

Contracting in the Norwegian Market

THE AVINOR GROUP

The Legal System and Threshold values (1/2)

- Norway has implemented the EC legislation on Public Procurement
- The Norwegian legislation on Public Procurement consists of:
 - Public Procurement Act of 16 July 1999
 - *The Regulation on Public Procurement* of 7 April 2006 – implements EC directive 2004/18/EC
 - *The Utility Regulation* of 7 April 2006 – implements EC directive 2004/17/EC
- **The Avinor Group is operating in the utility sector and is therefore subject to The Utility Regulation**
- The Utility Regulation – part 1 and part 2 of the regulation are important:
 - Part 1 provide general rules regardless of value
 - Part 2 implements the procedural rules and applies for procurement above the EEA threshold

The Legal System and Threshold values (2/2)

- The Utility Regulation has two EEA threshold values:
 - Supply and services contracts at 3.2 million NOK (approx. 426.000 EUR)
 - Works contracts (building and civil engineering) at 40 million NOK (approx. 5.3 million EUR)



The Tendering Process in Avinor

- The vast majority of contracts are awarded thru a two-step process:
 - Prequalification
 - Invited to tender on contracts
- Publication of tenders:
 - All contracts above the EEA threshold will be published in DOFFIN (The Norwegian national database for public procurement) and TED (Tenders Electronic Daily)
 - As a principal rule DOFFIN will be used to publish contracts below the EEA threshold as well – TED will be used if needed
- The Utility Regulation opens for a negotiated procedure, which is the main principle of Avinor's tendering procedure
- The awarding of the contract will in most cases be based on which tenderer that offers the *economically most advantageous offer*

The Tendering Process in Avinor (2/2)

- Engineering contracts
 - The same two-step process with prequalification and invitation
 - Establish a frame agreement for 3 years with an option for additional 2 years
 - The same applies for project management, architect etc.
 - The current frame agreement expires March 2014
 - Prequalification notice will be submitted Doffin/TED late fall 2013

Avinor focus strongly on health, security, safety and environmental (HSE) issues at our construction sites and maintain a strong focus on the working environment as well as pay and employment terms.

Thanks for your attention