



Serbia: Belgrade Water Project - Project Implementation Unit Support for Tranche 1

Country: Serbia
Business sector: Municipal and environmental infrastructure
Project number: 44630
Funding source: Austrian Fund for Municipal Infrastructure
Contract type: Consultancy Services
Notice type: Invitation for expressions of interest (CSU)
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Executing Agency (Client): Javno komunalno preduzeće Beogradski vodovod i kanalizacija
(*The Public Utility Company Belgrade Waterworks and Sewerage*)

The Client Contact Person:

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Project Description: Javno komunalno preduzeće Beogradski vodovod i kanalizacija (Public Utility Company Belgrade Waterworks and Sewerage) (the “Company” or the “Client”), the sole provider of potable water in the City of Belgrade (“City”), has received a loan from the European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) for financing priority investments in water supply infrastructure.

The Company was established by the City in 1946. In 2013, the Company operated the water distribution network of 3,463 km covering approximately 1,5 million end users and wastewater network of 1,281 km of pipes and 213 km of collectors with 1,3 million end users. The Company produced 194 million m³ of potable water, out of which 10.7 million m³ is for the Company’s own use (for the cleaning of water filters and maintenance of the water supply system) and the remainder is distributed for consumption. At the end of 2013, the Company had 2,475 employees.



During the last decade, Belgrade has been experiencing water shortage, in particular during the summer months. This problem is partially overcome with the new Water Treatment Plant Makis 2 (“Makis 2”) becoming operational. Makis 2 is a complementary and adjacent plant to the Water Treatment Plant Makis 1 (“Makis 1”), which is one of five water treatment facilities operated by the Company. Construction of Makis 2, which was partially financed by EBRD in the amount of EUR 20 million, began in May 2008 and is completed last summer.

Capacity of Makis 1 and Makis 2 are 3,000 litres/second (“l/s”) and 2,200 l/s, respectively. Both plants are situated at the right bank of the Sava River and are designed to process and treat raw water from the Sava. Currently, there is only one water pipeline delivering raw water from the Sava to Makis 1. Maximum capacity of the existing pipeline is 3,500 l/s, which is insufficient to supply both water treatment plants.

In addition to the Sava River, the main sources of raw water in Belgrade are wells situated on both the Sava’s banks in vicinity of the Makis 1 and 2 treatment plants. There are a number of pipelines distributing raw water from this catchment area to a few other water treatment plants in the system. In particular, there are two main pipelines that serve this purpose which were constructed in 1961 and 1981. However, the functioning of these two older pipelines can be problematic and a number of serious breakdowns in the system were recorded recently and heavy maintenance is urgently required.

The Bank is financing the priority investments in water infrastructure in Belgrade in two tranches of EUR 8,5 million and EUR 4,5 million. Tranche 1 (the “Tranche 1 Project”) of EUR 8,5 million comprises the following components:

- **Component 1:** (1.1) Construction of two pipelines with diameter Ø 1500 mm, in length of 800 m to be placed between the Sava River and Water Treatment Plant “Makis 2”. The pipelines will distribute raw water from the Sava River to the Water Treatment Plant “Makis 2”. The estimated cost is EUR 4.5 million. (1.2) Removal of sedimentation from the bottom of the lake/back-up reservoir (Pre-settling unit) where the new pipelines alignment will pass. The estimated cost is EUR 1.5 million;
- **Component 2:** Refurbishment of a 4.8 km raw water pipeline with diameter Ø 1000 mm. This pipeline is used to distribute raw water from the wells catchment area to the Water Treatment Plant “Banovo brdo”. The method of refurbishment is relining (by insertion of new PE pipe Ø 700 mm into the host pipe Ø 1000 mm). The estimated cost is EUR 2.5 million.

Tranche 2 (the “Tranche 2 Project”) shall include refurbishment of Water Treatment Plant “Makis 1”. Tranche 2 is uncommitted and the potentially required services of a consultant will be tendered separately at a later stage.

Assignment Description: To ensure timely and efficient management of the Tranche 1 Project, the Company has established a Project Implementation Unit (“PIU”) and now intends to engage a consultant (the “Consultant”) to provide technical assistance to the Company/ the PIU to



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implement the Tranche 1 Project on schedule and within budget in particular to assist with the preparation and implementation of the procurement process (the “Assignment”).

The consultant selected for services under Tranche 1 would not be eligible to bid for services under Tranche 2.

The selected Consultant will provide the following services:

1. Procurement process i.e. receipt of tenders, tender opening, evaluation of tenders and contract award;
2. Monitoring and Reporting in all phases of the Tranche 1 Project implementation;
3. Contract administration;
4. The Consultant will be required to undertake the role of the “Engineer” as defined in the FIDIC Conditions of Contract for Construction for building and engineering works designed by employer First edition 1999 (“Red Book”) and the Terms of Reference.

A Technical, Environmental and Social Due Diligence (DD) has been implemented by the Bank and the report will be shared with interested consultants. To receive the respective report, please contact the EBRD’s contact person as given above.

Status of Selection Process: Interested firms or group of firms are hereby invited to submit expressions of interest.

Assignment Start Date and Duration: The assignment is expected to start no later than in the first quarter of 2016 and has an estimated overall duration of 18 - 20 months (the Defect Notification Period excluded).

Cost Estimate for the Assignment: The cost estimate for services to support Tranche 1 is envisaged at EUR 290,000 (exclusive of VAT). *The Consultant must determine whether any indirect taxes/VAT are chargeable on the proposed services and state the basis for such. If any indirect taxes/VAT are payable, the Client will have to pay indirect taxes/VAT element to the services directly to the Consultant unless otherwise agreed.*

Funding Source: Austrian Fund for Municipal Infrastructure

Eligibility: Consultancy firms shall be entities registered in Austria and all experts proposed by the entity to work on the assignment must be either Austrian nationals or permanent residents of Austria. However, up to a maximum of 25% of the maximum contract amount may be used to finance services of local experts who are nationals of Serbia or consultancy firms registered in Serbia.

Consultant Profile: Corporate services are required. The Consultant will be a firm or a group of firms with relevant project experience in project implementation support, preferably including



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specific experience in the water sector, in projects with procurement rules of international financial institutions, such as the EBRD, World Bank or similar. The Consultant shall be responsible for mobilisation of qualified engineers, technicians and other professional staff with the proven experience in construction management, administrative management and procurement of similar construction works i.e. relining and laying of pipes on the bottom of lake, river or sea and acquiring of equipment for water rehabilitation projects in comparable climatic and geological conditions.

It is anticipated that the Consultant's team shall include the following expertise with short-term support as required in other disciplines:

- FIDIC Civil Engineer (s), international or local (in accordance with the eligibility criteria as highlighted above), acting as the "Engineer" as defined in the FIDIC Conditions of Contract for Construction for building and engineering works designed by employer First edition 1999 and the Terms of Reference;
- Civil engineers;
- IFI Procurement Specialist;
- Environmental and Social Specialist;
- Administrative Assistant (s)/Translator(s).

All experts should preferably have a minimum of 5 years of experience of the activity which they are proposed for, and also have experience of working in similar positions as follows (subject to the requirements of the position they are suggested for):

- have construction and supply experience gained in conditions similar to the project sites;
- have experience in construction of water supply projects, knowledge of FIDIC and/or World Bank/EBRD contractual arrangements;
- have experience in (i) project management gained in conditions similar to the project sites; (ii) project management assistance; (iii) engineering; (iv) procurement of goods, works and services;
- have a good knowledge of procedures and rules of procurement of international financial institutions, such as the World Bank or EBRD;
- have a good knowledge of requirements of Republic of Serbia legislation concerning construction and environmental protection.

The Consultant's FIDIC Civil Engineer (s) acting as the "Engineer" as defined in the FIDIC Conditions of Contract for Construction for building and engineering works designed by employer First edition 1999, civil engineer(s) and administrative assistants)/translator (s) are expected to be present in Belgrade on the Site during all phases of the Assignment.

The IFI Procurement Specialist is expected to be present in Belgrade during all phases of procurement, ending with Bank's "no objection" on contract awards and checking the provision of all necessary insurance, performance securities and warranties and other relevant contract documentation (for both of components/tenders/contracts).



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The Environmental and Social Specialist is expected to be present in Belgrade on the Site during critical phases of construction period to ensure adequate level of services/reporting.

It is expected that the Consultant will engage a sufficient number of local experts (in accordance with the eligibility criteria as highlighted above) to support the international consultants concerning requirements of Republic of Serbia legislation in the field of construction and environmental protection.

The Company is expected to provide the Consultant's team with suitable working space. The Consultant will be responsible for all of its local lodging, subsistence, international telephone connections and calls, international and local transport, computer and office equipment, printing, translations, office supplies including stationary and maintenance required by the Consultant's staff throughout the term of the Assignment.

Submission Requirements: In order to determine the capability and experience of Consultants seeking to be shortlisted, the information submitted should include the following:

- (a) brief overview of the firm/group of firms including company profile, organisation and staffing;
- (b) details of similar experience of firm or group of firms and related assignments undertaken in the previous ten years, including information on contract value, contracting entity/client, project location/country, duration (mm/yy to mm/yy), expert months provided, assignment budget, percentage carried out by consultant in case of association of firms or subcontracting, main activities, objectives;
- (c) CVs of **key experts** who could carry out the Assignment detailing qualifications, experience in similar assignments, particularly assignments undertaken in the previous five years, including information on contracting entity/client, project location/country, duration (mm/yy to mm/yy), expert months provided, assignment budget, main activities, objectives.
- (d) A copy of the Consultant's valid company registration certificate confirming that the firm is registered in Austria.**
- (e) Completed Contact Sheet, the template for which is available from the following web-link: http://www.ebrd.com/pages/workingwithus/procurement/notices/csu/contact_sheet.doc

The expression of interest shall not exceed 15 pages (excluding CVs and contact sheet).

One original, one hard copy and one electronic copy of the expression of interest, in **English and in Serbian**, shall be submitted to the Client in an envelope marked "EXPRESSION OF INTEREST for Belgrade Water Project – **Tranche 1 Project Implementation Unit Support**", to reach Clients Contact person, not later than 15 September 2015 at 15:00 hrs (Local Belgrade time).

In addition, the expression of interest should be submitted by email to the EBRDs Contact person by the same due date and time.

Important Notes:



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1. The selection will normally be made from responses to this notification only. Consultants will not be asked to submit a proposal. The highest-ranked Consultant will be selected from a shortlist and be invited to negotiate the contract, subject to availability of funding. Payments are expected to be made upon acceptance of deliverables.
2. The evaluation criteria are as follows:
 - Firm's experience in water management projects, including specific experience comparable to the above described Project components, preferably within the last 10 years – 30%
 - Firm's experience in projects with procurement rules of international financial institutions, such as the EBRD, World Bank or ADB or similar - 10%
 - Skills and experience of the proposed FIDIC Civil Engineer(s), acting as the “Engineer” as defined in the FIDIC Conditions of Contract for Construction for building and engineering works designed by employer First edition 1999 including the experience in construction management of similar construction works i.e. relining and laying of pipes on the bottom of lake, river or sea and acquiring of equipment for water rehabilitation projects in comparable climatic and geological conditions – 45%
 - Skills and experience and composition of the other experts i.e. civil engineer(s), IFI Procurement Specialist and Environmental and social Specialist – 15%

Fluency in Serbian, previous project experience in the Country and good knowledge of requirements of Republic of Serbia legislation in the field of construction and environmental protection would be an advantage.

3. Please note that the Consultant selected for this Assignment will not be eligible to implement the upcoming assignment to implement the Tranche 2 Project.