

INTERNATIONAL INVITATION FOR PREQUALIFICATION (SERVICE CONTRACT)

Federation of Bosnia and Herzegovina Water and Sanitation Project

Tendering Assistance and Supervision for Works

Federal Ministry of Agriculture, Water Management and Forestry (FMAWMF)

Procurement Reference:	05-3-25/4-651-21/12
Country:	Bosnia and Herzegovina – Federation of BiH
Funding Sources:	EIB, EU and municipal budget
Contract Type:	Consultancy Services – Fee based
Notice Type:	Invitation for Prequalification
Issue Date:	23 July 2012
Closing Date:	29 August 2012

The Federal Ministry of Finance and Treasury (MFT) (hereinafter referred to as "the Borrower") and the Federal Ministry of Finance (FMF) and the Federal Ministry of Agriculture, Water Management and Forestry (FMAWMF) (both as "the Entity") has signed a Finance Agreement to receive a loan from the European Investment Bank – EIB (hereinafter referred to as "the Bank") – towards the cost of the Project “Federation of Bosnia and Herzegovina Water and Sanitation”. This International Invitation for Prequalification relates to one of the components of the project, namely the contract for “Tendering Assistance and Supervision for Works”. This contract shall be signed and implemented by FMAWMF (hereinafter referred to as "the Promoter").

Project Definition

The overall objective of the “Water and Sanitation FBiH Project” is to develop an EU-standard Integrated Sustainable Water and Wastewater Management scheme in Federation of Bosnia and Herzegovina (FBiH). The Project concerns priority investment schemes for water and sanitation within the territory of the FBiH.

For the execution of the Project, a Finance Contract was signed in two steps by Bosnia and Herzegovina (MFT as the Borrower and FMF and FMAWMF as the Entity) in Sarajevo on 15 July 2008 and the EIB representatives in Luxembourg on 18 August 2008.

Pursuant to the Contract, the Federation of BiH undertakes to implement the project consisting of investment schemes to be carried out by the municipalities included into the project within the FBiH through the FMAWMF and FMF using the loan funds in the amount of EUR 60 million and the equal amount of own contribution of the municipalities involved, which according to the Contract total 121.3 million EUR.

Considering that the provision of own funds in the amount of 50% for investment schemes is a difficult requirement to meet by the municipalities, even under normal recession-free circumstances, the Delegation of the European Commission in BiH acknowledged the joint approach taken by the NIPAC of BiH, FMAWMF, FMF and EIB that this Project should be supported by grants from pre-accession and other funding instruments (IPA, IPF, etc.).

The grant resources available to the Project either from the EU from different funding instruments or from other bilateral funding agencies like SIDA shall be under the management of EIB. The agreement for the transfer and implementation of these funds (IPF-MW 2008, IPA 2009 and IPA 2010) has been signed between EIB and EU.

Considering that the purpose of the Project is to use the resources (EIB loan, grants and own funds of the municipalities) to ensure the implementation of measures contributing to the improvement of infrastructure and provision of services aimed at adequate (both in terms of quality and quantity) water supply and wastewater treatment in the municipalities included in the project. The priority investment schemes shall be implemented in the following municipalities:

1. **Orašje**
2. **Velika Kladuša**
3. **Bosanska Petrovac**
4. **Bosnaski Krupa**
5. **Široki Brijeg**
6. **Tomislavgrad**
7. **Jajce**
8. **Prozor Rama**
9. **Citluk**
10. **Glamoč**
11. **Tešanj**
12. **Dobog Jug**
13. **Bosansko Grahovo**
14. **Konjic**
15. **Usora**
16. **Livno**
17. **Gračanica**
18. **Lukavac**
19. **Kupres**
20. **Stolac**
21. **Mostar**

Contract Description

The Borrower intends prequalifying firms and joint ventures to tender for the Contract to be funded from part of the proceeds of the loan. The scope of the Contract shall be the 21 municipalities listed above.

This contract shall include, but not be limited to, the following services:

1. Preparation of a Project Implementation Plan: The Consultant shall prepare a draft Project Implementation Plan “PIP” including information on number of tenders, type of contract for each tender, estimated contract value and procurement method including time schedule. The PIP shall also include guidance and actions to make sure that maximum visibility of donors is maintained in all stages of project preparation and implementation.
2. Preparation of tender documents for the works contract: The Consultant shall be responsible for the preparation of the tender documents for both the water supply and wastewater collection works and the treatment works in the 21 municipalities in the scope of the Project. The Consultant shall also be responsible for the preparation of pre-qualification documents if anticipated in the approved PIP especially for the treatment works. All the tender documents to be prepared should be in accordance with the BiH Law and the EIB and/or EU procurement rules for similar projects.

The Consultant shall be supplied by all the background documentation from the Municipality including the final designs, the technical specifications, employer's requirements and the BoQs. It is the Consultant's responsibility to prepare the administrative part of the tender documents and then preparation of the full tender dossier (including the quality assurance of the technical parts).

3. Tendering and tender evaluation: The Consultant shall assist the PMU through the whole tendering process. The Consultant shall provide guidance for site visits and pre-tender meetings for tenderers and shall attend the site visits, pre-tender meetings as well as the clarification meetings. The Consultant shall also review queries raised by tenderers and assist in preparation of addendums and/or clarifications to be distributed by the PMU to all tenderers.

The Consultant shall prepare all standard forms and templates to be used for tender opening and evaluation. The Consultant shall attend the tender opening sessions, draft the minutes of tender opening, advise the PMU on how to carry out the evaluation process, attend meetings of the Evaluation Committee and assist in preparation of Tender Evaluation Reports. The Consultant shall further draft for the PMU any necessary post-tender correspondence with tenderers and attend any subsequent pre-contract clarification meetings. The Consultant shall also prepare draft letters of acceptance and contract documents for all contracts.

4. Supervision of works: The Consultant shall perform the duties and authority of an Engineer as specified in or necessarily implied from the Contract as well as administer the Contract, dealing with situations in accordance with the Contract and taking due regard of all relevant circumstances. The works also includes the approval of the Contractor's design for the design and build contracts (mainly for the treatment works), issuing variations and reporting and assessing the claims from the Contractor.

Commencement Date and Duration:

It is anticipated that the assignment will start in November 2012 with the duration of 48 months.

Maximum Budget available for the Assignment: EUR 4.500.000 Exclusive of VAT.

Eligibility: There are no eligibility restrictions.

Consultant's Profile:

All physical and legal entities or groupings of such persons (consortia) may apply. A consortium may be a permanent, legally-established grouping or a grouping which has been constituted informally for a specific tender procedure. All members of a consortium (i.e., the leader and all other members) are jointly and severally liable to the Promoter.

The participation of an ineligible physical and legal entity shall result in the automatic exclusion of that person. In particular, if that ineligible person belongs to a consortium, the whole consortium will be excluded.

No more than 1 application can be submitted by a physical and legal entities whatever the form of participation (as an individual legal entity or as leader or member of a consortium submitting an application). In the event that a natural or legal person submits more than 1 application, all applications in which that person has participated will be excluded.

The Consultant should have substantive experience and knowledge in administrative management, procurement, design and supervision of similar construction works and acquiring equipment for the projects in similar climatic and geological conditions. The Consultant should also have a sound knowledge of the local legislation concerning construction.

The Consultant shall employ suitably qualified engineers and other professionals who shall be competent to carry out any/or all of the duties in accordance with the responsibilities and/or authorities that are specified for this assignment. It is strongly recommended that a part of the consultancy input will be carried out by local sub-consultants.

The Consultant shall consider the prospective peaks of the construction activities and ensure the adequacy of staff levels during such periods.

The Consultant shall mobilize, in addition to other engineers or professionals as may be deemed necessary and appropriate, other various key personnel, who shall be responsible for tendering and tender evaluation, the review and approval of the Contractor's Design and subsequent supervision of the execution of the works.

Subcontracting:

Subcontracting is allowed.

Maximum percentage of the contract value which may be subcontracted: 15 %.

Pre-qualification Criteria:

The following selection criteria will be applied to all candidates. In the case of applications submitted by a consortium, the lead partner shall meet not less than 50 percent of all the qualifying criteria for financial and technical capacity. The consortium must satisfy collectively

the criteria for professional capacity, for which purpose the relevant figures for each of the partners shall be added to arrive at the consortium's total capacity:

1) Economic and financial capacity of candidate:

The average annual turnover of the candidate must exceed 5.000.000 EUR for the last 3 financial years (2009, 2010 and 2011).

2) Professional capacity of candidate:

At least 15 permanent staff (this year 2012) working for the candidate in the fields related to this contract.

The candidate should have a back-up capacity other than the team to conduct the tendering and supervision work.

The candidate should have given the company organization and company description in his application.

3) Technical capacity of candidate:

1. The candidate should have successfully completed at least 2 service contracts in the last 6 years prior to the submission deadline of this application (from August 2006 to August 2012) (the following sub-criteria can be covered either under single projects or separate projects for each sub-criterion under separate references):

a) for/including i.e. technical assistance, supervision and design etc. in the environment sector with a minimum value of 2.000.000 EUR in a single project (proportion carried out by the candidate);

b) for/including construction supervision for a waste water treatment plant construction project having a minimum capacity of 5 000 m³/day; and

c) for/including construction supervision for a project including construction of a minimum of 100 km of pipeline works including drinking water, sewerage or natural gas, in a single programme; and

e) for/including construction supervision for any kind of construction which is governed by FIDIC contract conditions including both Red and Yellow Books.

An economic operator may, where appropriate and for a particular contract, rely on the capacities of other entities, regardless of the legal nature of the links which it has with them. Some examples of when it may not be considered appropriate by the Promoter are when the candidates rely in majority on the capacities of other entities or when they rely on key criteria. If the candidate relies on other entities it must in that case prove to the Promoter that it will have at its disposal the resources necessary for performance of the contract, for example by producing an undertaking on the part of those entities to place those resources at its disposal. Such entities, for instance the parent company of the economic operator, must respect the same rules of eligibility and notably that of nationality, as the economic operator. Furthermore, the data for this third

entity for the relevant selection criterion should be included in the tender in a separate document. Proof of the capacity will also have to be furnished when requested by the Promoter.

Number of candidates to be shortlisted:

On the basis of the applications received, at least 5 and at most 8 candidates will be invited to submit detailed tenders for this contract. If the number of eligible candidates meeting the selection criteria is less than the minimum of 5, the Promoter may invite the candidates who satisfy the criteria to submit a tender.

If more than 8 eligible candidates meet the above selection criteria, the relative strengths and weaknesses of the applications of these candidates must be re-examined to identify the 8 best applications for the tender procedure. The only factor which will be taken into consideration during this re-examination is:

— the cumulative value of the budget of the contracts (proportion carried out by the candidate) of the projects (in euro) fulfilling technical capacity criterion 21.3.1(a).

Language:

All written communications and submissions for this tender procedure and contract must be in English.

Submission Requirements

Interested firms are hereby invited to submit expressions of interest to the address below, on or before 29 August 2012, (15:00 local time). Documents which are received late may be rejected and returned unopened.

One original and 2 numbered copies of the EoI in English (for the mandatory template see below) should be submitted by recorded delivery or hand-delivered (upon a signed and dated receipt) to the Promoter in an envelope sealed and marked.

Interested firms may obtain the necessary templates for the EoIs by mail from the following contact:

Federal Ministry of Agriculture, Water Management and Forestry

PMU – Project Management Unit

Contact person: Mr. Eldar Avdagić

Address: Trampina 12. 71 000 Sarajevo, Bosnia and Herzegovina

Tel: +387 33 568 705

Fax: +387 33 568 704

E-mail: eldar.avdagic@fmpvs.gov.ba

APPLICATION FOR TA CONTRACT

Procurement notice: < Publication reference >

<Contract title>

One signed original application must be supplied (for each lot, if the tender procedure is divided into lots), together with **two copies**. The application must include a signed declaration using the annexed format from each legal entity making the application. **All data included in this application must concern only the legal entity or entities making the application.**

Any additional documentation (brochure, letter, etc) sent with an application will not be taken into consideration. Applications being submitted by a **consortium** (ie, either a permanent, legally-established grouping or a grouping which has been constituted informally for a specific tender procedure) must follow the instructions applicable to the consortium leader and its members.

An economic operator may, where appropriate and for a particular contract, rely on the capacities of other entities, regardless of the legal nature of the links which it has with them. It must in that case prove to the contracting authority that it will have at its disposal the resources necessary for performance of the contract, for example by producing an undertaking on the part of those entities to place those resources at its disposal. Such entities, for instance the parent company of the economic operator, must respect the same rules of eligibility and notably that of nationality, as the economic operator.

1 SUBMITTED by (ie, the identity of the Candidate)

	Name(s) of legal entity or entities making this application	Nationality ²
Leader ¹		
Member 2 ¹		
Etc ... ¹		

¹Add / delete additional lines for consortium members as appropriate. **Note** that a sub-contractor is not considered to be a consortium member for the purposes of this application form. Subsequently, the data of the subcontractor must not appear in the data related to the economic, financial and professional capacity. If this application is being submitted by an individual legal entity, the name of that legal entity should be entered as 'Leader' (and all other lines should be deleted). Any change in the identity of the Leader and/or any consortium members between the deadline for receipt of applications indicated in the Procurement Notice and the award of the contract is not permitted without the prior written consent of the Contracting Authority.

²Country in which the legal entity is registered.

2 CONTACT PERSON (for this application)

Name	
Organisation	
Address	
Telephone	
Fax	
e-mail	

3 ECONOMIC AND FINANCIAL CAPACITY

Please complete the following table of financial data³ based on your annual accounts and your latest projections. If annual accounts are not yet available for this year or last year, please provide your latest estimates, clearly identifying estimated figures in italics. Figures in all columns must be on the same basis to allow a direct, year-on-year comparison to be made (or, if the basis has changed, an explanation of the change must be provided as a footnote to the table). Any clarification or explanation which is judged necessary may also be provided.

Financial data	2 Years before last year €	Year before last year €	Last year €	Average⁴ €	This year €
Annual turnover ⁵ , excluding this contract					
Cash and cash equivalents ⁶ at beginning of year					
Net cash from / (used in) operating, investing & financing activities ⁷ excluding future contracts					
Net forecast cash from/ (used in) future contracts, excluding this contract					
Cash and cash equivalents ⁶ at end of year (ie, the sum of the above three rows)					

³ if this application is being submitted by a consortium, the data in the table above must be the sum of the data in the corresponding tables in the declarations provided by the consortium members – see point 7 of this application form.

⁴ Amounts entered in the 'Average' column must be the mathematical average of the amounts entered in the four preceding columns of the same row.

⁵ The gross inflow of economic benefits (cash, receivables, other assets) arising from the ordinary operating activities of the enterprise (such as sales of goods, sales of services, interest, royalties, and dividends) during the year.

⁶ Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value. An investment normally meets the definition of a cash equivalent when it has a maturity of three months or less from the date of acquisition. Equity investments are normally excluded, unless they are in substance a cash equivalent (e.g. preferred shares acquired within three months of their specified redemption date). Bank overdrafts which are repayable on demand and which form an integral part of an enterprise's cash management are also included as a component of cash and cash equivalents.

⁷ Operating activities are the main revenue-producing activities of the enterprise that are not investing or financing activities, so operating cash flows include cash received from customers and cash paid to suppliers and employees. Investing activities are the acquisition and disposal of long-term assets and other investments that are not considered to be cash equivalents. Financing activities are activities that alter the equity capital and borrowing structure of the enterprise. Interest and dividends received and paid may be classified as operating, investing, or financing cash flows, provided that they are classified consistently from period to period. Cash flows arising from taxes on income are normally classified as operating, unless they can be specifically identified with financing or investing activities.

4 STAFF RESOURCES

Please provide the following personnel statistics⁸ for the current year and the two previous years.

Average manpower	Year before last		Last year		This year	
	Overall	Total for fields related to this contract ⁹	Overall	Total for fields related to this contract ⁹	Overall	Total for fields related to this contract ⁹
Permanent staff ¹⁰						
Other staff ¹¹						
Total						
Permanent staff as a proportion of total staff (%)	%	%	%	%	%	%

⁸ if this application is being submitted by a consortium, the data in the table above must be the sum of the data in the corresponding tables in the declarations provided by the consortium members – see point 7 of this application form.

⁹ corresponding to the relevant specialisms identified in point 5 below

¹⁰ staff directly employed by the Candidate on a permanent basis (ie, under indefinite contracts)

¹¹ other staff not directly employed by the Candidate on a permanent basis (ie, under fixed-term contracts)

5 FIELDS OF SPECIALISATION

Please use the table below whose objective is to indicate the relevant specialisms related to this contract of each legal entity making this application, by using the names of these specialisms as the row headings and the name of the legal entity as the column headings. Show the relevant specialism(s) of each legal entity by placing a tick (✓) in the box corresponding to those specialisms in which the legal entity has significant experience. **Maximum 10 specialisms.**

	Leader	Member 2	Member 3	Etc ... ¹²
Relevant specialism 1				
Relevant specialism 2				
Etc ... ¹²				

¹² add / delete additional lines and/or rows as appropriate. If this application is being submitted by an individual legal entity, the name of the legal entity should be entered as 'Leader' (and all other columns should be deleted)

6 EXPERIENCE

Please complete a table using the format below to summarise the major relevant projects related to this contract carried out in the course of the past 6 years¹ by the legal entity or entities making this application. The number of references to be provided must not exceed 15 for the entire application.

Ref no (maximum 15)	Project title							
Name of legal entity	Country	Overall project value (EUR) ²	Proportion carried out by legal entity (%)	No of staff provided	Name of client	Origin of funding	Dates (start/end)	Name of consortium members, if any
...
Detailed description of project						Type of services provided		
...						...		

¹ In the case of framework contracts (without contractual value), only specific contracts corresponding to assignments implemented under such framework contracts shall be considered

² Effect of inflation will not be taken into account.

7 DECLARATION(S)

As part of their application, each legal entity identified under point 1 of this application, including every consortium member, must submit a signed declaration using the attached format. For consortia, the declaration of the Leader should be a signed original but those of other members may be copies.

8 STATEMENT

I, the undersigned, being the authorised signatory of the above Candidate (including all consortium members, in the case of a consortium), hereby declare that we have examined the procurement notice for the restricted tender procedure referred to above. If our application is short-listed, we fully intend to submit a tender to provide the services requested in the tender dossier.

We recognise that our tender may be excluded if we propose key experts who have been involved in preparing this project or engage such personnel as advisers in the preparation of our tender and that we may also be subject to exclusion from other tender procedures and contracts funded by the EC. We are fully aware that, in the case of a consortium, the composition of the consortium cannot be modified in the course of the tender procedure. We are also aware that the consortium members would have joint and several liability towards the Contracting Authority concerning participation in both the above tender procedure and any contract awarded to us as a result of it.

Signed on behalf of the Candidate

Name	
Signature	
Date	

**FORMAT OF THE DECLARATION REFERRED TO IN POINT 7
OF THE APPLICATION FORM**
To be submitted on the headed notepaper of the legal entity concerned

<Date>

<Name and address of the Contracting Authority - see points 5 & 25 of the procurement notice>

Your ref: < Publication reference >

Dear Sir/Madam

In response to your procurement notice < Publication reference >, we, < Name(s) of legal entity or entities>, confirm that we intend to submit a tender for the contract for [Lot number <number> of]¹ the above if we are invited to do so.

We hereby declare that we:

- are making this application [on an individual basis]¹ / [as member of the consortium led by < name of the leader / ourselves >]¹ for this contract. We confirm that we are not participating in any other application for the same contract, whatever the form of the application (as a member - including leader - in a consortium or as an individual Candidate);
- are not in any of the situations excluding us from participating in contracts which are listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions (available from the following Internet address:
http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm);
- agree to abide by the ethics clauses in Section 2.4.15 of the Practical Guide to contract procedures for EC external actions, have not been involved in the preparation of the project which is the subject of this tender procedure unless we prove that the involvement in previous stages of the project does not constitute unfair competition, and, in particular, have no potential conflict of interests or any equivalent relation in that respect with other Candidates or other parties in the tender procedure at the time of the submission of this application;
- [have attached a current list of the enterprises in the same group or network as ourselves] / [are not part of a group or network]¹ and have only included data in the application form concerning the resources and experience of [our legal entity] / [our legal entity and the entities for which we attach a written undertaking] ¹;
- will inform the Contracting Authority immediately if there is any change in the above circumstances at any stage during the implementation of the contract; and
- fully recognise and accept that if we participate in spite of being in any of the situations listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions , we may be excluded from tender procedures and contracts in accordance with the Section 2.3.4 of the Practical Guide to contract procedures for EC external actions. Furthermore, we acknowledge that, should we provide false declarations, make substantial errors or commit irregularities and fraud we may also be subject to financial penalties representing 10% of the total value of the contract being awarded. This rate may be increased to 20% in the event of a repeat offence within five years of the first infringement;
- are aware that, for the purposes of safeguarding the financial interests of the Communities, our personal data may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel or the European Anti-Fraud Office.

[¹ Delete as applicable]

If this declaration is being completed by a consortium member:

The following table contains our financial data as included in the consortium's application form. These data are based on our annual audited accounts and our latest projections. Estimated figures (ie, those not included in annual audited accounts) are given in italics. Figures in all columns have been provided on the same basis to allow a direct, year-on-year comparison to be made <except as explained in the footnote to the table>.

Financial data	2 Years before last year	Year before last year	Last year	Average	This year
	€	€	€	€	€
Annual turnover ² , excluding this contract					
Cash and cash equivalents ³ at beginning of year					
Net cash from / (used in) operating, investing & financing activities ⁴ excluding future contracts					
Net forecast cash from/ (used in) future contracts, excluding this contract					
Cash and cash equivalents ³ at end of year (ie, the sum of the above three rows)					

² The gross inflow of economic benefits (cash, receivables, other assets) arising from the ordinary operating activities of the enterprise (such as sales of goods, sales of services, interest, royalties, and dividends) during the year.

³ Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value. An investment normally meets the definition of a cash equivalent when it has a maturity of three months or less from the date of acquisition. Equity investments are normally excluded, unless they are in substance a cash equivalent (e.g. preferred shares acquired within three months of their specified redemption date). Bank overdrafts which are repayable on demand and which form an integral part of an enterprise's cash management are also included as a component of cash and cash equivalents.

⁴ Operating activities are the main revenue-producing activities of the enterprise that are not investing or financing activities, so operating cash flows include cash received from customers and cash paid to suppliers and employees. Investing activities are the acquisition and disposal of long-term assets and other investments that are not considered to be cash equivalents. Financing activities are activities that alter the equity capital and borrowing structure of the enterprise. Interest and dividends received and paid may be classified as operating, investing, or financing cash flows, provided that they are classified consistently from period to period. Cash flows arising from taxes on income are normally classified as operating, unless they can be specifically identified with financing or investing activities.

The following table contains our personnel statistics as included in the consortium's application form:

Average manpower	Previous year		Last year		This year	
	Overall	Total for fields related to this contract⁵	Overall	Total for fields related to this contract⁵	Overall	Total for fields related to this contract⁵
Permanent staff ⁶						
Other staff ⁷						

⁵ corresponding to the relevant specialisms identified in point 5 below

⁶ staff directly employed by the Candidate on a permanent basis (ie, under indefinite contracts)

⁷ other staff not directly employed by the Candidate on a permanent basis (ie, under fixed-term contracts)

Yours faithfully

<Signature of authorised representative>

Name and position of authorised representative