



#### National Transport Plan 2014-2023

### Contracting in the Norwegian Market Public Roads Administration

27/05/2013





#### Procurement Procedure Road (NPRA)



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- Governed by EU-procurement directive 2004/18/EEC
- Open competition as announced in TED
  - No prequalification + separate tender phase
- Regional office is the Client
- Tender award based on:
  - Lowest tender (most common)
  - Economically most advantageous tender criteria:
    - Price, completion time, quality, maintenance costs

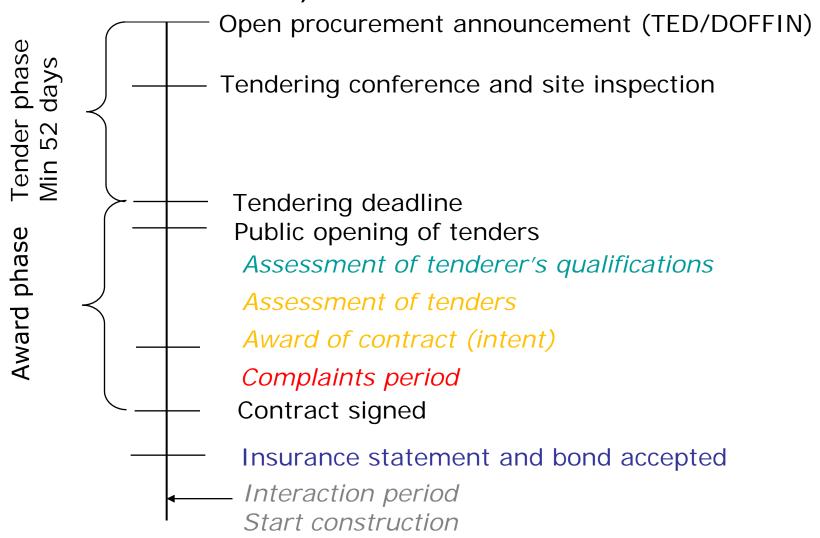


## General conditions of contract apply in Norwegian versions, but translations exist:

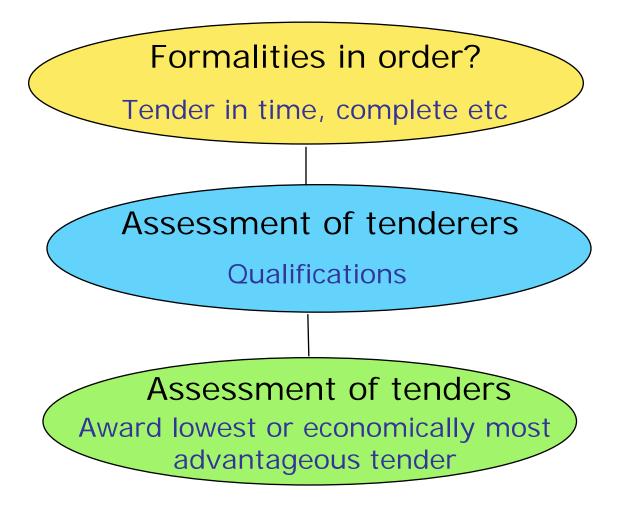
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- NS 8405E: 2008 Norwegian building and civil engineering contract (For BB construction)
- NS 8406E: 2009 Simplified Norwegian building and civil engineering contract (For BB construction)
- NS 8407E: 2011 General conditions of contract for design and build contracts.
- All three standards exist in English translations, and may be purchased on internet from Standard Norge at <u>www.standard.no</u>

## NPRA model of open tendering (over threshold, Directive 2004/18)



#### Distinct phases of award procedure







#### Language, NPRA's practice

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- The official contract language is Norwegian
  - Tender documents and tenders in Norwegian
  - Contract in Norwegian
  - Site meetings conducted in Norwegian
  - Some major projects: vital documents translated into English





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- The Contractors own work force shall carry out at least 25 % of the total sum of man-hours for contract works
- Person(s) with overall daily administrative responsibility shall be within the contractor's staff
- Maximum two sub contractor levels



#### Partnering procedure in all new contracts

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- Kick off meeting and Interaction Process held for:
  - Mutual understanding of the contract
  - Aims for cooperation
  - Agreed cooperation procedures
- Contract parties shall set aside ample time to conduct the process.
- The Process is carried out <u>before</u> construction begins
  - NOT negotiation; (Contract is already signed, and terms are set!)



#### NPRA's Owner strategy





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Bjørn Erik Selnes, Director, Norwegian Public Roads Administration

#### Relationship to the market:

The diversity and competition in the market is sought maintained, and tendencies towards concentration counteracted by arranging for both big, small and medium sized contractors to be able to compete for contracts.

Need for both international and national competetion



## Different Project Delivery Models Norwegian Public Roads Administration Norwegian Public Roads Administration

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- PPP (Public Private Partnership)
- Preparing combined construction, rehabilitation, maintenance, operations («Helgeland-model», PPP without financing)
  - Competitive dialogue as procurement procedure
- Partnering in all type of contracts
- Preparing early contractor involvment ETI/ECI contracts (E39 study)
- Project Alliance (Finland) or Alliance Program (?)
- Utilize and develop present contract strategy
- Strategy allocated to the actual project
- Use experience from several countries in further development





#### **Future Major Projects**

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Bjørn Frik Selnes Director, Norwegian Public Roads Administration

- Early Tender Involvement (Contractor/Consultant).
- Procuring strategies:
  - Alliance models
  - Partnering models
  - Competitive dialogue



#### Objective:

Develop and optimize solutions based on proposal from tenderers in a dialogue in an early project phase We expect national and international interest

#### Premises:

- Predictability, development of suppliers, information of project and contract conditions, technically and legally, e.g:
  - Qualification criteria
  - Contract terms
  - Risk management
  - Roles and responsibilities





# Further information

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- www.vegvesen.no , NPRA's website. It has information about road projects. An English version exists, but not comprehensive. Project information in Norwegian
- www.jbv.no , Norwegian National Rail Administration's website. English version available, information about projects
- www.avinor.no , Avinor's website. English version available. Provides contact details.
- www.kystverket.no , Norwegian Coastal Administration's website. English version avilable. Provides contact details.