



IT-4464/EN Bidders conference

CERN, 19 February 2019



Floris Bonthond - Procurement Officer
CERN *European Organization for Nuclear Research*
CH - 1211 Geneva 23
Tel: +41 22 767 3143

<http://procurement.web.cern.ch/>

COMMERCIAL ASPECTS OF INVITATION TO TENDER

IT-4464/EN

**Dismantling and Supply of
Electrical Overhead Travelling (EOT)
Cranes with a capacity up to 10
Tonnes**

Agenda



- Key dates
- Specific features
- Invitation to Tender documents
- Clarification process
- Basis of award – Country of origin
- Industrial return coefficient
- Alignment rule
- Price basis, bank guarantee, VAT
- E-tendering instructions

Key dates

- Invitation to Tender issued: 7 February 2019
- Compulsory bidders' conference: 19 - 20 February 2019
- Bids to be returned to CERN: by 4 April 2019 – 4:00 pm
- Opening of bids: Between 5 and 10 April
- Contractual negotiations: before end of April
- Proposal to CERN Finance Committee: by end of April
- Meeting of CERN Finance Committee: 18 – 19 June
- Notification of contract: before end of June

Specific features

- Adjudication based on reference prices provided for the dismantling and installation of nine representative cranes as well as additional features, manpower and equipment
- Document IT-4464_EN UPL to be filled-in thoroughly, in addition to the tender form. Please upload both documents into the E-Bidding system
- Only these two documents are receivable

Invitation to Tender documents

- Tender form + UPL
- Technical specification + annexes
- General Conditions for Invitations to Tender
CERN/FC/6211-I
- General Conditions of CERN Contracts
CERN/FC/6211-II
- Selection and adjudication criteria for supply contracts



Clarification Process

- CERN's response will be sent to all bidders, including the request for clarification but without identifying its source
- Bidders shall acknowledge receipt of the email
- Cover letter with bid shall acknowledge each individual CERN clarification correspondence received

Clarification Process



All questions shall be addressed in writing to:

Floris.Bonthond@cern.ch

Requests for clarification shall be sent latest by **28 March 2019**



Basis of Award

The contract shall be awarded on a
«Lowest compliant bid » basis



Selection & Adjudication Criteria

With a view to improving the distribution of its purchases among its Member States, CERN has applied, for the selection of bidders to be invited to tender, and will apply for the award of the contract to a technically and financially compliant bidder, the criteria set out in the document entitled:

“Selection and Adjudication Criteria for Supply Contracts”

Country of origin

Supply contract: country(ies) in which the goods are manufactured or where the last major modification will take place. If at least 60% of the total amount of the bid comes from poorly balanced Member States, then the **whole bid** will be treated as that from a bidder in a poorly balanced Member State



Industrial Return Coefficients

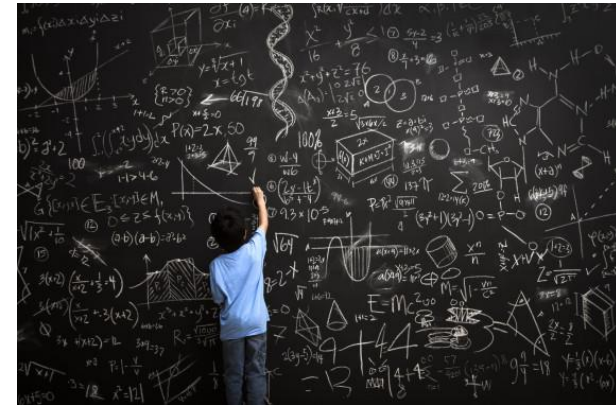
The return coefficient of a Member State for Supply contracts for a given twelve-month period starting on 1st March is defined as:

The ratio between that Member State's percentage share of all purchases of supplies (excluding purchases funded by non-Member States) during the preceding four calendar years and that State's percentage contribution to the Budget over the same period

A Member State is defined as **very poorly balanced** if its return coefficient for Supply contracts falls below 0.40, **poorly balanced** if its return coefficient for Supply contracts falls below 1.00 and **well balanced** if it is equal or greater than that value

The following countries are considered to be well-balanced in the period 01.03.2018 until 28.02.2019 for Supply contracts:

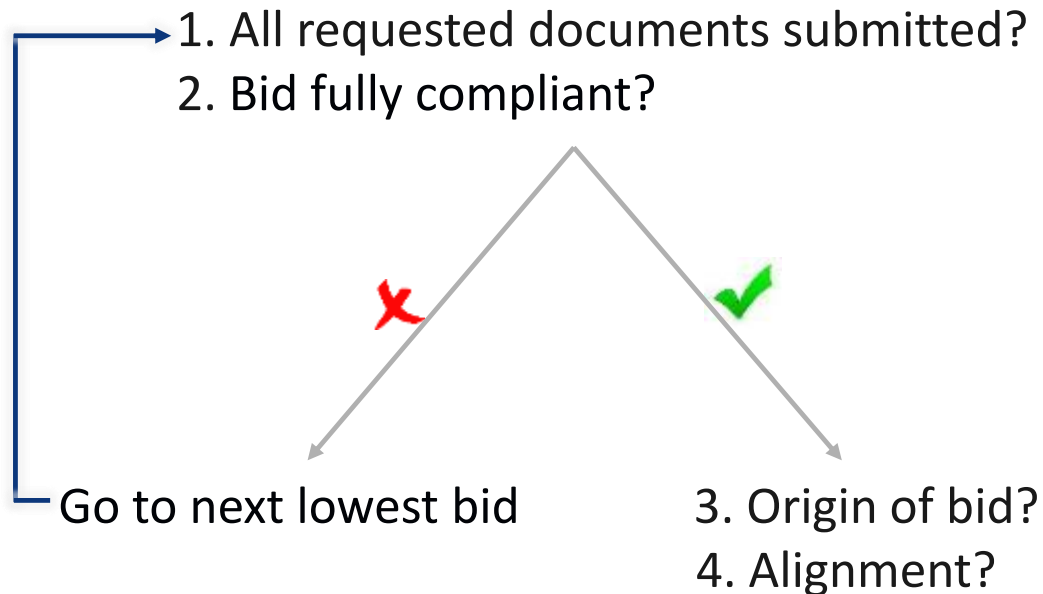
Bulgaria, Czech Republic, France, Hungary, Italy, Poland, Spain, Switzerland



Verification of bids

A. Verify calculations of all bids

B. Check conformity of lowest bid



C. Contractual negotiations

The alignment rule

- For supply contracts to be awarded on the lowest compliant bid basis and exceeding **100'000 CHF** in value
- Aimed at achieving **well balanced** industrial return coefficients for the Member States
- A bidder offering goods originating from **poorly balanced** Member States is offered to **align** his price, under certain conditions, to that of the lowest bidder and thereby be awarded the contract



The alignment rule, how it works*

Case 1: > 60% of value of lowest bid originates from **Poorly Balanced** Member States



Case 2: Lowest bid originates from **Well Balanced** Member States

- a. CERN asks first bidder proposing bid with $\geq 60\%$ of value originating from Poorly Balanced Member States to align price (if price difference $< 20\%$)



- b. CERN asks second bidder proposing bid with $\geq 60\%$ of value originating from Poorly Balanced Member States to align price (if price difference $< 20\%$)



- c. CERN awards contract to lowest bidder



* Applies only to fully compliant bids

Price Basis

All prices shall be quoted either in CHF or in your preferred currency: your national currency or the currency in which you will have your major expenses (if you wish to be paid in this currency), free of taxes, not subject to revision



Bank Guarantee



No payment by CERN **before** provision of a **bank guarantee**

Bank guarantee:

- In favour of CERN
- Issued by a bank approved by CERN
- Rating of BBB+ at least or equivalent, with a proof of rating
- 10 % of total amount of contract
- Valid until expiry of warranty of last batch of supply delivered

CERN/FC/5312-II/Rev.

20

To: The European Organization for Nuclear Research

CH-1211 Geneva 23

We, [name] of [address and fax number]

_____ , have been informed by our clients, [name] _____ ("the contractor"), that they have entered into contract [contract reference] _____ ("the contract") of [date of conclusion of contract] _____ with the European Organization for Nuclear Research ("CERN"). Pursuant to the contract, the contractor is required to deliver a bank guarantee to CERN to guarantee the proper performance by the contractor of his obligations under the contract.

We, _____, hereby guarantee irrevocably and unconditionally, as primary obligee and not merely as a surety, to pay to CERN upon its first written demand the amount stipulated by CERN, up to a maximum amount of [maximum amount] _____.

We undertake to make this payment without any deduction, withholding, counterclaim, interpleader, limitation, condition, set-off or any right of objection on our part. We agree that there shall be no obligation on CERN to prove that the contractor is in breach or that CERN has suffered any loss or damage, to show reasons for its demand, or first to make demand on or take any proceedings against the contractor.

We agree that our liability under this guarantee shall not be discharged in whole or in part or otherwise affected by any reason whatsoever, except by our payment to CERN of the maximum amount stated above or by the expiry of this guarantee in accordance with that stated hereunder.

This guarantee shall remain valid and in full force and effect from the date hereof until inclusive 30 days from [date] _____, whereupon it shall cease to have effect, save in respect of any demand notified to us prior to the expiry of the said period of 30 days.

We confirm that our obligations under this guarantee are enforceable against us under the laws of the courts that have jurisdiction over our place of establishment. Where they are not enforceable under such laws, we hereby accept the application of Swiss law by such courts.

VAT



- Prices shall take into account CERN's exemption from VAT and import duties
- VAT shall be subject to the rules and invoicing instructions as defined under the following links:

<http://cern.ch/doc/vat.html> or <http://cern.ch/doc/tva.html>

e-tendering instructions

- Bids shall in no event be sent by post, e-mail or fax
- All documents comprising the bid have to be uploaded on the CERN e-tendering application by using the button [Submit Bid] in the CERN e-tendering application
- The uploading may take time so we advise you to start at least one hour before the time limit
- In case you do not intend to submit a bid, please inform us, by using the button [Decline] in the CERN e-tendering application
- If you have any problems or enquiries regarding the registration of your firm or the upload of your bid, please consult the [FAQ] in the CERN e-tendering application or contact:
procurement.service@cern.ch

The screenshot shows the CERN e-tendering application interface. At the top, there are three tabs: 'Information', 'Discussion (0)', and 'Files'. Below the tabs is a blue header with the text 'e-tendering'. The main content area contains a form with the following fields: 'Report number', 'Title', 'Activity code', 'Dispatch date (yyyy-mm-dd)', 'Reply date (yyyy-mm-dd)', and 'Documents'. At the bottom of the form, there are three buttons: '[Submit Bid]', '[Decline]', and '[FAQ]'. A red box highlights a field below the [Submit Bid] button.

Return Date



Bids shall be RECEIVED by CERN
on 4 April 2019 – 4:00 pm (Geneva time)
at the latest

Information Contact



Floris Bonthond

Tel: +41 22 767 31 43

Floris.Bonthond@cern.ch





