

Document for completion and publication by the Contracting Authority.

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## WORKS CONTRACT NOTICE

### Improvement of air quality through reduction in dust emissions from thermal power plants Nikola Tesla, Unit A3 and Morava

Serbia

**1. Publication reference**

EuropeAid/134187/C/WKS/RS

**2. Procedure**

Open

**3. Programme**

IPA

**4. Financing**

Financing Agreement

**5. Contracting Authority**

European Union, represented by the Delegation of the European Union to the Republic of Serbia, on behalf of and for the account of the beneficiary country, the Republic of Serbia.

## CONTRACT SPECIFICATIONS

**6. Description of the contract**

The aim of this measure is the rehabilitation and reconstruction of facilities at thermal power plants (TPPs) in order to reduce harmful emissions of particulates, thus helping to improve air quality and to achieve the key requirements of the EU Large Combustion Plants Directive.

Reconstruction of electrostatic precipitators (ESP) of TPP Nikola Tesla A3 and Morava represents a continuation of the upgraded works started on these facilities, aimed at meeting both Serbian and European regulations pertaining to environmental protection and improvement of air quality. The TPPs have been in operation for more than 40 years and their electrostatic precipitators are designed with fly ash removal efficiency which is outdated and cannot meet current regulatory rules. Considering the time-frame for implementation of EU rules (namely the Directive for large combustion plants 2001/80/EC, which according to Annex 2 of the Energy Community Treaty will need to be implemented by Serbia by 31.12.2017), the basic purpose of ESP reconstruction is to meet the rigorous standard for the reduction of ESP outlet emission levels to 30 mg/Nm<sup>3</sup> and 50 mg/Nm<sup>3</sup> in Nikola Tesla and Morava TPPs respectively.

**7. Number and titles of lots**

The contract is divided into 2 lots:

Lot 1: Nikola Tesla A3

Lot 2: Morava

**TERMS OF PARTICIPATION**

**8. Eligibility and rules of origin**

Participation is open to all legal persons participating either individually or in a grouping (consortium) of tenderers which are established in a Member State of the European Union or in a country or territory of the regions covered and/or authorised by the specific instruments applicable to the programme under which the contract is financed (see also heading 22 below). All works, supplies and services under this contract must originate in one or more of these countries. Participation is also open to international organisations. The participation of natural persons is directly governed by the specific instruments applicable to the programme under which the contract is financed.

**9. Grounds for exclusion**

Tenderers must submit a signed declaration, included in the Tender Form for a Works Contract, to the effect that they are not in any of the situations listed in point 2.3.3 of the **Practical Guide to contract procedures for EU external actions**.

**10. Number of tenders**

Tenderers may submit only one tender per lot. Tenders for parts of a lot will not be considered. Any tenderer may state in its tender that it would offer a discount in the event that its tender is accepted for more than one lot. Tenderers may not submit a tender for a variant solution in addition to their tender for the works required in the tender dossier.

**11. Tender guarantee**

Tenderers must provide a tender guarantee of EUR 200,000 for Lot 1 and EUR 100,000 for Lot 2 when submitting their tender. This guarantee will be released to unsuccessful tenderers once the tender procedure has been completed and to the successful tenderer(s) upon signature of the contract by all parties.

**12. Performance guarantee**

The successful tenderer will be asked to provide a performance guarantee of 10% of the amount of the contract at the signing of the contract. This guarantee must be provided together with the return of the countersigned contract no later than 30 days after the tenderer receives the contract signed by the Contracting Authority. If the selected tenderer fails to provide such a guarantee within this period, the contract will be void and a new contract may be drawn up and sent to the tenderer which has submitted the next cheapest compliant tender.

**13. Information meeting and/or site visit**

Mandatory site visits will be held on 26/08/2013 at 10h in TPP Nikola Tesla A3 for Lot 1, 27/08/2013 at 10h in TPP Morava for Lot 2, and mandatory information meeting 28/08/2013 at



10h for both lots in the premises of EU Delegation to the Republic of Serbia.

#### **14. Tender validity**

Tenders must remain valid for a period of 90 days after the deadline for submission of tenders.

#### **15. Period of implementation of tasks**

For Lot 1: 16 months from the commencement to the taking over of works. Defects notification period is an additional 12 months from the taking over of works.

For Lot 2: 28 months from the commencement to the taking over of works. Defects notification period is an additional 12 months from the taking over of works.

Construction works can be performed on TPP A3 during the A3 overhaul in 2014 (planned to start at the beginning of May 2014 and to be completed at the end of November 2014), and on ESP TPP Morava during the overhaul in 2015 (planned to start at the beginning of May 2015 and to be completed at the end of November 2015).

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### **SELECTION AND AWARD CRITERIA**

#### **16. Selection criteria**

If a tender is submitted by a consortium, unless specified, the selection criteria will be applied to the consortium as a whole.

The selection criteria for each tenderer are as follows:

##### **A) Economic and financial capacity of candidate**

a) The average annual turnover for construction works of the tenderer for the last 3 years (2010, 2011 and 2012), must be at least EUR 20 million for the tenderer bidding for Lot 1, and at least EUR 10 million for the tenderer bidding for Lot 2. The average turnover for construction works of the tenderer for the last 3 years (2010, 2011 and 2012), must be at least EUR 25 million for the tenderer bidding for both lots.

b) The tenderer must demonstrate financial resources / the access to sufficient credit and other financial facilities to cover the required cash flow for the duration of the contract. The credit of at least EUR 2.5 million for the tenderer bidding for Lot 1, at least EUR 1.3 million for the tenderer bidding for Lot 2, and at least EUR 3.8 million for the tenderer bidding for both lots must be available by a recognized bank specifically against the contract.

##### **B) Professional capacity of candidate**

The tenderer (consortium as a whole or sole tenderer) must fulfil the following criteria:

a) Shall be a registered firm or a natural person capable of carrying out the specific works.

- b) Shall carry out at least 70% of the contract works by his own resources, which means that it shall have the equipment, materials, human and financial resources necessary to enable him to carry out that percentage of the contract.
- c) The lead partner in a consortium/joint venture must carry out at least 50% of the contract works by its own means, and the combined partners (i.e. not the lead partner) at least 20%.
- d) Must have in place and apply a quality assurance system, such as ISO 9001.
- e) Should have at least 20 permanent professional staff with experience in relevant projects.
- f) **Key personnel** (independently of the number of lots for which tenderers are submitting an offer):
  - One (1) **Project Manager**, who will coordinate the entire contract. He/she shall be a qualified civil, mechanical, electrical or chemical Engineer with at least **10 years** of relevant post-graduate professional experience and project management experience in at least two projects with a similar nature, size and complexity. Out of those 2 projects, at least one should be a construction contract according to FIDIC Plant Design-Build Conditions.
  - One (1) **Assistant Project Manager**. He/she shall be a qualified civil, mechanical, electrical or chemical Engineer with at least **5 years** of relevant post-graduate professional experience.
  - One (1) **Quality Assurance/Quality Control Engineer** qualified as qualified Engineer or equivalent with a minimum of **5 years** of relevant post-graduate professional experience in procedures of works and materials testing and document management.
  - One (1) **Site Manager**. He/she shall be a qualified civil, mechanical or chemical Engineer with at least **8 years** of relevant post-graduate professional experience and site management experience in at least **two** projects with a similar nature, size and complexity. Out of those 2 projects, at least one should be a construction contract according to FIDIC Plant Design-Build Conditions.

Please note that the site engineer must possess, or being in a position to obtain before the commencement date, the relevant professional licences as required by law on Planning and Construction of the Republic of Serbia and other relevant legal provisions.

  - One (1) **Lead Precipitator Engineer**. He/she shall be a qualified civil, mechanical or chemical Engineer with at least **8 years** of relevant post-graduate professional experience in at least two projects with a similar nature, size and complexity.
  - One (1) **Lead Mechanical Engineer** qualified as Mechanical Engineer with a minimum of **5 years** of relevant post-graduate professional experience in construction of at least two projects with a similar nature, size and complexity.
  - One (1) **Lead Electrical Engineer** qualified as Electrical Engineer with a minimum of **5 years** of relevant post-graduate professional experience in construction of at least two projects with a similar nature, size and complexity.

- One **(1) Lead C&I Engineer** qualified as Electrical Engineer with a minimum of **5 years** of relevant post-graduate professional experience in construction of at least two projects with a similar nature, size and complexity.

- One **(1) Lead Civil Engineer** qualified as Civil Engineer with a minimum of **5 years** of relevant post-graduate professional experience in construction of at least two projects with a similar nature, size and complexity.

- One **(1) Commissioning Manager** qualified as Mechanical, Electrical or Chemical Engineer with a minimum of **5 years** of relevant post-graduate professional experience in construction of at least two projects with a similar nature, size and complexity.

All its key personnel from the list of the key staff must possess the following:

- A bachelor's degree (completion of minimum three years full-time course in a tertiary academic institution, or equivalent qualification) in the relevant fields of engineering.
- Fluency in English, both written and spoken.

**The tenderer must submit in the tender the list, CV's and copies of diploma/degrees and employers certificates of all the staff listed above.**

**Please note that before the contract commencement date the tenderer must demonstrate that he possesses proper company licences according to the Serbian Law for the engineering and construction works.**

**C) Technical capacity of candidate:**

- a) In the past 5 years (from 01.01.2008 to the tender submission deadline), the tenderer must have completed as prime contractor at least 2 projects of similar nature and complexity, with a value of at least EUR 6 Million each for lot 1 and at least 2 projects of similar nature and complexity, with a value of at least EUR 3 Million each for lot 2. At least one reference should have been acquired for the filter for a TPP using lignite or other type of low calorific value coal. The reference projects have to be executed on thermal units with rated electrical output higher than 250 MW.

“Nature and complexity similar to those of the works in the proposed contract” shall be interpreted as follows:

- Similar nature: meaning experience in design, installation and commissioning of new Electrostatic Precipitators or the reconstruction/retrofit of the old electrostatic precipitators to meet at least the standards laid down in Council Directive 2001/80/EC, as amended and experience in construction, predominantly mechanical works including fabrication, transportation and installation of equipment for particle removal within a Thermal Power Plant.
- The minimum size (value) that will be taken into consideration is either the total project value, when the contractor was acting as sole contractor, or the share of the total project value corresponding to its share of the joint-venture participation, when the contractor was leader of a joint-venture.

All contracts listed above shall have been completed in the five years period until the deadline for receiving tender proposals. "Completed" is to be intended as "Taking Over" or "Performance Certificate issued" for construction contracts. One and the same contract may cover more than one type of experience listed above. Copies (with translation into English) of the respective certificates, signed by the Supervisor/Contracting Authority/Employer of the projects concerned must be submitted. These documents shall clearly demonstrate the compliance of the presented references with the above criteria. The Contracting Authority reserves the right to check the accuracy and validity of the information given by the tenderers in relation to reference projects.

The bidder (lead partner or member of a joint venture) must have undertaken at least 50% of the works in a contract for the design, construction, commissioning of reference projects.

Regarding the calculation of the contract amounts for the completed works of the tenderers, the values will be considered at the date of completion and will not be carried to the date of the evaluation as "net present values" and should be converted to official Euro rate from:

<http://ec.europa.eu/budget/inforeuro/index.cfm?Language=en>

Proposed sub-contractors (for more than 10% of the contract value) shall meet the required experience in similar works (experience detailed and specified in Form 4.6.3.8) as per the proportion of the envisaged participation (the sub-contractors shall meet the execution or/and design sub-criteria according to the nature of their involvement in the contract).

## 17. Award criteria

Price

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## TENDERING

### 18. How to obtain the tender dossier

The tender dossier is available from the Contracting Authority, on CD ROM, free of charge at the following address:

Delegation of the European Union to the Republic of Serbia  
Vladimira Popovica 40/V  
GTC Avenue block 19a  
11070 Novi Beograd, Serbia  
Working hours: 9:30 – 16:00 CET, Monday to Friday.

It is also available for inspection at the premises of the Contracting Authority, address as above. Tenders must be submitted using the standard tender form included in the tender dossier, whose format and instructions must be strictly observed.

Tenderers with questions regarding this tender should send them in writing to E-mail: [DELEGATION-SERBIA-FCS@ec.europa.eu](mailto:DELEGATION-SERBIA-FCS@ec.europa.eu)

Delegation of the European Union to the Republic of Serbia

Finance and Contracts Section, 9<sup>th</sup> floor  
GTC 19 Avenue Building  
Vladimira Popovica 40  
11070 New Belgrade, Serbia

(mentioning the publication reference shown in item 1) at least 21 days before the deadline for submission of tenders given in item 19. The Contracting Authority must reply to all tenderers' questions at least 11 days before the deadline for submission of tenders. Eventual clarifications or minor changes to the tender dossier will be published at the latest 11 days before the submission deadline on the EuropeAid website at <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>.

**19. Deadline for submission of tenders**

**12:00 hours** Central European Time on **31<sup>st</sup> October 2013**.

Any tender received after this deadline will not be considered.

**20. Tender opening session**

**15:00 hours** Central European Time on **31st October 2013** at the premises of the Delegation of the European Union to the Republic of Serbia  
GTC Avenue Building Block 19a  
Vladimira Popovica Street 40, 5th Floor  
11070 New Belgrade, Republic of Serbia

**21. Language of the procedure**

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

**22. Legal basis**

Instrument for Pre-Accession Assistance (Council Regulation (EC) N° 1085/2006 of 17<sup>th</sup> July 2006 - OJ L 210/82 of 31.7.2006).