



EUROPEAN
SPALLATION
SOURCE

In-kind Contributions and Procurement

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In-kind Contributions (IKC)

May contribute “component” or “work”

Originate from Cost Book, based on TDR

Slightly different for Accelerator, Target & Instruments

Competence of the team(s) responding, references









The contributing partner is responsible for the deliverables
(technical, financial, commercial, risk)

In-Kind Review Committee evaluates IKC agreements

ESS Council to approve all in-kind contracts

The contributions from the Design Update Phase have been approved by the IKRC.



| Status \ Project |  |  |  |  |  |  |  |  |
|----------------------|---|---|---|---|---|---|---|---|
| | CH | CZ | DK | ES | IT | NO | DE | NL |
| Instrument | 6 | 1 | 7 | | 2 | | 17 | |
| DMSC | 1 | | 3 | | | | 1 | |
| Neutron Technologies | | | 2 | | 1 | 1 | 4 | 4 |
| Target | 3 | 1 | 2 | 6 | | | 10 | |
| Accelerator | | | 1 | 7 | 2 | | 1 | |

| | | | | | | | | |
|-------|----|---|----|----|---|---|----|---|
| Total | 10 | 2 | 15 | 13 | 5 | 1 | 33 | 4 |
| | 45 | | | | | | 37 | |

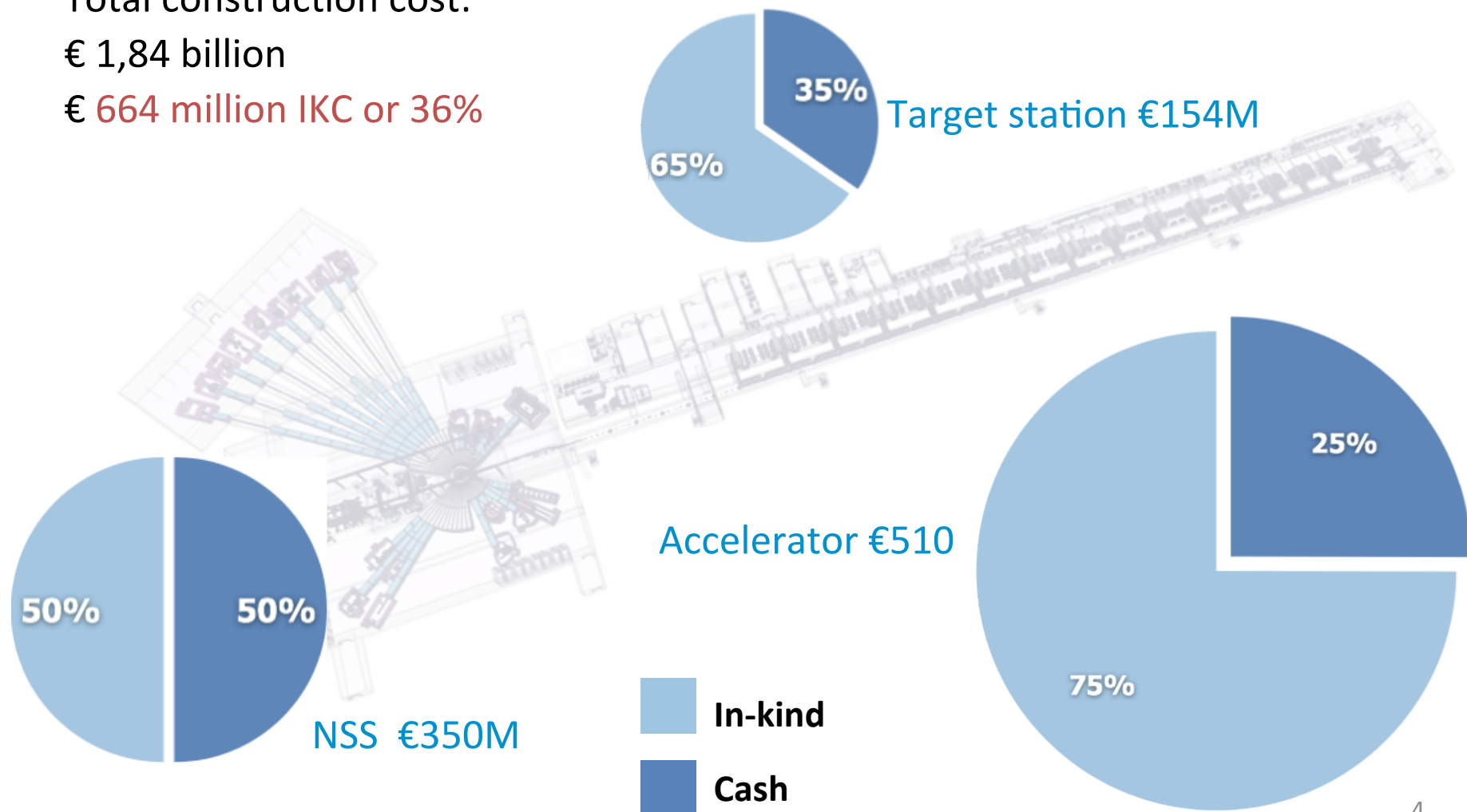
| CH | CZ | DE | DK | ES | IT | NL | NO | Total |
|----|----|----|----|----|----|----|----|-------|
| 10 | 2 | 33 | 15 | 13 | 5 | 4 | 1 | 83 |

The In-kind potential represents more than one-third of the project value.

Total construction cost:

€ 1,84 billion

€ 664 million IKC or 36%



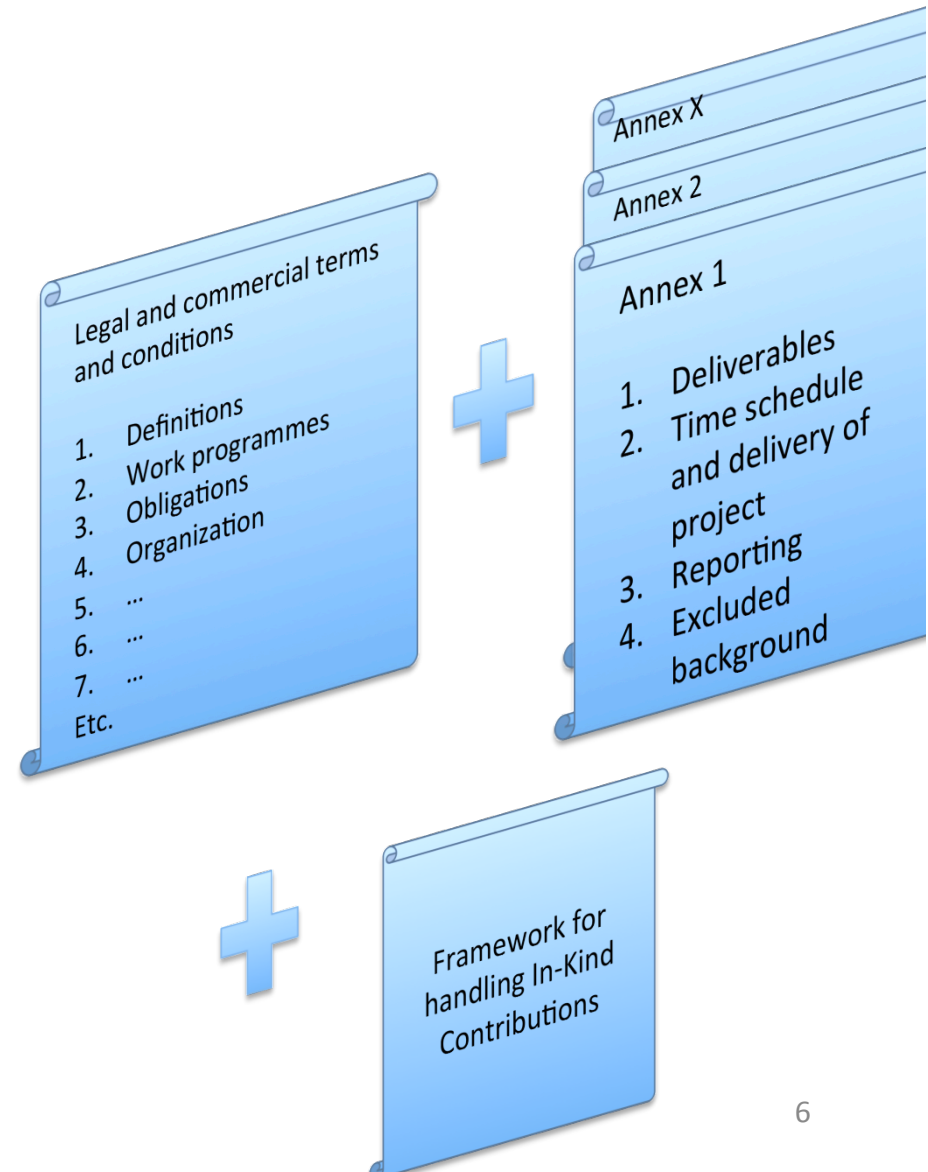
The Construction Phase In-kind is different from the Design Update Phase

- Framework for In-kind is in place
- Work Packages originate from Cost Book
- Contract Template is in place and approved by the governing committees
- In principle, agreements should be approved by IKRC before work begins

The ESS In-kind Contract Structure is defined

“Framework for handling In-Kind Contributions” defines **minimum** content

- Technical description, specification
- Project plan – schedules, deliverables, milestones
- Terms of delivery, transportation
- Quality control
- Documentation – op. manual, parts list etc.
- Training
- Technical and financial control systems
- Appointment of responsible personnel
- Roles and responsibilities
- Ownership of background, foreground
- Use and dissemination of foreground
- Licenses and rights
- Access rights
- Transfer of ownership
- Procedures of reporting
- Formal evaluation
- Risk assessment and management



The process of identifying partners is underway, but just at the beginning.



- So far +131 organizations from 20 countries have replied.
- We in ESS have to be proactive in seeking partners.



Call for Expression of Interest for In-kind Contribution

The European Spallation Source (ESS) is to be built in the spirit of cooperation, sourcing the knowledge of Europe's leading experts and institutions. In that spirit, all interested parties are invited to submit an Expression of Interest (EOI) for in-kind contributions (IKC) to the construction.

GET IN INVOLVED

The European Spallation Source is preparing to move into the Construction Phase and beginning the process of formally agreeing with partners for contributions to the construction phase. The first step in this process is identifying contributors to become In-kind partners. ESS invites all interested parties, with relevant experience and expertise, to indicate their interest in participating.

To assist potential contributors in determining how to join the project, the "Call for Expression of Interest" ([ess_eoi_2013.pdf](#)) provides guidelines for responding, as well as the framework for IKC. The ESS Cost Book ([ess_cost_book_2013.pdf](#)) is also available, and indicates work package opportunities for IKC. Also included here is a link to the ESS Technical Design Report (TDR). The TDR provides the technical description of the project. Contributions may include:

- Technical and other components, and/or material for the accelerator complex, target, and experimental instruments of the facility;
- Personnel for a range of specific tasks during the construction phase;
- Other material or services that may be of significant value to the construction of the facility.

Please note that this call *is not for fully developed proposals*. Responding to this call only requires completing [this short online form](#). Based on that response, potential partners will be contacted to develop detailed IKC proposals. Contributors may respond through the online form, or download the form included in the documentation and return by email to eo@ess.se. Questions about the process, or downloading documents may also be sent to that address. Detailed contact information about questions for specific work packages are included in the documentation. Please note, this *is not a call for tender for procurement, or a pre-qualifying tender*. It is a call specifically for determining qualified in-kind partners and their contributions, and as such there are no limitations on who may respond.

These specific contributions will help form the basis of each respective country's total contribution to the construction costs of ESS. Many collaborations have already taken place in the Pre-Construction phase in order to define the project and enable the preparation to build. All competent and interested parties, including Pre-Construction partners, are sincerely encouraged to join and participate in building one of Europe's most exciting new research infrastructures.

[Online EOI response form](#)

CALL FOR EOI

IN-KIND CONTRIBUTION

ONGOING PROCUREMENT

BUSINESS PROFILE

ILO NETWORK

INNOVATION

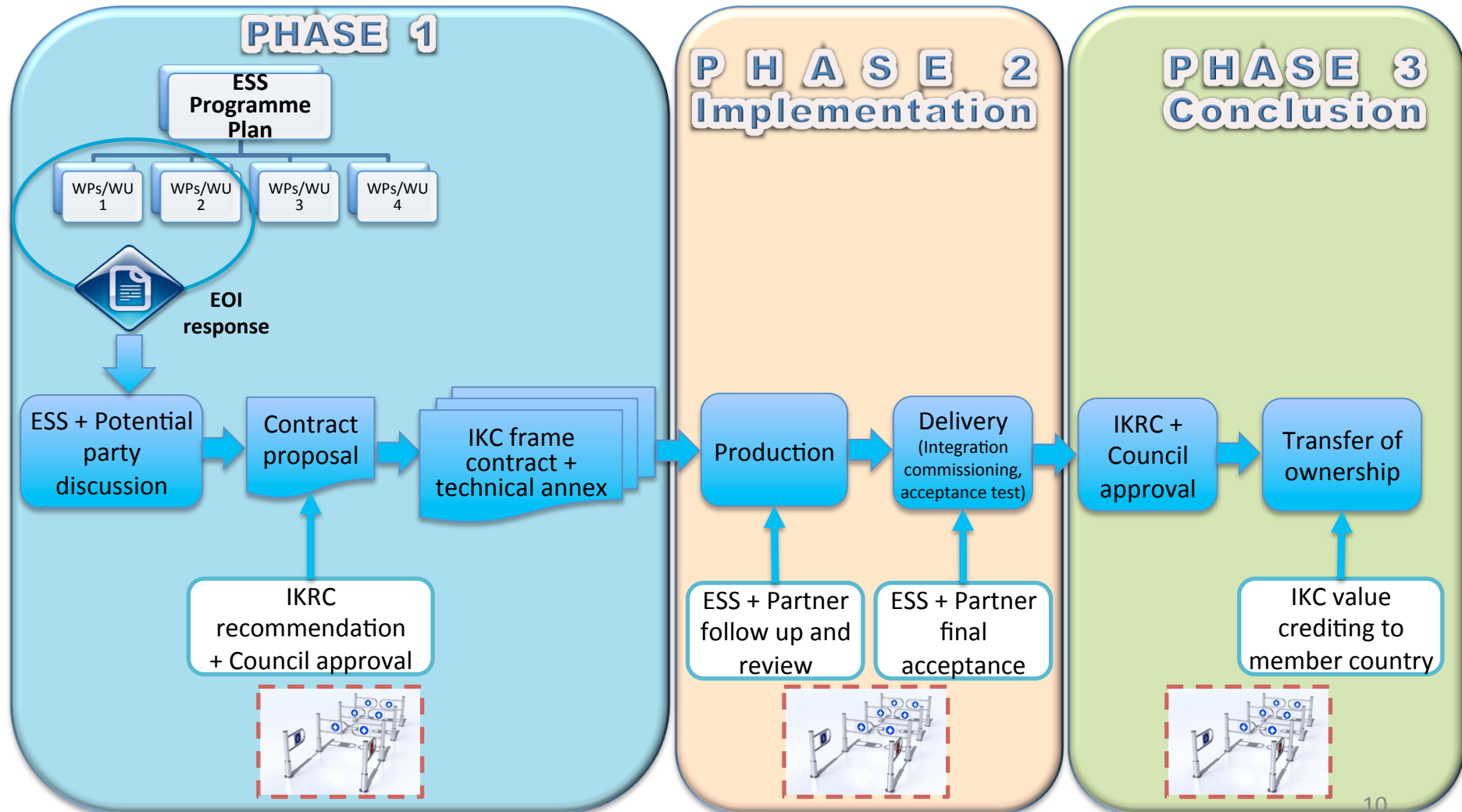
INDUSTRIAL USAGE OF NEUTRONS



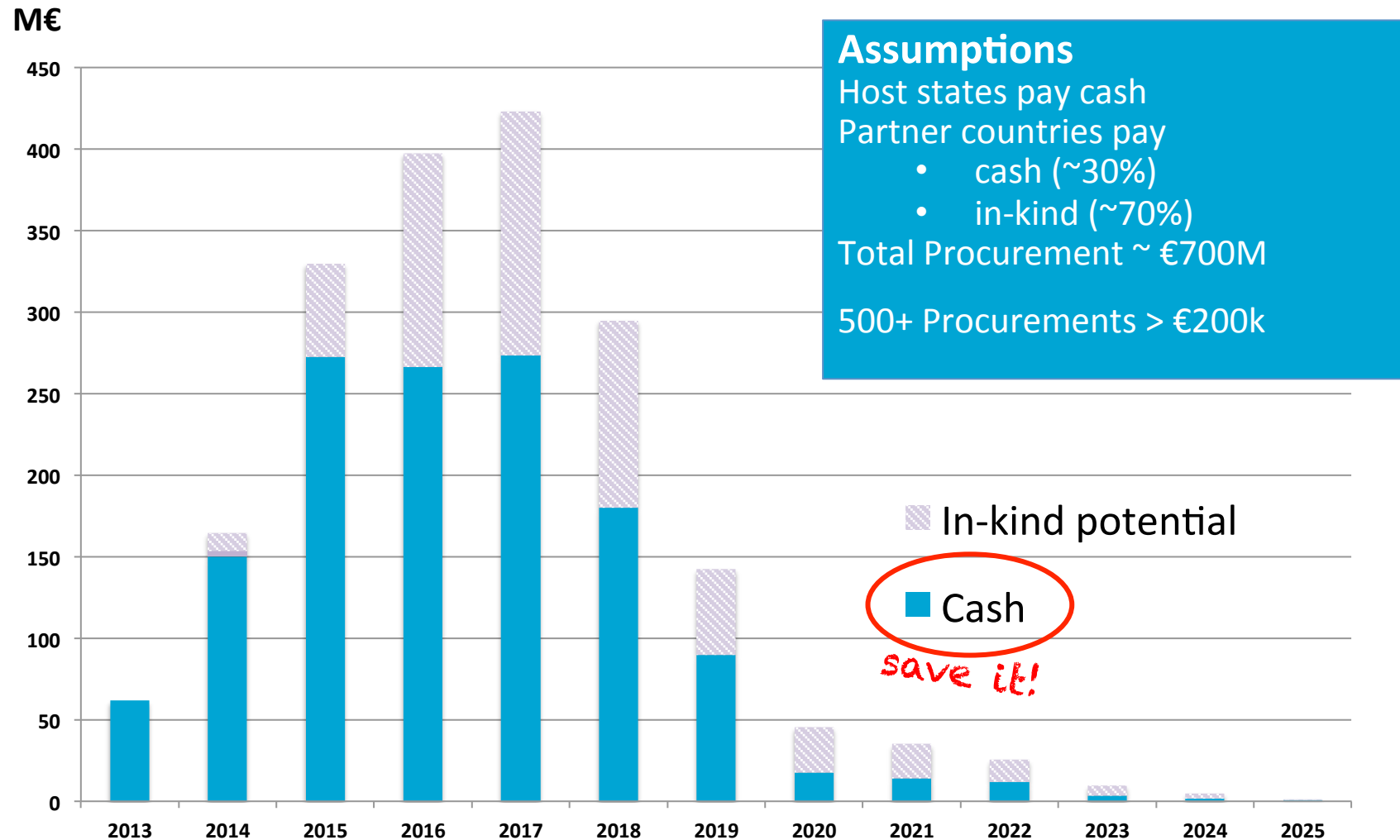
COMPLETE AND OPERATE THE BEST AND
MOST POWERFUL NEUTRON SOURCE IN
THE WORLD BY THE END OF THE DECADE

- ESS

The IKCM Process has three basic phases:
a beginning, a middle, and a conclusion.

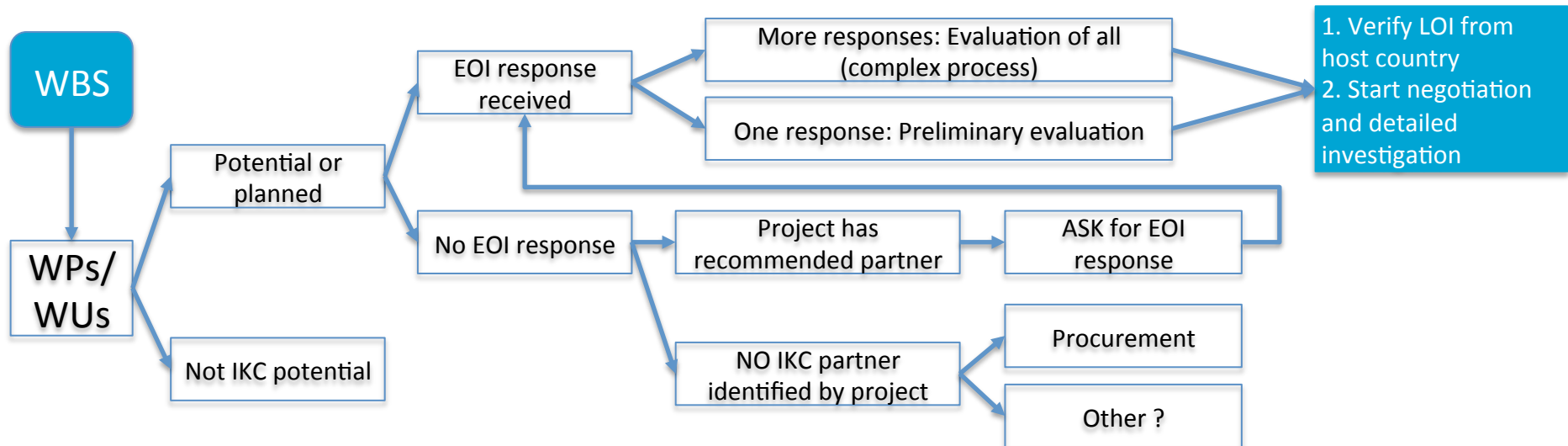


Procurement will be a critical success factor, both for cost and schedule.



The ESS Strategy is **maximize** in-kind contributions.

- + In-kind brings expertise to the project
- + In-kind allows for more work in parallel
- + In-kind frees up cash
- There is less direct control -> more uncertainty (risk)

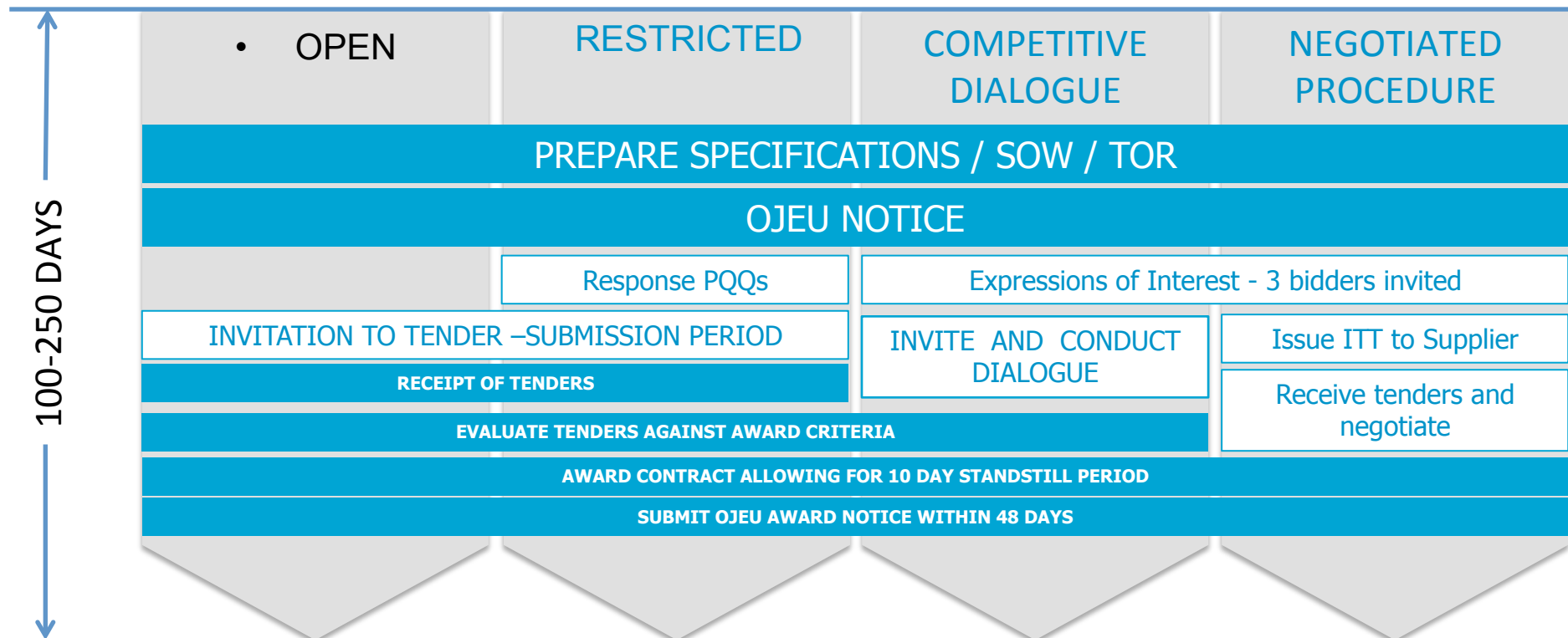


Competitive tenders reduce costs and delays. We aim to “get it right” the first time.

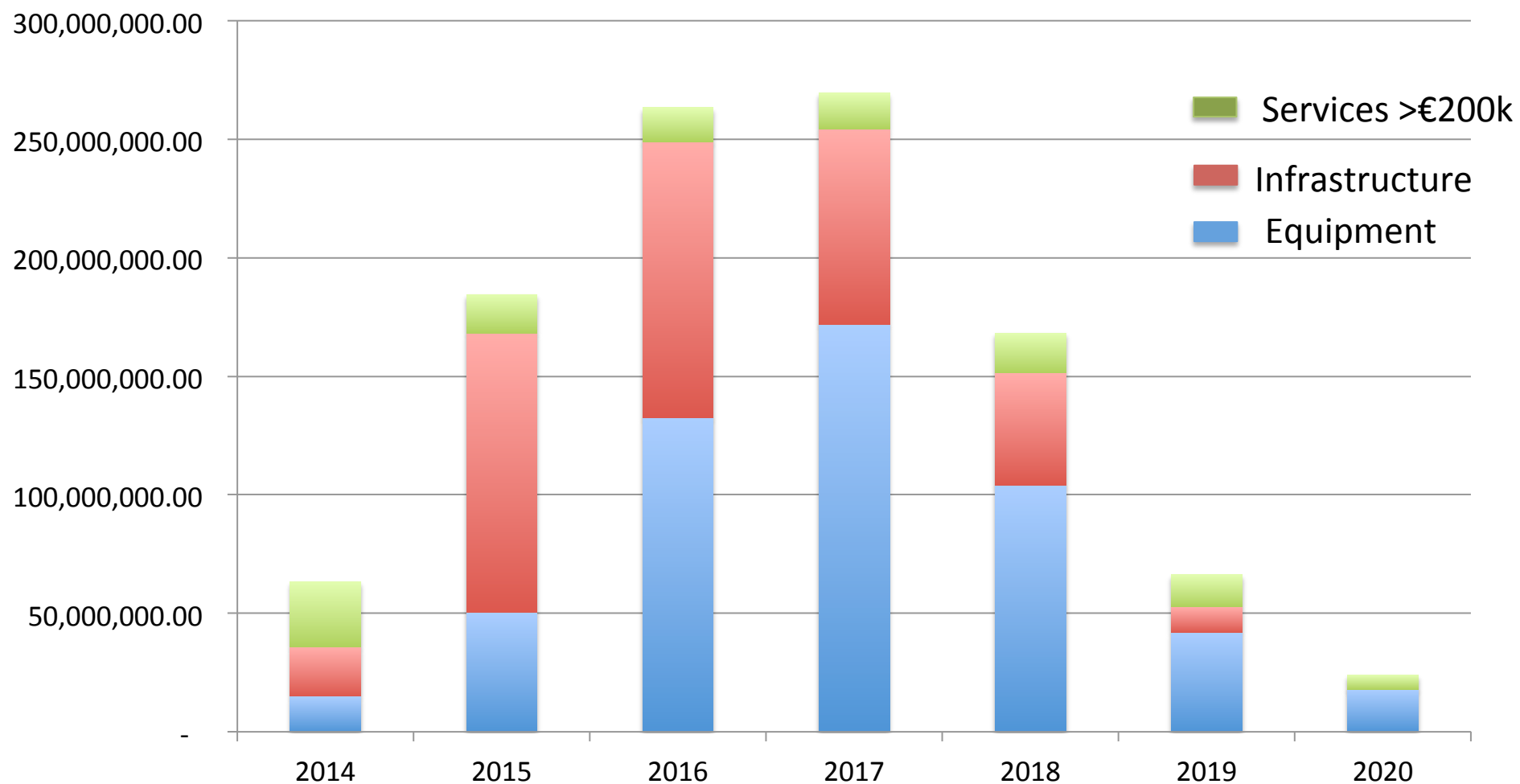
ESS AB is guided by:

Swedish Public Procurement Act <€200k or €5M

European Procurement Directive 2004/18/EC >€200k or €5M



The top potential procurement drivers are identified.



ESS is building a network of Industrial Liaison Officers (ILO)



Information

- Identification of business opportunities at ESS (tenders, IKC)
- Communication to companies & institutions

Matchmaking

- Matching industry competences
- Partners search
- Setting up joint bids

Capacity Building and Networking

- Training on tender requirements and processes

- Next ILO meeting in Lund, February 12
- French Appointed ILO: Antoine Daël



Partners and Industry

ESS is a collaborative effort, being built in the spirit of cooperation, inclusiveness and transparency. In the Partners & Industry section you can find all relevant information about In-Kind Contributions (IKC), procurement and the Industrial Liaison Offices (ILO) Network, in addition to news and activities organised by this group.

In the IKC section you can find general information regarding the procedures and relevant documents about IKC process, as well as more detailed information about the call for 'Expression Of Interest'.

You can also find more information about procurement and material regarding ongoing procurement here. Additionally, this section features the ESS supplier registration, where you can register your Business Profile. This allows companies to make themselves more visible for ESS and is useful for companies looking for partners and wanting to network.

The ILO Network provides national contact points in each partner countries. Through these national nodes, you can find more details on business and collaboration opportunities with ESS. Contact details for all national ILOs, as well as information about past and upcoming ILO meetings can be found here.

In addition to all this material, you will also be able to find information about upcoming activities and reports on past events, innovation policies and the industrial usage of neutrons.

This year (2014) is critical; early delays must be avoided.

Summary

- We are proactively seeking to maximize In-kind
- In-kind agreements are now being discussed
- In-kind is 36% of the project; it is 50% excluding Infrastructure.
- Procurement: 500+ transactions worth more than €700M.

Next Steps

- Letters of Intent are being intensely discussed to March 2014 and all member states are committed.
- First agreements to made on Accelerator