ITER Organization

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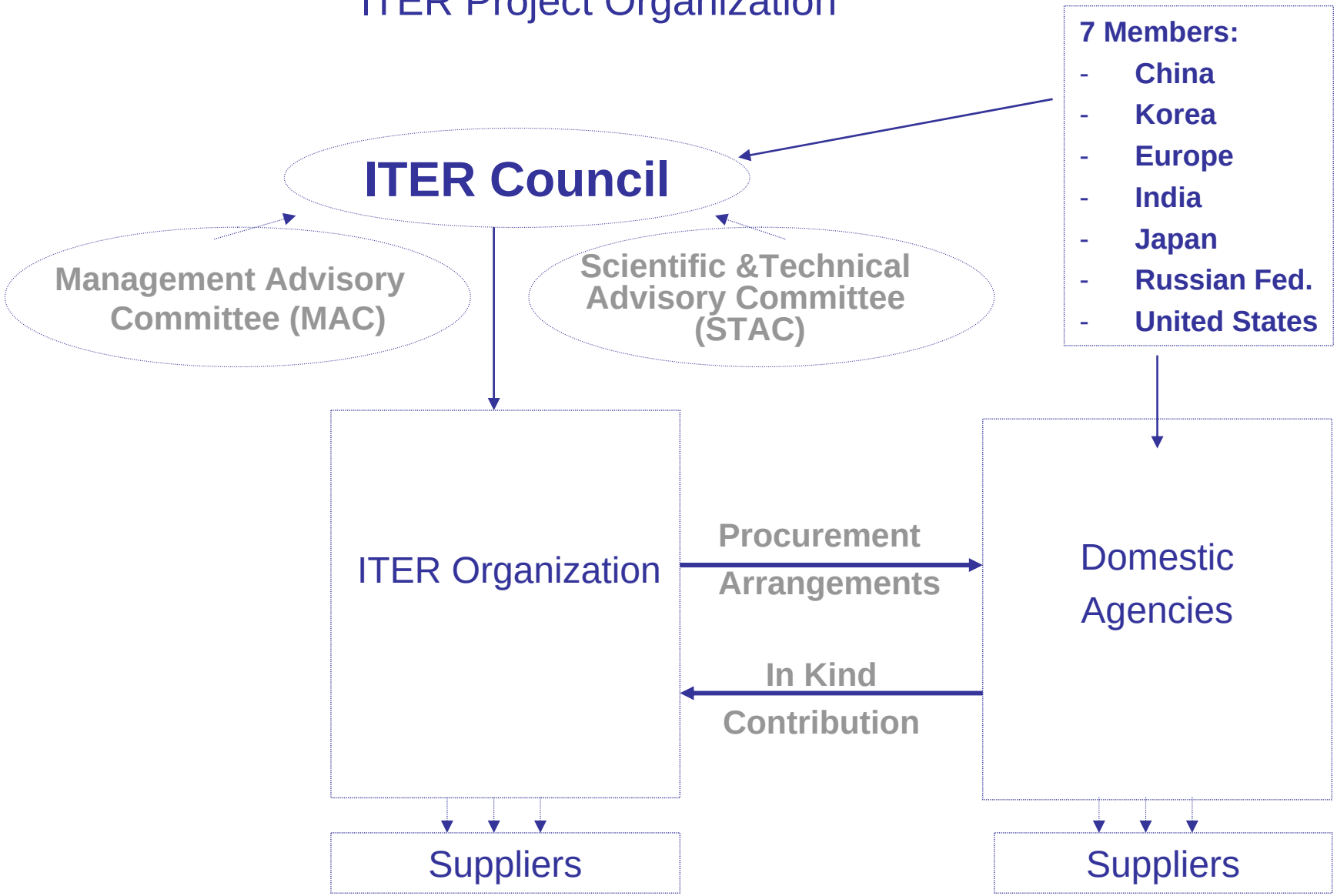
1. Overview of the ITER Organization System
2. IO Procurement Procedures
3. Business Opportunities in 2010
4. Practical Tips for Potential Suppliers

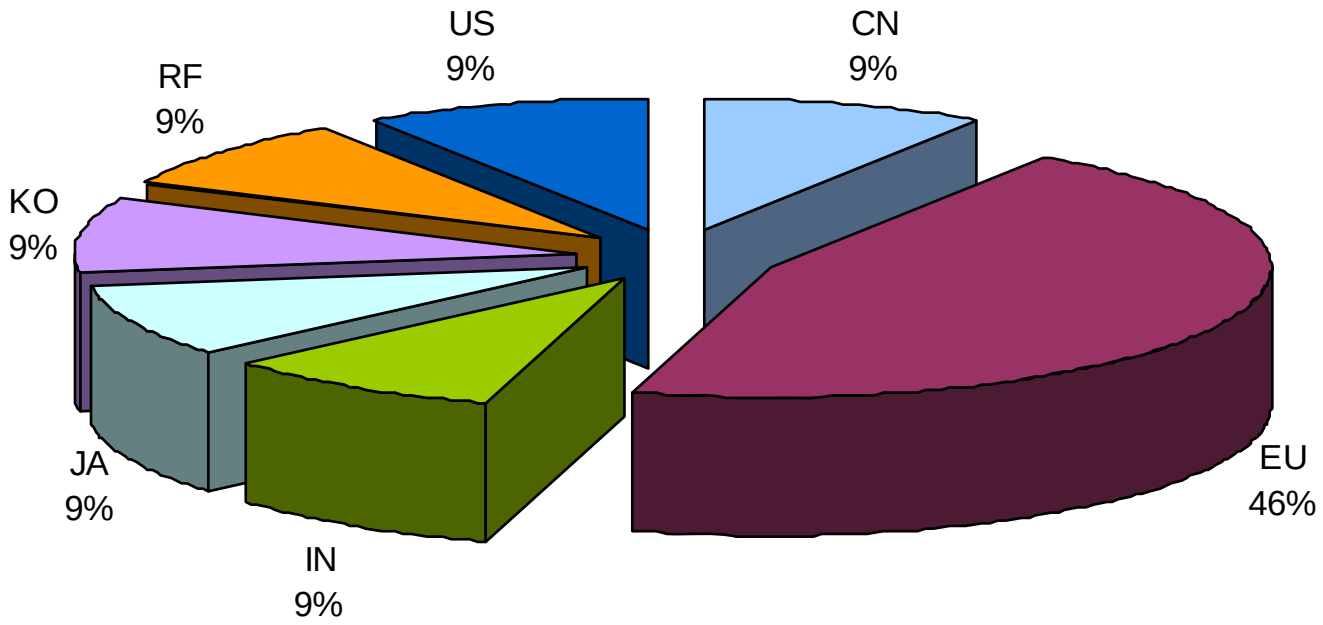
ITER Project Organization

- **ITER Organization (IO):**
  - ITER will be the **world's largest experimental fusion facility** and is designed to demonstrate the scientific and technological feasibility of fusion power for energy purposes.
  - The ITER Organization was **formally established on 24 October 2007** , following ratification of the ITER Agreement by all Members.
  - The purpose of the ITER Organization is to **finalize the design, and construct, exploit and de-activate the ITER Facilities.** to demonstrate the scientific and technological feasibility of fusion energy for peaceful purposes, an essential feature of which would be achieving sustained fusion power generation. **IO is the nuclear operator.**
- **Domestic Agencies:**
  - The seven Members of the international ITER project have all created Domestic Agencies to:
    - Act as the liaison between national governments and the ITER Organization,
    - Handle the procurement of each Member's in-kind contributions to ITER.
- **France, Host Country:**
  - Le **Haut Représentant de la France pour ITER**
  - **Agence ITER France (AIF)**/CEA

ITER Project Organization



In-kind sub-systems/packages sharing among the Members



→ Construction Phase,

→ Members are committed

IO Procurement Past & Short Term Activities
Coordination, Configuration, Design and Project Management

- Finalize the **design to support the "Procurement Arrangements"** signed with the Domestic Agencies in order for them to **place the contracts for the in Kind contribution** → launch contracts in the Members' countries,
- Organize the support for the integration, the interface management, PLM support, the configuration and change control,
- Finalize the organization and the tools for the project management including cost estimation, risk management, scheduling and project control.
- Develop and the support to the Safety Requirements, (RPRS, etc…)
- Prepare the support to the owner,
- R&D studies.

Sous-systems under IO's responsibilty

In addition to the engineering support, and the design, IO is in charge of the packages or sub-systems:

- Assembly Operations,
- CODAC : Command Control and data Acquisition and Communication,
- Magnets and Vacuum Vessel : Feeders Sensors, Diagnostics First Wall
- Remote Handling and Equipment: Hot cells maintenance Equipment,
- Part of the Cooling Water System : engineering and on-site assembly,
- Part of the Thermal Shield,
- Part of the Vacuum Pumping & Fuelling,
- Part of the Tritium Plant,
- Part of the Cryo Plant,
- Part of the Heating and Current Drive,
- Part of the Diagnostics.

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IO Procurement Procedures

- Common guidelines for IO procedures:
  - Fairness, integrity and transparency through competition,
  - Economy and effectiveness,
  - From sourcing to execution of a contract,
  - Best value for money (majority).

- ITER MAC Approval thresholds:
  - > 500k€ for the contracts placed through Restricted Tender or Single Source,
  - >2,500k€ for contracts awarded through Call for tenders,.
  - In between MAC meetings (every 6 months), approval is sought through Written Procedures..

Types of Solicitation

- Average thresholds – solicitation:

  - **Up to 10k€ :**
    - Informal,
    - Request for Quotation.

  - **10k€ - 100k€**
    - Relatively Informal: Request for quotation,
    - More formal : Restricted Tender,
    - Minimum of 3 potential bidders.

  - **Above 100k€:**
    - Restricted Tender,
    - Call for tenders,
    - Open Tenders.
    - Pre-qualification,
    - Evaluation Committees.

Steps of IO Call for Tenders (1/2)

- First Step: **Call for Nomination**,
  - **IO formally invites the Domestic Agencies** to nominate several potential suppliers that are able of providing the required supplies, services or works in order to enable IO to pre-qualify the nominated companies.
  - And IO sourcing (supplier database, previous prequalification, web, etc..),

- Second Step: **Pre-qualification**,
  - Ensure that offers are sought only from suppliers who have the requisite **resources and experience** to perform the intended work satisfactorily. The aim of the pre-qualification is to establish a **list of qualified supplier based** on set selection criteria.
  - Pre-qualification Questionnaire includes: a summary of the technical specifications, technical and financial questionnaire, procurement schedule, declaration of honour, etc…

Steps of IO Call for Tenders (1/3)

- Third step: **Call for Tender**:
  - IO Conditions of Tendering ;
  - Technical and Commercial Requirements;
  - Evaluation criteria,
  - Contract (Draft contract and Special Conditions),
  - General conditions;
  - Export Control and Visa,
  - Technical Specification (including drawings, if any);
  - Schedule of requirements / Compliance grid,
  - Breakdown of Prices (form) requirements.

Steps of IO Call for Tenders (1/3)

- Submission and Receipt of Tenders:

  The tenderers strictly shall follow the provisions given in the Instructions to Tenderers (ITT).

  - A two-envelope procedure is utilised whereby the technical and financial tenders are submitted in separate sealed envelopes.
  - The Tenderers are responsible that their tenders arrive at ITER site or other location mentioned in the ITT on time.

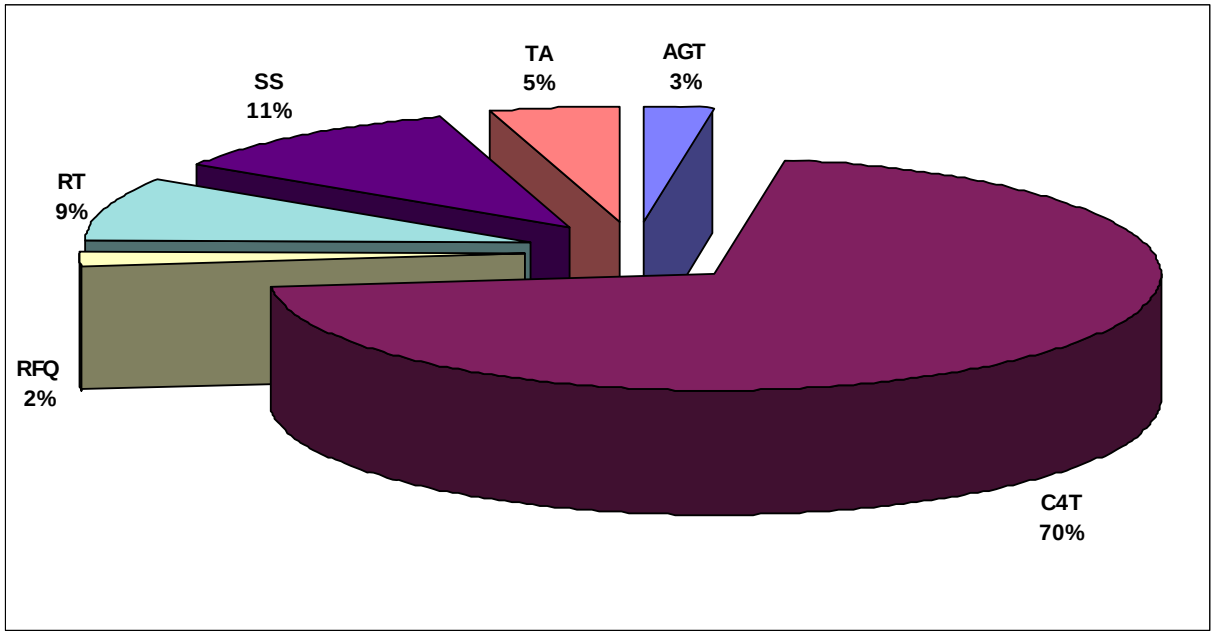
- Clarifications, Presentations
  - In principle, tenders are evaluated based on the information submitted by the Tenderer.
  - However, in some cases, the Evaluation Committee may require clarification and/or a presentation from Tenderers of their offer to explain some aspects of the tender, and contribute to fully understand the tender.
  - The tenderers may request from IO clarification through written correspondence, the answers are distributed to all the tenderers.

Steps of IO Call for Tenders (1/3)

- Technical evaluation:
  - Determine whether each tender meets all technical requirements and specifications;
  - Prepare individual grids signed by each voting member . Prepare a common strengths and weaknesses table signed by all voting members.
  - The technical evaluation will produce the technical scoring
- Financial evaluation
  - The financial proposals are analysed according to the award criteria given in the Instructions to Tenderers. If a minimum threshold for technical compliance is set in the Instructions to Tenderers, only the tenders meeting this requirement can proceed to the financial evaluation
- Technical and Financial combination
  - Lowest-priced technically compliant tender,
  - Combined quality and price scoring for the overall best value.

Solicitation Types in Figures

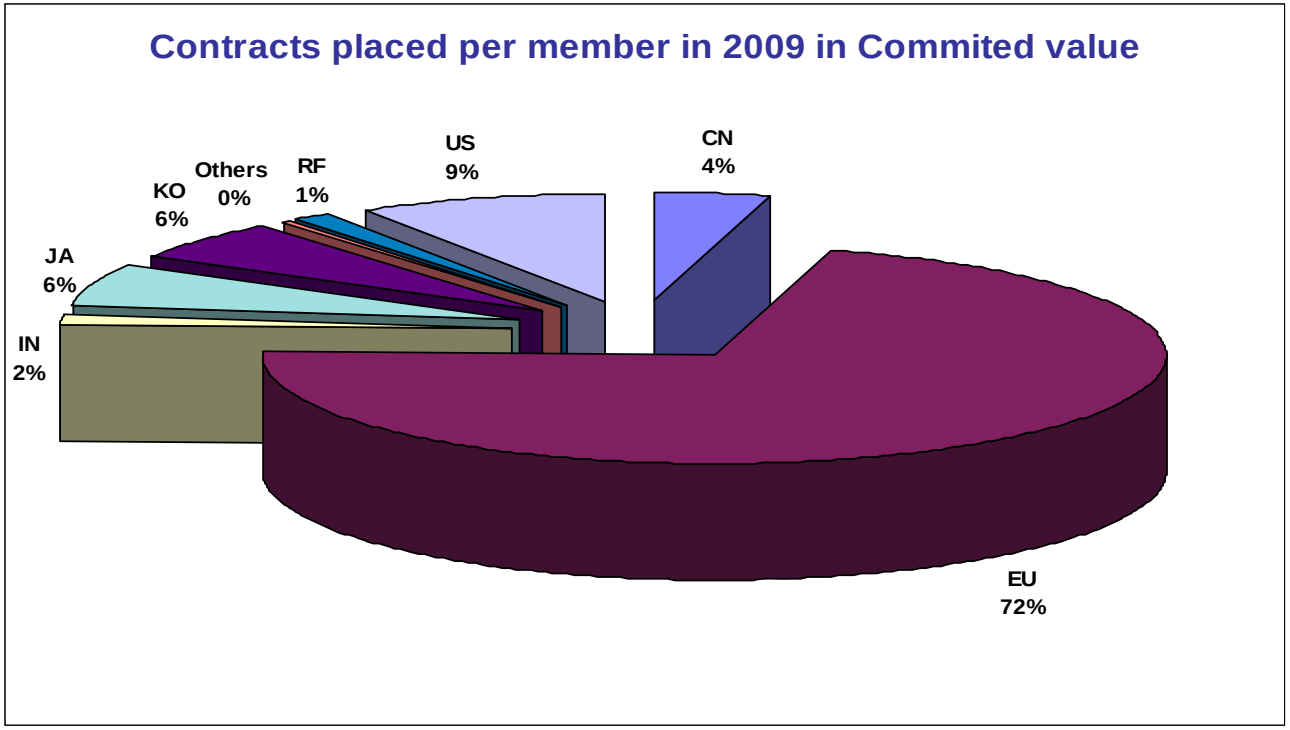
- In 2009 :
  - ✓ 81% contracts are signed through a competitive process,
  - ✓ Some contracts are placed with the Domestic Agencies (TA),
  - ✓Some contracts are placed through Agreements (CERN, CEA)



C4T : Call for Tender
RT: Restricted Tender
RFQ : Request for Quotation
SS : Single Source
TA : Task Agreement
AGT: Agreement

IO Global Marketplace

- In 2009 :
  - ✓ 587 contracts signed with supplies from Members' countries,
  - ✓ 166M€ (Procurement value), including 72% in EU.



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Business Opportunities for 2010 et 2011 (1/2)

- In 2010, call for tenders mainly relate to the following activities:
  - R&D, Studies, calculation,
  - Project Management and Project Control,
  - Logistics, Building maintenance and equipments, general services,
  - Quality management processes, inspection,
  - Global Logistics Service Provider and Global Transport Insurance,
  - Global Insurance for Construction and Assembly.

- Call for tenders for packages under IO's responsibility:
  - Cryo Plant (for the liquid Helium plant),
  - Cable management,
  - Welding of the sectors, assembly and Vacuum.

Business Opportunities for 2010 et 2011 (2/2)

- In 2010, in more details:
  - Mechanical Testing of Supports,
  - Qualification Testing of In-Cryostat Instrumentation,
  - Engineering support for electrical power distribution and installations,
  - Engineering data-base,
  - Structural assessments,
  - Prototype evaluation of I&C safety system architecture,
  - Industrial support for thermodynamic cycle and components optimization studies for cryoplant and cryodistribution,
  - Etc…

- www.iter.org – Procurement / General information /Forthcoming calls

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Practical Tips for Potential Suppliers

- Bid Preparation:
  - Study bids documents, requirements and conditions carefully,
  - Ensure you offer meets ALL bidding requirements,
  - Quality requirements: be prepared to norms and international/national standards,
  - Nuclear Requirements: AIEA-GSR-3 (if needed),
  - In case of uncertainties: don't hesitate to ask for clarifications, the answers will be distributed simultaneously in writing to all Tenderers, (without identifying the originator of any of the questions).
  - Submit bids, technical documents in requested language (English)
  - Prepare the bid in the requested format and use the submissions forms.

Practical Tips for Potential Suppliers

- General:
  - Always answer to bid invitation through DAs Industry Portals, especially F4E "ITER calls for nomination" https://industryportal.f4e.europa.eu
- Registration on line on IO web site:
  - Identification of the suppliers per business activities,
  - ~ 250 suppliers registered since September 2009,
  - No short list at this stage,
  - www.iter.org – Procurement / General information / On-Line Registration
  - Point of contact: iopcd@iter.org
- Maintain normal marketing activities and regularly scan procurement activities on IO web site, but also DAs websites.

Thank You

Q&A