

European Spallation Source ERIC Procurement Overview

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Administration Group

Supply, Procurement & Logistics Division

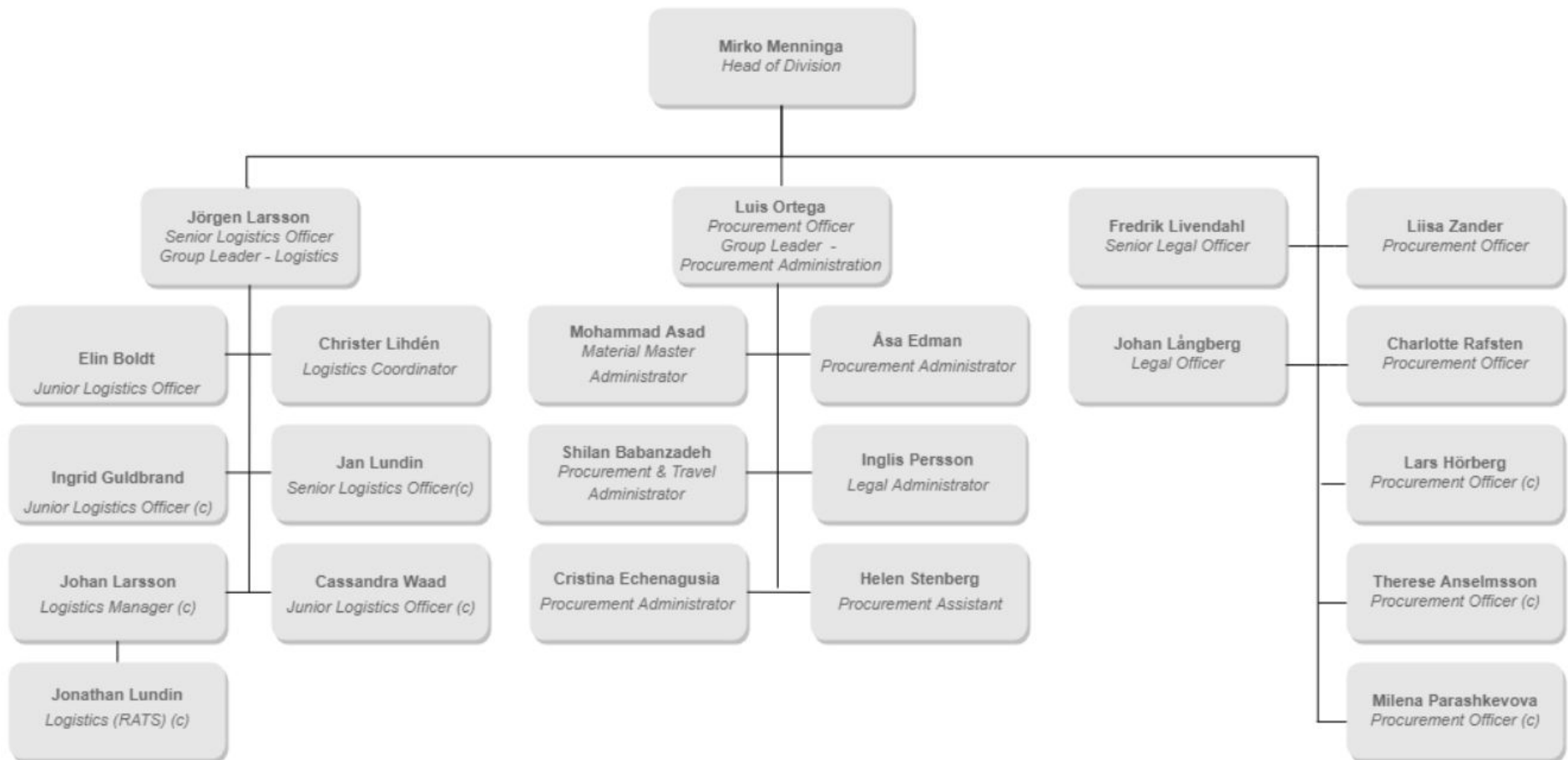
www.europeanspallationsource.se

2 April 2019

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The Supply, Procurement and Logistics Division



European Spallation Source ERIC Procurement Rules

- Adopted by the Council of the EU 1st October 2015 and updated 3rd April 2017
- Apply to contracts for goods, services and works from ESS budget
- Principles and objectives
 - Following the EU treaty principles of:
 - Transparency, proportionality, mutual recognition, equal treatment and non-discrimination
 - Promoting the objectives of:
 - **Value for money**, publicity, integrity, innovation, sustainability
- Tenders Appeal Board

Available at <https://europeanspallationsource.se/procurement>

Administrative and Financial Framework

- ESS administrative framework for procurement is driven by the Authorisation and Delegation Plan (ESS-0027645)
- This document set the rules for spending limits, budget authorisations, procurement contract signatures

Spending Limits & Procurement Budget Authorisation Rule

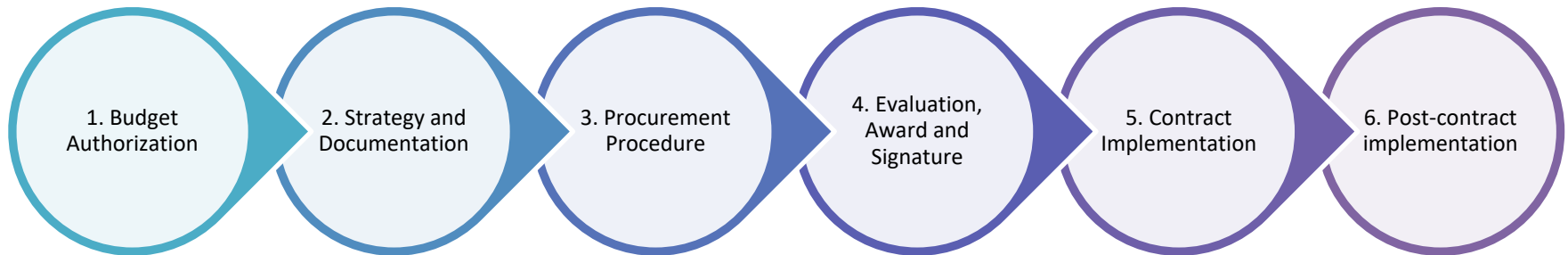
| | |
|---|--|
| > 1M EUR Director General | <ul style="list-style-type: none"> ➤ Requests shall be submitted for approval in ERP ➤ As a minimum, approval will be requested to two individuals ➤ The same applies to invoice approval |
| < 1M EUR Director | |
| < 500K EUR Head of Division / Sub-project Leader | |
| < 100K EUR Group Leader / Work Package Manager | |
| 0 EUR Budget Owner | |

Signature of Procurement Contracts and Purchase Orders

| | |
|--|--|
| > 1M EUR Director General | <ul style="list-style-type: none"> ➤ Agreements are executed for signature using hardcopies ➤ Purchase Orders are usually signed electronically ➤ All procurement contracts require signature, regardless of value ➤ Only one signature required |
| < 1M EUR Technical Director / Director of Science / Head of CF / Director of ES&H and Q / Director for Strategy | |
| < 500K EUR Head of Procurement | |
| < 10K EUR Group Leader PAG | |

High and Medium Value Procurements

Process Summary



High Value

- Estimated value > 50K EUR
- Formal procedure (open, restricted, negotiated)
- Published on ESS web via e-tendering tool
- Lead time to contract signature 3+ months
- Supply, Service, Framework Agreements...
- Case specific terms and conditions (T&C)
- Heavy contract management
- Formal pre-procurement activities (requests for information, market surveys)

Medium Value

- Estimated value 10K > 50K EUR
- Formal procedure (selective request for quotations with 3+ suppliers)
- Managed via e-tendering tool
- Lead time to contract signature 1+ month
- Purchase Orders (PO)
- General Purchasing Conditions
- Lighter contract management
- Pre-procurement activities usually carried out by technical stakeholders

Low Value Procurements (I)

Contracts with estimated value under 10K EUR

Low value procurements are implemented via

STANDARD PROCUREMENT

E-PROCUREMENT

QUOTATION /
PURCHASE
ORDER

ENVELOPE
PURCHASE
ORDERS

SHOP
ACCOUNTS

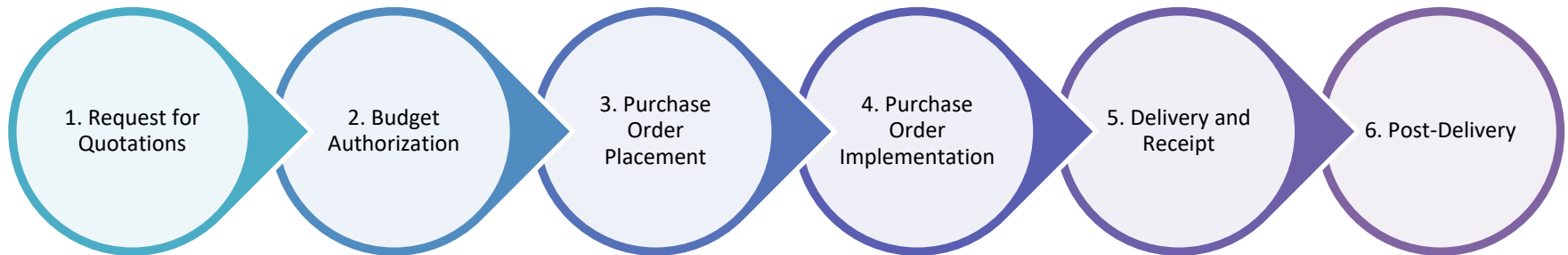
E-CATALOGUES

SUPPLIER
WEBSHOPS

Low Value Procurements (II)

Quotation / Purchase Order

Process Summary

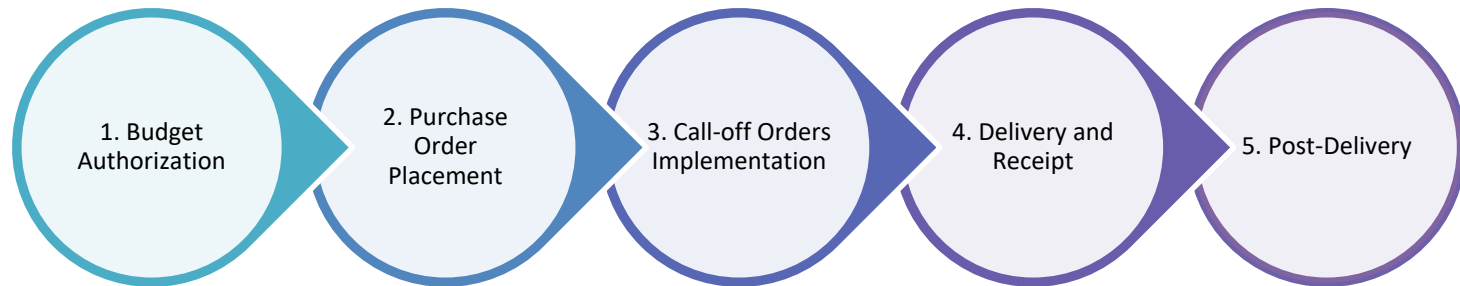


- Estimated value < 10K EUR
- Technical stakeholders request quotations and propose award recommendation
- Technical stakeholders request budget authorization based on award recommendation
- Procurement Administration Group (PAG) prepares, submits for e-signature, places and “confirms” the PO
- Lead times vary a lot for each process step. Average lead time for step 3 is 2 days
- Flexibility with T&C, usually supplier’s T&C are accepted
- Simplified contract management

Low Value Procurements (II)

Envelope Purchase Orders

Process Summary

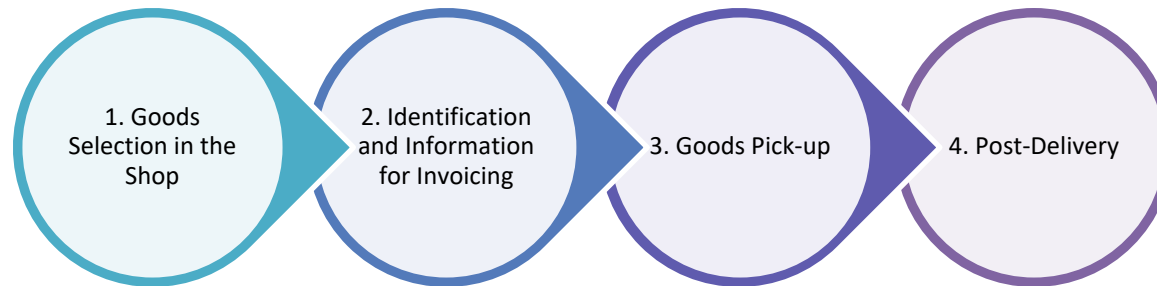


- Only with pre-selected suppliers (i.e. Fisher Scientific, Sigma-Aldrich, VWR)
- For a total budget < 50K EUR and for small, recurrent, urgent purchases
- Technical stakeholders request budget authorization
- PAG negotiates T&C and call-off orders implementation method. Following the Envelope PO is placed and confirmed
- Call-off orders under the Envelope PO are implemented and managed by technical stakeholders directly, without further approvals or PAG support
- Technical Stakeholders are delegated full responsibility in managing the Envelope PO, including financial control

Low Value Procurements (III)

Shop Accounts

Process Summary

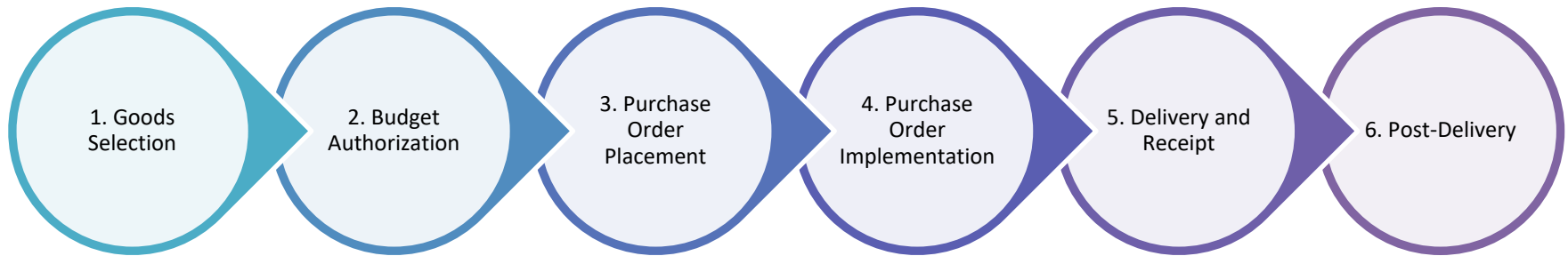


- Only with approved suppliers (AhlSell and Tools)
- For urgent purchases between 100 SEK and 3000 SEK
- Information for invoicing is the budget/project cost center
- Invoices sent on monthly basis
- Goods pick-up mandatory. It is not possible to order later delivery
- No budget authorization required

Low Value Procurements (IV)

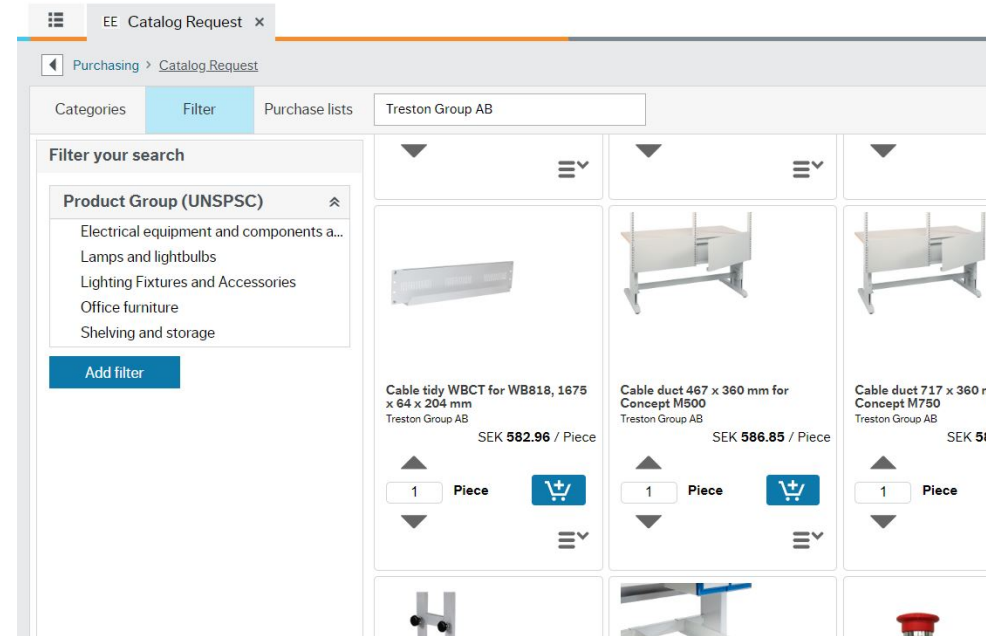
e-Catalogues

Process Summary



- Value < 10K EUR.
- If framework agreement (FA) in place the limit is defined by the FA budget
- Electronic catalogues are available in the Enterprise Resource Planning (ERP) tool
- Technical stakeholders creates a shopping cart and send for budget authorization
- PAG processes, submits for e-signature
- PO sent to supplier electronically from ERP
- PAG “confirms” PO
- Lead times vary a lot for each process step. Average lead time for step 3 is less than 1 day
- T&C are predefined
- Simplified contract management

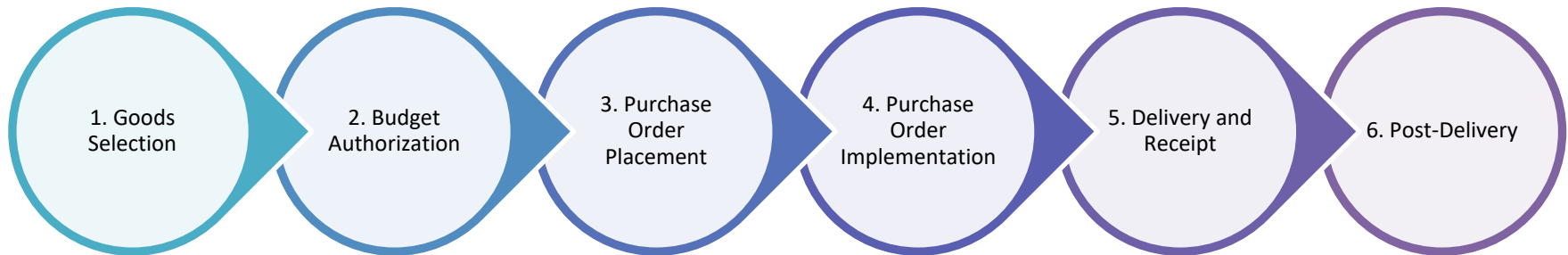
UNIT4 Business World



The screenshot shows the UNIT4 Business World e-catalogue interface. The top navigation bar includes 'EE Catalog Request' and 'Purchasing > Catalog Request'. The main content area is titled 'Treston Group AB' and features a 'Filter your search' sidebar on the left. The sidebar lists product groups such as 'Electrical equipment and components a...', 'Lamps and lightbulbs', 'Lighting Fixtures and Accessories', 'Office furniture', and 'Shelving and storage'. The main product grid displays three items: 'Cable tidy WBCT for WB818, 1675 x 64 x 204 mm' (SEK 582.96 / Piece), 'Cable duct 467 x 360 mm for Concept M500' (SEK 586.85 / Piece), and 'Cable duct 717 x 360 mm for Concept M750' (SEK 586.85 / Piece). Each product card includes an image, a quantity selector (set to 1), and a 'Piece' label.

Low Value Procurements (V) *Supplier Webshops*

Process Summary



- Value < 10K EUR.
- If framework agreement (FA) in place the limit is defined by the FA budget
- Supplier Webshops are available throughout the ERP
- Technical stakeholders creates a shopping cart, import data to ERP and send for budget authorization
- PAG processes, submits for e-signature
- PO sent to supplier electronically from ERP
- PAG “confirms” PO
- Lead times vary a lot for each process step. Average lead time for step 3 is less than 1 day
- T&C are predefined
- Simplified contract management

UNIT4 Business World

European Spallation Source E

EE Marketplace x

Purchasing > Marketplace

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Shop Products

Search All

Search by keyword, Catalog Number, CAS Number

Fisher Scientific > Products > Chemicals > Acids and Bases

Acids and Bases

Filters [Clear all](#)

1 – 4 of 4 Results

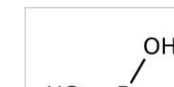
BRAND

Chem Lab

Narrow Results

CATEGORY

1



Boric Acid, 2% Solution + Indicator, Chem-La

– 5LT Boric acid 2% sol. + Indicator (20 g H3BO3 + i

216.00 SEK

Support Systems

- SPL is continuously developing e-procurement solutions
- Current architecture includes two systems:
 - e-Tendering tool:
 - Consists of a procurement portal and a [supplier portal](#) used for managing high and medium value procurement procedures and procurement plans electronically
 - The supplier portal is integrated with ESS web.
 - e-Procurement pack in ERP for
 - e-Catalogues (13 live in ERP)
 - Supplier Webshops (22 live in ERP)
 - Electronic placement of PO (73 live in ERP)
 - Procurement pack in ERP
 - Management of procurement requests, approvals for budget authorizations, PO, e-signature of PO, order confirmations and GR
- Current work focusing in integrations with Enterprise Asset Management (EAM) System

Thank you for your attention

