



Thirty-Sixth Meeting
17 December 2013

EC-M-36/DG.4
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NOTE BY THE DIRECTOR-GENERAL**CALL FOR PROPOSALS FOR THE TREATMENT AND DISPOSAL OF CHEMICALS, EFFLUENTS, AND RELATED PACKAGING MATERIALS WITH RESPECT TO THE DESTRUCTION OF SYRIAN CHEMICAL WEAPONS****BACKGROUND**

1. At its Thirty-Fourth Meeting, the Executive Council (hereinafter “the Council”), adopted a decision setting forth the detailed requirements for the destruction of Syrian chemical weapons and Syrian chemical weapons production facilities (EC-M-34/DEC.1, dated 15 November 2013).
2. In paragraph 24 of this decision, the Council requested the Director-General “to explore, on an urgent basis, in consultation with the relevant States Parties, options for destruction in commercial chemical disposal facilities of the binary chemical weapons components and any associated reaction masses” (i.e. resulting from the destruction of mustard agent and the key binary chemical weapon components DF, A, B, and BB, including BB salt) and all other chemicals declared by the Syrian Arab Republic, except isopropanol.
3. As reported by the Director-General in paragraph 13 of his report EC-M-35/DG.1, (dated 25 November 2013), the Technical Secretariat (hereinafter “the Secretariat”) issued a request for expressions of interest from companies interested in participating in a future solicitation process for the treatment and disposal of hazardous and non-hazardous organic and inorganic chemicals, effluents, and related packaging materials and containers/drums, or parts thereof (S/1142/2013, dated 22 November 2013).
4. The Council, at its Thirty-Fifth Meeting, noted the above-mentioned report and, further to the aforementioned paragraph 13, “requested that the Director-General consult with the relevant State Party in order to obtain its agreement before any contract is concluded for the destruction of the binary chemical weapons components, any associated reaction masses, and declared chemicals referred to in paragraph 24 of decision EC-M-34/DEC.1 (dated 15 November 2013) at a commercial chemical disposal facility that is located on the relevant State Party's territory or in any place under its jurisdiction or control” (paragraph 4.3 of EC-M-35/3, dated 29 November 2013).
5. It is the intention of the Secretariat to launch a solicitation process following the procedure and timelines as described below, and in accordance with the plan for



destruction of the Syrian chemical weapons outside the territory of the Syrian Arab Republic to be agreed by States Parties (EC-M-36/DG.3, dated 15 December 2013).

SOLICITATION PROCESS

6. The Secretariat will initiate a solicitation process pursuant to the Financial Regulations and Rules of the OPCW and other relevant internal procurement rules. Such solicitation will call for proposals through information circulars to all States Parties, the OPCW website, and the United Nations global market place, and an invitation will be sent to all vendors who submitted an expression of interest in response to the request issued on 21 November 2013 (S/1142/2013), with a view to ensuring effective international competition, fairness, integrity, and transparency, taking into account the timelines established by decision EC-M-34/DEC.1.
7. Solicitation documents will include scope of requirements, terms and conditions governing the contractual relationship with the OPCW, draft endorsement letter of the State hosting the bidder's facility, and other specific instructions for bidders. The scope of requirements will define the scope of the services to be procured, including transportation from the international port of arrival to the disposal facility (but not including maritime transportation of the chemicals to be destroyed, which the Secretariat expects will be covered through in-kind contributions), treatment and disposal of chemicals, effluents, and related packaging materials, without defining any specific proven technology. The chemicals, effluents, and related packaging materials will be split into several lots. The scope of requirements will also address minimum requirements with respect to the verification activities that are to take place.
8. Prospective bidders requiring any clarification of the solicitation documents will have opportunities, within a predefined timeframe, to submit such requests to the Procurement Section of the Secretariat, which shall remain the only point of contact throughout the process. Answers to questions relevant to the technical and commercial aspects of the solicitation will be posted on the OPCW website.
9. The closing date and time for receipt of proposals will be specified in the solicitation documents. However, the Secretariat reserves the right to announce an extension of the closing date, if deemed to be in the interests of the OPCW. Received proposals will be time/date stamped upon receipt and will be kept sealed at a secure and restricted location until the tender opening date.
10. A public opening of proposals will be announced and conducted by a tender opening panel established in accordance with the relevant internal procurement rules of the Secretariat.
11. A technical evaluation will be carried out by a panel of qualified staff members of the Secretariat, based on the criteria described in the guidelines, which were shared with States Parties on 29 November 2013 and were made available on the OCPW external server (as reported by the Director-General in his Note EC-M-36/DG.1, dated 2 December 2013). A technical evaluation report will be issued based on the technical merits of each proposal. The technical evaluation report will clearly state whether the proposals comply with the technical requirements stipulated in the call for proposals. The report will further rank the proposals based on their technical

suitability and provide a justification for such ranking. Technical suitability may be subject to final confirmation through OPCW site visits.

12. The commercial evaluation of proposals will be conducted independently from the technical evaluation, by at least two members of the Procurement Section and a technical expert of the Secretariat. A commercial evaluation report will be prepared, based on the commercial merits of each proposal. A consolidated report will rank each proposal based on the combined scores of the technical and commercial evaluations, providing the best value for money option provided that all necessary criteria are met and due consideration being given to the interests of the Organisation including the safety of the public and the protection of the environment.
13. The Procurement Section of the Secretariat will prepare an award proposal based on the consolidated report for review by the Committee on Contracts of the Secretariat, which will render advice on the contract award(s) to the Director-General for his approval.
14. Selected vendor(s) will be informed of the intention by the Secretariat to award a contract(s). The Secretariat retains the right to withdraw its notification of award in the event that the vendor fails to comply with the essential terms and conditions of the OPCW. All offers may be rejected by the Secretariat where the interests of the OPCW so require.
15. As per the request of the Council (see paragraph 4 above), the Director-General will consult with the relevant State Party (States Parties) in order to obtain its (their) agreement before any contract is concluded.
16. Where the interests of the OPCW so require, the Secretariat retains the right to cancel the solicitation process, in whole or in part, at any time, including, if necessary, in the event of in-kind contributions provided by the States Parties.

TIMELINE

17. In accordance with paragraph 6 of EC-M-34/DEC.1, on 19 November 2013, the Secretariat issued a call for voluntary contributions to the special trust fund for the financial resources needed for the activities related to the complete destruction of Syrian chemical weapons outside the territory of the Syrian Arab Republic (S/1141/2013, dated 19 November 2013). As at 16 December 2013, the "Syria Trust Fund for the Destruction of Chemical Weapons" had received contributions totalling EUR 7.6 million, from 11 States Parties. In addition, two States Parties have formally pledged EUR 750,000, but these contributions have not yet been transferred to the trust fund account.
18. A recent review of the projected costs (initially mentioned in S/1141/2013) for the treatment and disposal of hazardous and non-hazardous organic and inorganic chemicals declared by the Syrian Arab Republic and of the effluent that may be generated during the destruction of mustard and binary chemical weapon components that will be conducted outside the territory of the Syrian Arab Republic has allowed the Secretariat to refine the estimated costs to be in the range of EUR 25 to EUR 30 million.

19. It is consequently the intention of the Secretariat to begin the solicitation process as soon as contributions and pledges in the “Syria Trust Fund for the Destruction of Chemical Weapons” will have reached a level of EUR 20 million.
20. Once the solicitation process is launched, any interested company will have approximately 30 days to send its sealed proposal. The evaluation process, including both the technical and commercial evaluation, will commence following the public opening of the proposals and is expected to require a minimum of seven days¹.

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This assessment is based on the result of the call for expressions of interest: as reported by the Secretariat in its Note S/1143/2013 (dated 9 December 2013), a total of 42 companies responded to the call for expression of interest in participating in the potential solicitation process for the transportation, treatment and disposal of hazardous and non-hazardous organic and inorganic chemicals and related packaging materials and containers/drums, or parts thereof.