

Industrial impact in Big Science market after one year of COVID pandemic

Anders Unnervik 18 June 2021

Early measures - Contractors on site

- 2 March 2020: all contractors on site were informed about the measures taken by CERN in response to the Covid-19 pandemic and requested to inform their staff.
- 4 March 2020: contractors were asked to submit their pandemic response plan.
- 13 March 2020: Contractors were informed that activities on-site will be limited to those <u>essential for the safety and security of the site and equipment</u>. Therefore, as of Friday 20 March at the latest, all personnel not required on-site had to work remotely insofar as possible."



Early measures - Contractors on site

Approx. 180 contractors concerned Procurement Service activities:

- Established a risk matrix for each contract;
- Templates drafted for all correspondence;
- Contacts with internal technical colleagues to ensure a coherent approach and communication with all contractors;
- Tracking of all correspondence with contractors;
- FAQ for internal use elaborated;
- Special conditions for temporary workers established (for each worker);



Early measures - Contractors on site

- On 16th and 17th March, ~180 contractors were notified of force majeure (FM) due to the pandemic situation (leading to partial or total suspension of activities);
- Activities on site partially or totally suspended as from 20 March;
- Activities limited to those essential for safety and essential for security of the site and equipment;
- All contractors were informed and a plan was established with CERN contract managers on case-by-case basis.



Early measures – Delivery of goods

- The CERN Goods reception service continued to operate with minimum on-site required resources + confirmation of all transport companies concerned (with some limitations);
- Deliveries were maintained;
- However, if the supplies delivered required significant acceptance testing, deliveries may have been postponed, decided on a case-by-case basis.



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Plans for the restart of activities

Procurement Service activities:

- Schedule of restart activities for each contract defined and documented;
- New health and safety conditions established (with HSE);
- Templates drafted for all correspondence;
- Contacts with internal technical colleagues to ensure a coherent approach and communication with all contractors;
- Presentation made to all departments;
- FAQ continuously updated;
- Communication with contractors preparing them for the restart and the applicable conditions. In line with the contract, the costs resulting from complying with applicable laws, including any covid-19 related rules imposed by competent authorities (such as social distancing and personal protective equipment), are the responsibility of the contractor and at its costs.



End of Force Majeure

Notification to contractors on 13 May

"Following the evolution of the situation and the recent announcements from the Host States regarding possible timelines and conditions for the lifting of restrictions, CERN has made plans for a gradual re-start of on-site activities. Therefore, CERN considers that the force majeure event is not affecting anymore the complete performance of contract XXX, as notified to you on XXXX and that you will be able to resume the performance of some of your contractual obligations as from 15 May 2020 at 17h...."

Force majeure ended on 15 May, 17h00 for almost all contracts (case by case assessment)



Help to contractors

- Compensations paid for contractor's personnel quarantined by CERN's Medical Service;
- FM was a measure that helped contractors to claim compensation from the authorities for furloughed personnel;
- CERN's Medical Service provided certificates to contractors claiming that CERN quarantine was not in accordance with host state recommendations. This attestation allowed the person concerned to request "compensation for loss of income due to Covid-19" from Swiss authorities;



Conclusion

- Contractors' situation taken into account at every step;
- Frequent, planned, coherent and detailed communication with all stakeholders throughout the pandemic;
- In the end, only minor claims received from contractors for incurred extra cost;
- No delays in any procurement activity (orders, invitations to tender, contract award and signature, etc..).



Conclusion

- The work was made possible by having moved 100% of the procurement activities on line prior to the pandemic, ie. the issuing of market surveys and invitations to tender, the receipt of bids, dispatch of orders and contracts, including signing them;
- No changes of he general contract conditions necessary.



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Price for Excellence

In recognition of its work in response to the COVID-19 pandemic, the CERN Procurement Service was awarded the 2020 Peter Kraljic Prize for Excellence in the "Master of Business Continuity" category by the European Institute for Purchasing Management.





