and Policy
- Market Surveys and Calls for Tender
- Who to contact at CERN
- Who to Contact in your Country
- Register for our Suppliers Database
- Key Reference Documents

Press

- Best Value for Money
- A new approach to the labour law applicable to contractors' personnel

User Options

CERN login

The **Procurement and Industrial Services Group** is responsible for the purchasing of all goods and services for the organization. In close collaboration with Technical Officers, Procurement Officers prepare market surveys, invitations to tender and subsequently negotiate orders and contracts.

The group keeps Member State delegations informed of expenditure through regular reports, as well as organizing technical presentations by Member State representatives and industrial companies.

The group also handles the organization's temporary labour requirements.



Resolution: 1200x1204 px
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