

CERN PROCUREMENT POLICY AND PROCEDURES



Procurement perspectives for the supply of Silicon Strip Sensors for upgrade of the ATLAS and CMS detectors



SUMMARY

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INTRODUCTION

- The initiative for creating an European consortium was initiated by a few European players in the radiation detector business, with the support of ILOs in their Member States, as a result of an announcement by CERN on a forthcoming market survey and call for tenders for the pre-production, qualification and large scale production of silicon sensors for the CMS and ATLAS Inner Detectors.



PROCUREMENT POLICY

- Ensure bids fulfil all the necessary technical, financial and delivery requirements;
- Keep overall costs for CERN as low as possible;
- Achieve balanced industrial returns for the CERN Member States;
- Not less than three competitive tenders to be sought for the purchase of supplies and services.



REQUIREMENTS EXCEEDING 200 000 CHF

Calls 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(s);
- Selection of firms to be invited for tender;
- Technical auditing;
- Call(s) for Tenders.



MARKET SURVEYS

Purpose:

- Pass information to industry on future requirements;
- Allow delegates, ILOs to propose potential bidders;
- Update and improve CERN's supplier database;
- Encourage firms to seek early exchange of technical information with CERN and vice-versa;
- Allow CERN to draw up a final list of qualified bidders;
- Allow CERN to draw up a final Technical specification for the call for tenders.



MARKET SURVEYS

Documents include:

- cover letter;
 - brief technical description (1-2 pages);
 - qualification criteria (see next slide);
 - qualifying questionnaire.
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- minimum 4 weeks for suppliers to reply;
 - a market survey is valid up to 12 months from the date of issue (or up to 18 months for prototypes)

MARKET SURVEYS

- Several market surveys are foreseen for ATLAS and CMS depending on the type of sensors and their location (Inner Detectors and Outer Detectors). Each of these will have different qualification criteria and will address different company profiles;
- It is expected that, with the delay in the start-up of the LHC machine the market survey for pre-production, qualification and large-scale production of silicon strip sensors for ATLAS and CMS Inner Detectors will not be launched until 2010.
- Two phases are envisaged for the qualification of silicon strip sensors for ATLAS and CMS Inner Detectors:

Phase I: preproduction and qualification - with the goal of finalising the detailed sensor specifications and quality assurance protocols and qualifying the sensors for large scale production;

Phase II: large-scale production of sensors for the tracker upgrade.

To be eligible for participation in Phase II interested firms must have successfully taken part in Phase I.



QUALIFICATION CRITERIA

Technical:

- Company profile – infrastructure, production lines, technologies and capacity; design and engineering capabilities; process control, QA & Testing capabilities;
- Sensor quality and stability;
- Minimum number of years of production experience;
- Number of specialised staff (qualified engineers, technicians etc.)
- Minimum proven production capacity during a specific period;
- Quality assurance programme (ISO 9000 or recognised national equivalent).
- Must be able to provide references attesting the quality/quantity of the sensors delivered for similar products.



QUALIFICATION CRITERIA

Financial and commercial:

- Minimum average annual turnover in the production of silicon sensors during the last three years;
- Number of total employees;
- Constraints on sub-contracting.

- In case of a consortium a lead firm must be nominated:
- Each company participating in the consortium shall be jointly and severally liable if awarded the contract;
- The composition of the consortium for the call for tenders and contract must be the same as for the market survey.



PRELIMINARY LIST OF FIRMS

- Firms proposed by ILOs and Delegates;
- Firms from the Member States which have expressed an interest for a Market Survey or a similar requirement;
- Other firms proposed by technical parties;
- Firms selected from CERN supplier database by Procurement Service.



FINAL SELECTION OF FIRMS

- Only companies/consortia which have fulfilled the qualification criteria of the market survey(s) shall be considered for the calls for tender.



CALLS FOR TENDER

- At least an English version of all documents including technical annexes and technical drawings;
- Technical auditing to be carried out to ensure that the tendering documents are objective and unambiguous (e.g. technical specifications are, based on international rather than local standards and concentrate on processes involved rather than on technical details).



CALLS FOR TENDER

Contains:

- Cover letter - including enclosures;
 - Technical specification - including technical annexes and technical drawings;
 - Tender form;
 - Technical questionnaire (not compulsory).
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- Deadline for bidders to submit a bid is at least 4 weeks from mailing date (with a longer period for more complex requirements).



ADJUDICATION

- Contracts to be awarded on the basis of **lowest compliant bid** i.e. to the firm whose bid complies with the technical, financial and delivery requirements and is the lowest.



FINANCE COMMITTEE

- No contract valued more than 750 000 Swiss francs shall be awarded without the prior approval of Finance Committee, where there has been competitive tendering;
- For contracts exceeding 200 000 Swiss francs competitive tendering shall not be dispensed with, without the prior approval of Finance Committee.



PROCUREMENT RULES FOR EXPERIMENTS AT CERN

- CERN Procurement Rules and Procedures apply to all orders and contracts placed by CERN for the Experiments at CERN;
- The extent of application of the rules depends on the financing - in particular the proportion of CERN money involved;
- Four cases have been identified in the document *“Purchasing Rules and Procedures for all Approved and Recognised Experiments at CERN”*:



CASE A

Cases where no CERN money is involved and the Collaborations do not desire CERN's involvement

- CERN shall **not** be the contract partner;
- An institute participating in the Collaboration shall negotiate the contract itself;
- CPP&P shall **not** apply;
- Approval from **Finance Committee** is **not** required.



CASE B

Cases where no CERN money is involved but the Collaboration or its participating institutes request CERN to be the contract partner

- **Either the Collaboration selects the company, certifying that the legislation of the country(ies) where Institutes providing the funds are based was followed;**
- **Or Collaboration requests CERN to perform a market survey and the call for tenders. CERN shall contact companies in the States of the Collaboration.**



CASE B

- The selection process shall **not** be limited to companies in the State(s) providing the funds for the contract;
- However, the Collaboration can request that contract is awarded on condition that at least 50% of the tender value originates from the country(ies) providing the funds for the contract;
- Contract negotiation conducted by CERN;



CASE B

- General Conditions of CERN Contracts shall apply;
- A condition of non-involvement of Finance Committee is the transfer of risks and liability associated with these contracts to participating Institutes;
- The call for tenders shall be issued once CERN has received the necessary financial guarantees.



CASE C

Cases where CERN contributes 100% of the financial resources

- CERN procurement rules and procedures shall apply:
- Invitation to tenders to be limited to manufacturers and contractors located within the territories of Member States;
- Aim to achieve well balanced industrial return coefficients for the Member States by applying selection and adjudication criteria.



CASE D

Cases which concern contracts funded by the Common Fund (and to which CERN contributes)

- CERN shall be the contract partner;
- CERN procurement rules and procedures shall apply;
- Call for tenders shall be issued by CERN to firms with a view to achieving a balanced distribution of purchases among all the States of the Collaboration;
- Contract negotiation conducted by CERN;



CASE D

- General Conditions of CERN Contracts shall apply;
- Finance Committee approval shall be required if CERN's contribution exceeds 200 000 CHF (single -source) or 750 000 CHF (competitive tendering);
- The call for tenders shall be issued once CERN has received the necessary financial guarantees.



CONTACT

Mr Dante Gregorio
CERN Procurement Service
Finance and Procurement Department
CH-1211 Geneva 23

Tel: +41 22 767 6335
Fax: +41 22 767 7530
e-mail: dante.gregorio@cern.ch