



Doing Business with CERN

Lithuania @ CERN - 30 January 2020

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Head of Procurement for Accelerator and Technology



AGENDA

- **Introduction**
 - Legal Framework
 - Budget
 - What we buy
- **Procurement @ CERN**
 - Procurement Service
 - Principles
 - Procedures
- **Procurement website**
- **Impact of doing business with CERN**

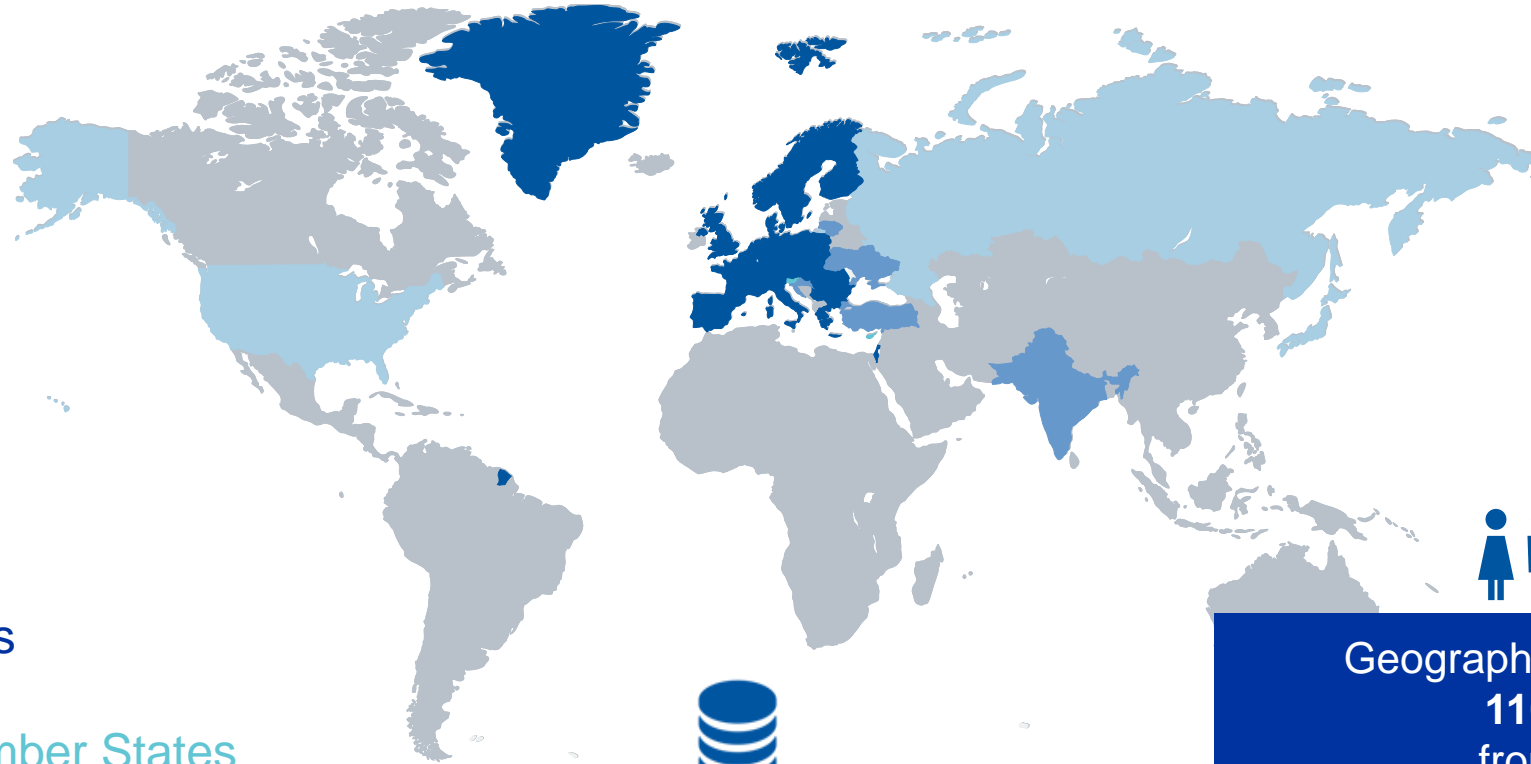
INTRODUCTION



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



23 Member States

2 Associate Member States
in the pre-stage to
membership

5 Associate Member States



Yearly budget ~ 1200 MCHF



Geographical & cultural diversity
110 nationalities,
from 77 countries

~ **2500** Staff members
~ **2000** contractors' employees
~ **13000** physicists /users

Yearly Budget (contributions 2019)

Country	Percentage of Total	Amount (CHF)	Country	Percentage of Total	Amount (CHF)
 Germany	20.31%	243 129 850	 Romania	1.07%	12 807 800
 United Kingdom	15.45%	184 948 850	 Portugal	1.06%	12 716 250
 France	13.62%	162 966 200	 Greece	1.03%	12 308 750
 Italy	10.05%	120 245 950	 Czech Republic	0.96%	11 525 250
 Spain	6.92%	82 844 100	 Hungary	0.63%	7 516 200
 Netherlands	4.44%	53 197 200	 Turkey*	0.48%	5 731 100
 Switzerland	4.04%	48 410 300	 Slovakia	0.48%	5 691 350
 Poland	2.71%	32 472 850	 Bulgaria	0.30%	3 578 650
 Belgium	2.61%	31 269 000	 Serbia	0.23%	2 752 000
 Sweden	2.55%	30 504 300	 Pakistan*	0.16%	1 880 000
 Norway	2.26%	27 014 250	 Slovenia**	0.09%	1 065 450
 Austria	2.11%	25 210 350	 Cyprus**	0.08%	1 000 000
 Israel	1.82%	21 734 350	 Croatia*	0.08%	1 000 000
 Denmark	1.72%	20 606 100	 Lithuania*	0.08%	1 000 000
 Finland	1.29%	15 472 350	 Ukraine*	0.08%	1 000 000
 India*	1.28%	15 293 950			
			Total	100%	1 196 892 750

* Associate Member State ** Associate Member State in the pre-stage to membership

What we buy

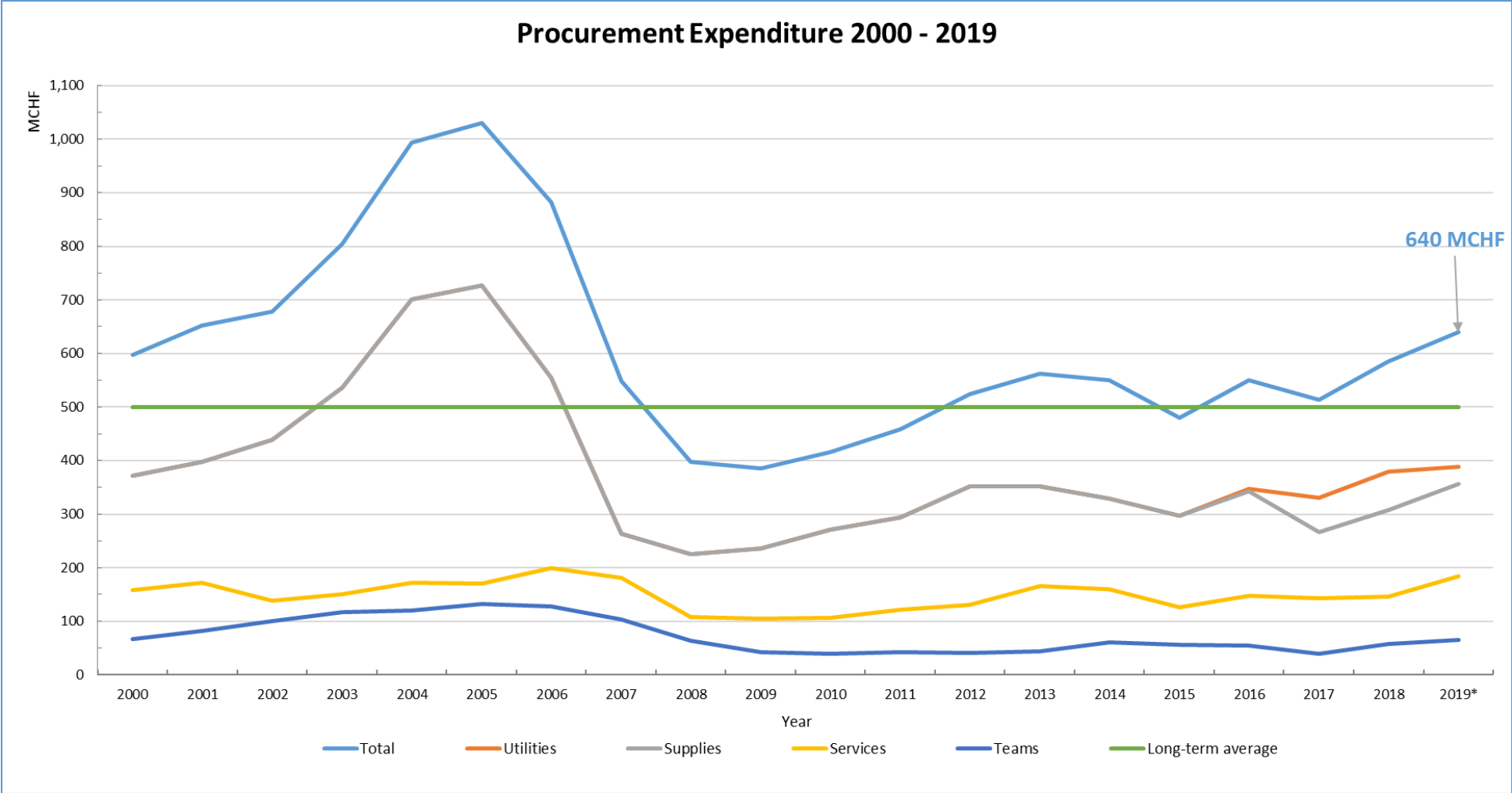
- Recurrent supplies & services
- Accelerator technologies required for consolidation projects and new developments

What we buy

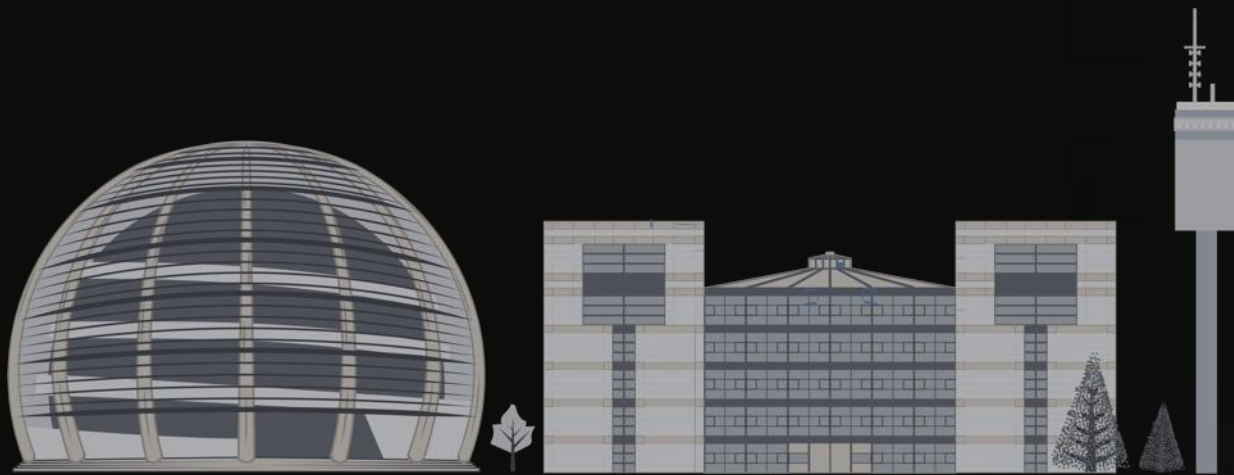
- Civil engineering
- Cooling and ventilation
- Electrical engineering and magnets
- Information Technology
- Mechanical engineering and raw materials
- Electronics and radiofrequency
- Cryogenic and vacuum equipment
- Health and safety equipment,
- Transport and handling equipment
- Office supply, furniture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



Procurement Expenditure



Preliminary numbers for 2019!!!
 A significant amount will be carried over to 2020



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

1

Transparency and Impartiality

4

Selective Tendering Procedure

2

Limited Tendering

5

Confidentiality

3

Objectivity and equal treatment / fair competition

6

Adjudication Basis

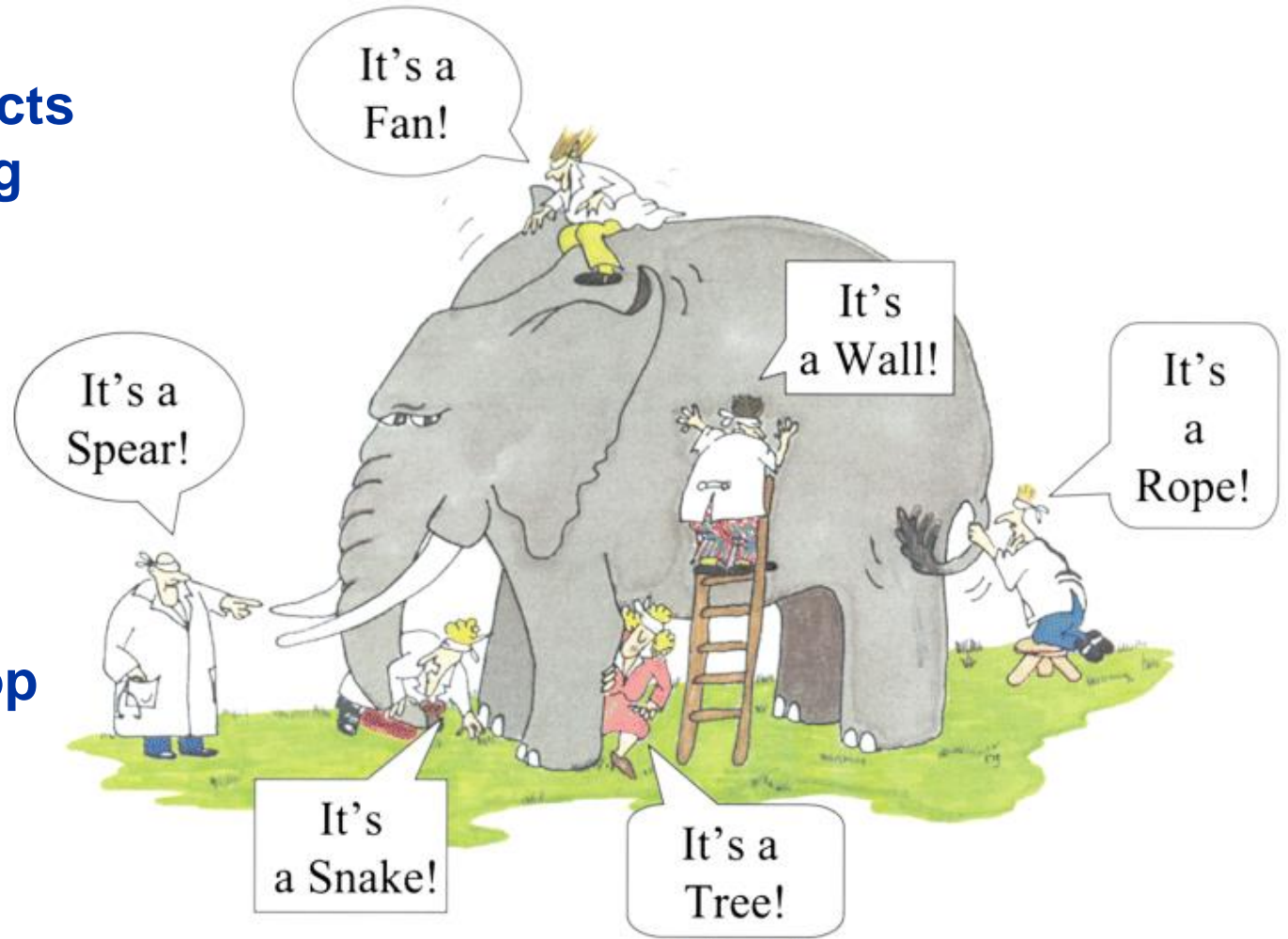
What we buy ?

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)



- **Price enquiry by Technical Officer or Procurement Officer;**
(Users may issue enquiries directly provided CERN procurement rules are followed)
- **Minimum of 3 bids requested;**
- **Purchase Order (PO) made to the lowest compliant bidder.**



10'000 CHF ≤ Enquiries < 200'000 CHF

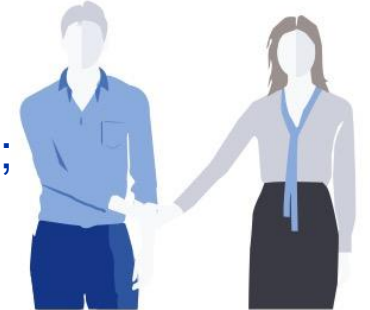
“Price Enquiry” (DO)

- 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 \geq 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.
- **Phase 2 : IT / “Invitation-to-Tender”**
 - 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.

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.



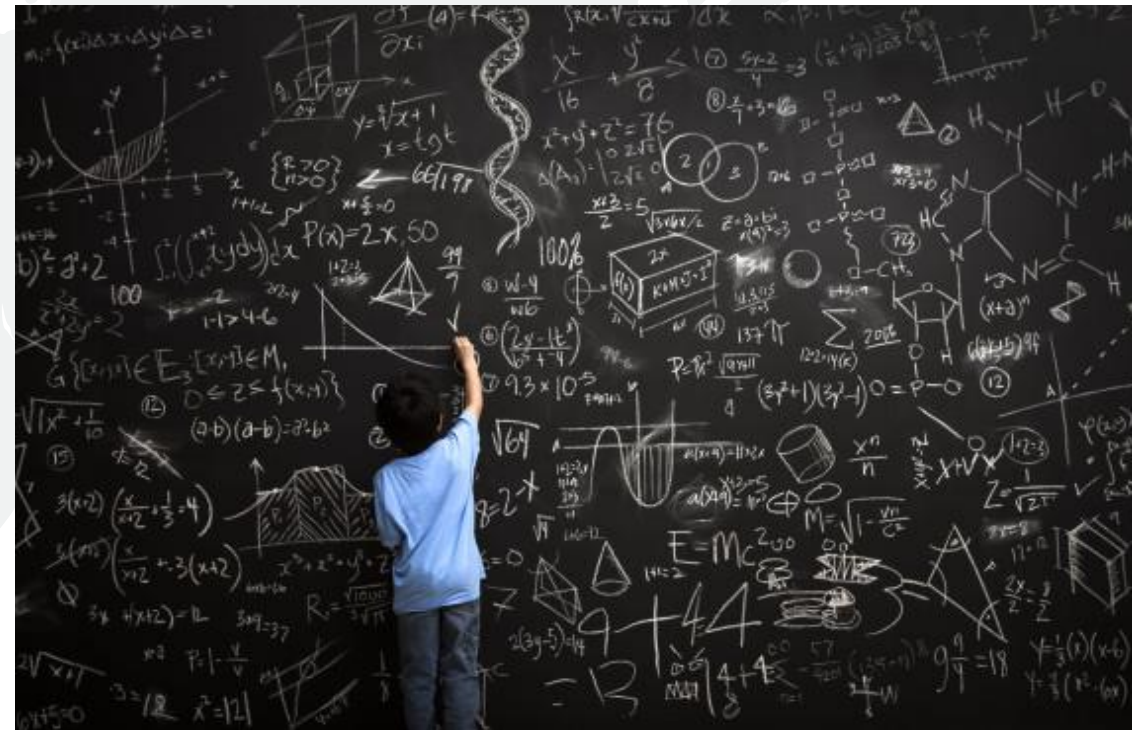
*“Country(ies) where the **supplies** (including their components and sub-assemblies) are manufactured or undergo the last major transformation by the contractor or its sub-contractor”*

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: $IRC \geq 1$
- Poorly balanced Member States: $0.30 \leq IRC < 1$
- Very Poorly balanced Members States : $IRC < 0.30$



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.



1

Supplies Contract only, adjudicated on the Lowest Compliant Basis

2

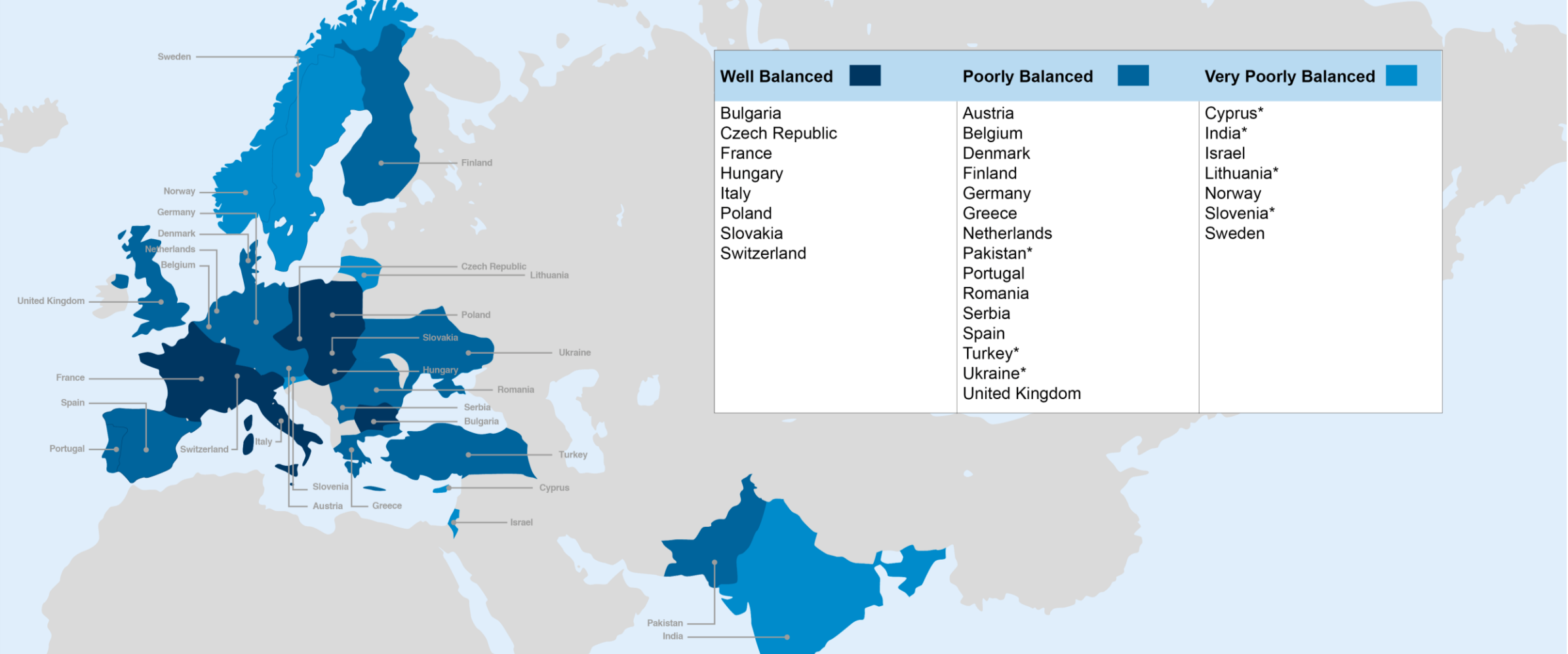
With a total amount exceeding 100'000 CHF.

3

Price difference shall not exceed 20%

Member States Classification (Supplies)

(1st March 2019 – 29 February 2020, based on the previous 4 calendar years):



Suppliers from Lithuania

Top Suppliers

By Country of Supplier

Show entries Search:

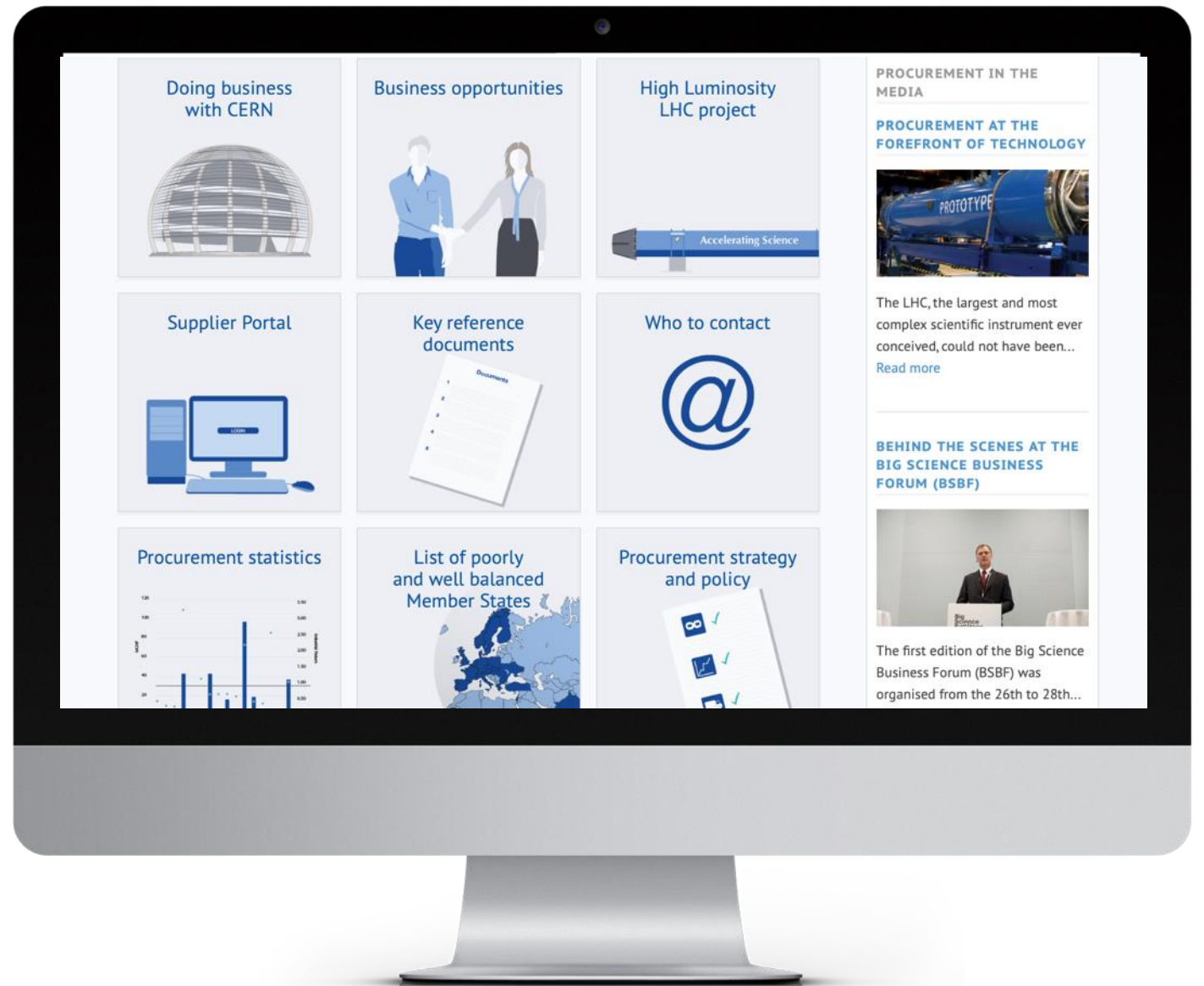
Supplier Name	Town	No. Orders	CERN Budget (CHF)	Teams Budget (CHF)
SARGASAS	Vilnius	12	44 329	-
PRECIZIKA METAL UAB	Vilnius	6	42 063	-
STANDA	Vilnius	8	18 026	5 230
OPTOLITA	Vilnius	7	5 059	8 481
OPTOGAMA UAB	Vilnius	1	5 131	8 209
UAB VAIVORA ENGINEERING	Kaunas	5	5 665	-
EKSPLA	Vilnius	3	5 275	-
ROKVELAS UAB	Panevezys	1	3 661	-
3 FOTONAI (3PHOTON)	Vilnius	1	3 482	-
TARASOV VLADIMIR	Vilnius	1	3 299	-
LIGHT CONVERSION	Vilnius	1	653	0

By Country of Origin

Show entries Search:

Supplier Name	Supplier Country	No. Orders	CERN Budget (CHF)	Teams Budget (CHF)
SARGASAS	LT	12	44 329	-
PRECIZIKA METAL UAB	LT	6	33 843	-
STANDA	LT	8	18 026	5 230
OPTOLITA	LT	7	5 059	8 481
OPTOGAMA UAB	LT	1	5 131	8 209
UAB VAIVORA ENGINEERING	LT	5	5 665	-
EKSPLA	LT	3	5 275	-
COMSOFT DIRECT SA	CH	1	4 046	-
ROKVELAS UAB	LT	1	3 661	-
3 FOTONAI (3PHOTON)	LT	1	3 482	-
TARASOV VLADIMIR	LT	1	3 299	0
LIGHT CONVERSION	LT	1	653	0
FRANKEL SAS	FR	1	367	0
F. AIR HVAC SA	CH	1	196	0
REXEL	FR	1	180	0
AYSAN BAU UND REGALSYSTEME GMBH	DE	1	-993	0

PROCUREMENT WEBSITE



Procurement Website

The screenshot shows the CERN Procurement and Industrial Services Group website. The header includes the CERN logo and the text "Accelerating science". The main navigation menu on the left lists various resources under "DOING BUSINESS WITH CERN", such as "Doing business with CERN", "Procurement Strategy and Policy", and "Register for our Suppliers Database". The central content area is a grid of six tiles:

- Doing business with CERN**: Features an icon of a dome structure.
- Business opportunities**: Features an icon of two business people shaking hands.
- Hi-Luminosity LHC project**: Features an icon of a particle accelerator.
- Register / Login to CERN e-procurement platform**: Features an icon of a computer monitor.
- Key reference documents**: Features an icon of a document.
- Who to contact**: Features an icon of an @ symbol.

Below the grid, there are three buttons labeled "Procurement", "List of poorly", and "Procurement". The right-hand sidebar includes a "BROCHURE" section with a "Doing business with CERN" brochure cover and a "VIDEO" section with a video player.

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

CERN Shopping List

Procurement and Industrial Services Group

[Print View](#)

Forthcoming market surveys and calls for tenders

Advance information on forthcoming market surveys and calls for tenders expected to exceed 200,000 Swiss francs.

In the line entitled Cost Range, a very rough indication of the cost range of the product is given in the form of letters **A, B, C, D**.





A represents items estimated at less than 750 kCHF, **B** represents items between 750 kCHF and 5 MCHF, **C** represents items between 5 MCHF and 10 MCHF and **D** represents items above 10 MCHF.

Firms may reply to the Market Survey published in the table below up to two weeks before the corresponding Invitation to Tender is sent out. Therefore, in case the deadline for replies indicated in the Market Survey cover letter is over, please send your reply to the Market Survey at the earliest possible date.

The countries of origin of supplies and services shall be [CERN Member States](#), except if provided otherwise in the table below.

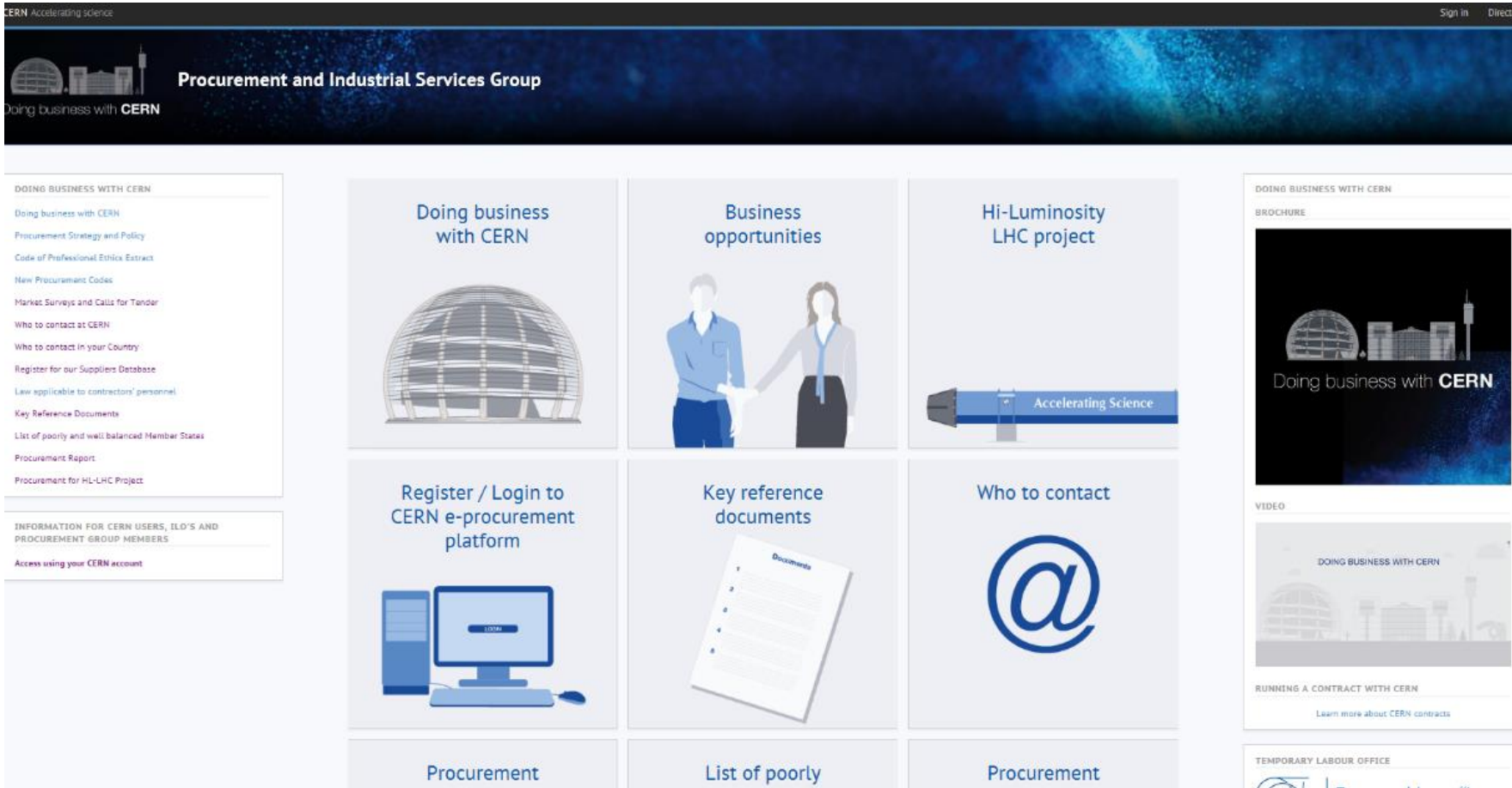
References marked with "New" have been posted during the last 8 weeks.

Search Menu		Links Menu	
Type of Contract: <input type="text" value="All"/>	Market Survey dispatched: <input type="text" value="All"/>		
Reference: <input type="text"/>	Call for Tenders scheduled for dispatch: <input type="text" value="All"/>		
Activity Code: <input type="text"/>	Description and/or Specific Condition: <input type="text"/>		
Requirement: <input type="text"/>	Commercial contact: <input type="text" value="All"/>		
Cost Range: <input type="text" value="All"/>	Publication Date: <input type="text" value="From"/> <input type="text" value="To"/> <input type="text" value="dd-mm-yyyy"/>		
<input type="button" value="Search"/> <input type="button" value="Reset"/>			

Publication Date	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
03-10-2018	Supply	 MS-4489/SMB	Civil-engineering works for the design and construction of new Building 937 situated on CERN's Prevezin site in France. (01020101, 01020102)	CERN intends to place a contract for the design and construction ... Interested firms shall have a proven experience and competence in design ... <input type="button" value="Read More"/>	B	Fourth quarter 2018	To express an interest please send an e-mail to procurement.service@cern.ch Technically: S. Cahuet Commercially: A. Horridge	First quarter 2019
26-09-2018	Supply	 MS-4486/TE/HL-LHC	Supply of 600 bellow expansion joints of 10 different types for HL-LHC (06010100)	CERN intends to place a contract for the supply of ... Interested firms shall have a proven experience and competence in the ... <input type="button" value="Read More"/>	A	Fourth quarter 2018	To express an interest please send an e-mail to procurement.service@cern.ch Technically: Y. Leclercq Commercially: J. Pierlot	First quarter 2019
17-09-2018	Supply	 MS-4470/IT	Framework Market Survey concerning the supply of Desktop PC, Mini-PC and Laptop (portable) PC office computers (04010500, 04010700)	CERN intends to place several contracts for the supply of PCs, ... Interested firms shall have a proven experience and competence in Intel ... <input type="button" value="Read More"/>	B	Third quarter 2018	To express an interest please send an e-mail to procurement.service@cern.ch Technically: G. Metral Commercially: H. Gerster	Fourth quarter 2018
10-09-2018	Supply	 MS-4469/EN	Supply of system interconnections and industrial wiring. (02070300, 03030100, 03030200, 13030500)	CERN intends to place a three years blanket contract for the ... Interested firms or group of firms shall have proven competence, experience ... <input type="button" value="Read More"/>	A	Third quarter 2018	To express an interest please send an e-mail to procurement.service@cern.ch Technically: G. Canale Commercially: N. Azizi	Third quarter 2018

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

Procurement Website



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

Suppliers Database Registration



CERN e-Procurement
Doing business with CERN

Home Help Register

e-Mail Address :

Password :

Login

Forgotten Details

Register

NOTE: Please be aware that failure to provide correct login information three times will result in your account being locked

In-tend will be performing a system release on Saturday 7th of September as part of our development release cycle.
The Live Servers will be upgraded at 08:00 BST and will be down until Sunday whilst maintenance is taking place. We apologise about any inconvenience caused.

Welcome to CERN's Supplier Portal

Through this portal you can

- Register your firm into CERN's supplier database by entering firm's details
- 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?

- 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

Firm Information

Address and Contacts

Procurement Codes

Banking Details

In order to be granted full access to this website you must register your firm/ entity details

PLEASE NOTE: All fields marked with * are required

Firm Type

You are a :


Single Firm 

Combination of firms 

Firm Information

* Firm Name : 

* Vat Number : 

Please Select 

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/asp/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

CERN Accelerating science Sign in Direct







Procurement and Industrial Services Group
Doing business with **CERN**

DOING BUSINESS WITH CERN

- Doing business with CERN
- Procurement Strategy and Policy
- Code of Professional Ethics Extract
- New Procurement Codes
- Market Surveys and Calls for Tender
- Who to contact at CERN
- Who to contact in your Country
- Register for our Suppliers Database
- Law applicable to contractors' personnel
- Key Reference Documents
- List of poorly and well balanced Member States
- Procurement Report
- Procurement for HL-LHC Project


INFORMATION FOR CERN USERS, ILO'S AND PROCUREMENT GROUP MEMBERS

Access using your CERN account


Doing business with CERN 	Business opportunities 	Hi-Luminosity LHC project 
Register / Login to CERN e-procurement platform 	Key reference documents 	Who to contact 
Procurement	List of poorly	Procurement

DOING BUSINESS WITH CERN

BROCHURE




VIDEO



RUNNING A CONTRACT WITH CERN

Learn more about CERN contracts

TEMPORARY LABOUR OFFICE



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

Contacts for Lithuania

ILO: Industrial Liaison Officer

- **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.



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WEBSITE: <http://www.lic.lt>

Impact of Doing Business with CERN

Impact of Doing Business with CERN

The economic impact of CERN procurement on supplier's performance

Castelnovo / 2018

- ✓ Investing more in R&D and filing more patents;
- ✓ Higher productivity, revenue and profitability.

Cost-Benefit Analysis (CBA) calculated by the University of Milan

University of Milan / 2018

- ✓ Each CHF invested pays back approximately 1.8 CHF on societal benefits :
- ✓ Scientific, economic, cultural value, development of innovative technologies, and skills acquired by students, etc.

Impact of Doing Business with CERN

Supplier survey (669 suppliers in 33 countries, 2017):

18%

found or opened a new market

42%

developed new products

48%

improved products and services



55%

improved technical knowledge

62%

used CERN as a marketing reference

All Firms derived a great value from being a CERN Supplier

Thank you



home.cern