

Subject of the proceedings entitled "Extension of the line for semi-industrial simulation of smelting, casting, solidification of steel and alloys (LPS-A) with a vacuum induction furnace with a melting weight of 250 kg".

Notice of cancellation of the procedure

Pursuant to Article 260 of the Act of 11 September 2019. - Public Procurement Law (Journal of Laws of 2024, item 1320 as amended, hereinafter referred to as the PPL), the Contracting Authority shall simultaneously notify all Contractors of the cancellation of the public procurement procedure.

Legal basis for cancellation:

Pursuant to Article 256 of the PPL Act, the Contracting Authority may invalidate the contract award procedure respectively before the deadline for submission of requests to participate in the procedure, but before the deadline for submission of tenders, if circumstances occur which make it unjustified to continue the procedure.

Factual justification:

The contracting authority decides to cancel the procedure due to the existence of circumstances that make it unjustified to continue the procedure.

After the announcement of the proceedings, circumstances arose due to a change in the current research priorities pursued in the Lukasiewicz Research Network in the development of new energyefficient technologies for the production of metal alloys, including steel. One of the leading directions concerns the research and development of DRI (Direct Reduction Iron) technology in combination with EAF (Electric Arc Furnace), which is not in an induction furnace. The dynamic changes taking place in steel smelting technologies, mainly related to the development of zero-emission metallurgy and the implementation of a closed-loop economy, require research that is not possible in the vacuum induction furnace planned for purchase. The development of extractive metallurgy, combined with the widely understood decarbonisation of production, justifies the abandonment of the purchase of a vacuum induction furnace in favour of a research unit with more flexible capabilities, such as an arc furnace. The use of the above-mentioned technologies (DRI, EAF, plasma), will enable the Ordering Party to conduct a wide range of experiments for the physical simulation of steelmaking processes, impossible to carry out using induction furnaces. Examples include technologies using ferrous waste materials in the charge, testing of refining slags with reduced environmental impact or compiled from waste materials, etc. Arc-plasma furnaces will enable the Ordering Party to physically simulate the following industrial processes:

- carrying out smelting not only from pure components but also from waste materials (smelting of high-alloy steels and other metal alloys),
- ferroalloy smelting,
- use of protective, reducing and oxidising atmospheres,
- direct reduction iron smelting (DRI+EAF),
- conducting smelting in an open atmosphere and at reduced pressure,
- achieving a wide range of melt weights.

The procedure subject to this cancellation was prepared on the basis of the situation in the steel sector, which is constantly changing. The contracting authority had assumed, among other things, that it would be possible to sell a certain volume of products using induction technology, but an in-depth analysis of the changes taking place indicated that it would be more advantageous to use another technology, both for the research and development aspect as well as for commercialisation and commercialisation

The process of implementing the Lukasiewicz Research Network Strategy, which has begun intensively in recent weeks, also had a significant impact on the decision to cancel the procedure. In this Strategy, our Institute has identified three lines of activity: "Closed-loop economy", "Energy transformation" and "Defence and national security". The activities planned for the implementation of the Strategy at Łukasiewicz-GIT, particularly in the directions indicated above, require a modification of the approach to metal alloy production technology, taking into account the reduction of the energy intensity of the process, the use of alternative sources of input materials or the reduction of the consumption of strategic elements. The vacuum furnace planned for purchase would only provide research to a limited extent in relation to current business needs and requirements. The second factor influencing the change in the type of infrastructure was the decision to grant funding for the purchase of a special device for refining Fe alloys. This device will enable, in combination with, for example, a plasma furnace, the production of ultra-pure materials used in the defence sector.

The Awarding Authority is not in a position to modify the Terms of Reference for the abovementioned procedure, as this would lead to a significant change in the nature of the contract compared to what was originally specified, in particular a significant change in the scope of the contract.

The decision taken, prior to the deadline for the submission of tenders, is also intended to protect the interests of potential Contractors so that they do not incur real costs in preparing their tenders and participating in the proceedings.

Given the above circumstances, the Contracting Authority shall cancel the aforementioned procurement procedure before the deadline for the submission of tenders, taking the view that circumstances, important from the point of view of the Institute's core business, have arisen which make the continuation of the procedure unjustified.