



DRUŠTVO SA OGRANIČENOM ODGOVORNOSTI
"VODOVOD I KANALIZACIJA"

02-335/22-14051/1

Podgorica, 10. 06. 2022. god.

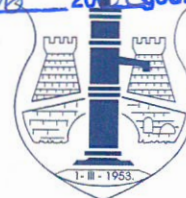
MONTENEGRO

PODGORICA CAPITAL CITY

VODOVOD I KANALIZACIJA PODGORICA D.O.O.

Opština Gor
GLAVNI GRAD - PODGORICA
GRADONAČELNIK

Broj 01-018/22-5268
Podgorica, 10. 06. 2022. god.



Co-financed by:

KFW

Western Balkans
Investment Framework WBIF



Podgorica Capital City

BMZ Project ID 2020 84 366
KfW Procurement No. 505 731

CONTRACT AGREEMENT FOR

Components 1, 2 and 3:
Works for Construction of a Wastewater Treatment Plant,
Sewage Sludge Treatment Plant and Sewage Sludge
Incineration Plant for the City of Podgorica

June 2022

Volume I of III

Volume	Content
Volume I	Contract Agreement Pre-Award Meeting (i) Letter of Acceptance (ii) Letter of Bid (including signed Declaration of Undertaking) (iii) Addenda Nos 1,2,4,5,6,7 (iv) Particular Conditions including Appendix 1 and Contract Forms Security (v) General Conditions
Volume II	(vi) Employer's Requirements
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Volume IV	(viii) Contractor's Bid including Clarifications
Volume V	(viii) Any other documents forming part of the Contract

Contract Agreement

THIS AGREEMENT made the 10th day of June, 2022, between **Vodovod i kanalizacija (ViK) Podgorica d.o.o.** of **Podgorica / Montenegro** (hereinafter "the Employer"), of the one part, and **JV Kuzu - Alkatas of Istanbul, Turkey** (hereinafter "the Contractor"), of the other part:

WHEREAS the Employer desires that the Works known as

Component 1, 2 and 3:

Works for Construction of a Wastewater Treatment Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant for the City of Podgorica (BMZ Project ID 2016 65 322 ICB No.: 2019-KFW-WBIF-C1-02)

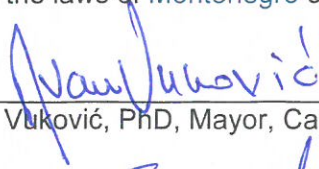
should be executed by the Contractor, and has accepted a Bid by the Contractor for the execution and completion of these Works and the remedying of any defects therein, in the sum of **47,342,269.56 EUR** (hereafter called "the Contract Price") (**Forty Seven Million, Three Hundred Forty Two Thousand, Two Hundred Sixty Nine EURO and Fifty Six CENT**). The Contract Price include Schedule No. 7, Recommended Spare Parts.

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.
 - (i) The Letter of Acceptance;
 - (ii) The Letter of Bid (including the signed Declaration of Undertaking);
 - (iii) The addenda Nos **1,2,4,5,6,7**
 - (iv) The Particular Conditions including Appendix 1;
 - (v) The General Conditions;
 - (vi) The Employer's Requirements;
 - (vii) The completed Schedules; and
 - (viii) The Contractor's Bid and any other documents forming part of the contract.
3. In consideration of the payments to be made by the Employer to the Contractor as specified in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Montenegro on the day, month and year specified above.

Signed by:


(Ivan Vuković, PhD, Mayor, Capital City Podgorica)

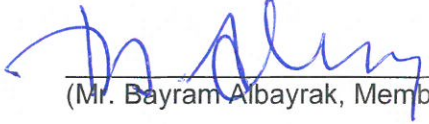

(Filip Makrid, dipl.ing, Executive Director ViK Podgorica)

(for the Employer)

Signed by:


(Dr. Mehmet Emre Baştopçu, Deputy General Manager of Kuzu)

KUZU - ALKATAŞ IV


(Mr. Bayram Albayrak, Member of Board Directors of Alkatas)

KUZU - ALKATAŞ IV

(for the Contractor)

Enclosure:

- Pre-Award Meeting - Minutes



Minutes of Meeting

Component 1, 2 & 3 – Minutes of Pre-award discussions

Venue:	ViK Podgorica Headquarters Meeting Room		
Date:	12 th of May 2022	Time:	10:00
Subject:	Components 1, 2 and 3 Tender – Pre-award discussions		
Participants (see attached attendance list. Attachment No. 1):			
Name:	Organisation / Institution :	Position:	Email
Prof. Petar Zivković	ViK Podgorica	Chairman	petar1939@gmail.com
Filip Makrid	ViK Podgorica	Executive Director	filip.makrid@vikpg.me
Nikola Marković	ViK Podgorica	Working Team Member	nikola.markovic@vikpg.me
Goran Sekulić	Civil Engineering Faculty	Working Team Member	sgoran2000@gmail.com
Natalja Blagojević	ViK Podgorica	Working Team Member	vikblagojevic@t-com.me
Aleksandar Jokmanović	ViK Podgorica	Project Coordinator	a.jokmanovic@vikpg.me
Zeljko Vuković	ViK Podgorica	Working Team Member	
Snežana Popović	Podgorica Capital City	Working Team Member	snezana.popovic@podgorica.me
Ali Riza Üreten	Kuzu Group	Project Manager	alirizaureten@kuzugrup.com
Deniz Albayrak	Kuzu Group	Proposal Manager	deniz.albayrak@kuzugrup.com
Mustafa Kemal Hasilci	Alkatas	Process Engineer	mustafa@alkatas.com.tr
Dr. Figen Nayal	Alkatas	Proposal Manager	figennayal@alkats.com.tr
Stéphane Meistermann	Fichtner W&T	Project Manager Design Phase	stephane.meistermann@fwt.fichtner-de
Bojan Pavlović	FWT / IWA Consalt	Resident Engineer 2	bojan.pavlovic@iwa-cons.com
Marina Vucinić	FWT / IWA	Project Assistant	marina.vucinic@fwt-mobil.de
Participants (remotely via video conference):			
Christian Koopmann	Fichtner W&T	Regional Director	christian.koopmann@fwt.fichtner.de
Richard Sampson	Fichtner W&T	Resident Engineer 1	richard.sampson@fwt-mobil.de
Rüdiger Böckle	Fichtner W&T	Wastewater Treatment Expert	boeckle@t-online.de
Martin Gutjahr	W+G	Sewage Sludge Incineration Expert	gutjahr@wg-ing.de
Benjamin Oest	W+G	Sewage Sludge Incineration Expert	oest@wg-ing.de
Orhan Ali Ordemir	Alkatas	General Manager	o.ordemir@alkatas.com.tr
Şenol Beken	Alkatas	deputy general manager	senolbeken@alkatas.com.tr
Çağrı Terkivatan	Alkatas	Mechanical Engineer	cagriterkivatan@alkatas.com.tr

Name:	Organisation / Institution :	Position:	Email
Felix Wyss	Raschka Engineering	General Manager	
Stephan Raabe	KfW	Portfolio Manager	stephan.raabe@kfw.de
Zeljko Uljarević	KfW	Country Representative	zeljko.uljarevic@kfw.de

No.	Matter of discussion
1.	<p><u>Introduction of Participants:</u></p> <p>The meeting starts with the introduction of the participants both physically as remotely present via video conference in accordance with the above indicated and attached lists of participants</p>
2.	<p><u>Introduction Mr Filip Makrid</u></p> <p>Mr Filip Makrid introduces the meeting by welcoming all participants and thanking them for their participation.</p> <p>He emphasises on the importance of the project for the city of Podgorica and Montenegro with regard to the protection of Moraca River, the water resource of the Regional Water Supply System for the supply with drinking water of the Coastal Area of Montenegro and the international context of the protection of Skadar Lake.</p> <p>He insists on the importance of the design phase for the successful project implementation and indicates that ViK Podgorica will set up a project team for the review and approval of the design prepared by the Contractor. He anticipates that design works will be carried out in close cooperation with the Employer's Project Team, the Consultant and KfW. For this purpose, he expects that the Contractor will be present on the site and establish a project office in Podgorica from the start of the project to allow for a close cooperation between the different partners of the project.</p>
3.	<p><u>Agenda</u></p> <p>Mr Meistermann indicates that the agenda of the meeting will be as indicated on the invitation letter (Attachment No. 2) and comprise following points:</p> <ul style="list-style-type: none"> • Introduction of the participants; • Overview of the Project (Engineer); • Discussion of the pre-ward discussions points listed in the invitation letter (Attachment No. 2) • Details on mobilisation and organisation of works (JV Kuzu-Alkatas) • Details on sub-contracting (JV Kuzu-Alkatas) • Description of the next steps (Engineer) • Miscellaneous
4.	<p><u>Project Overview</u></p> <p>Mr Meistermann gives an overview of the project and its main components. The project encompasses the design and construction of the wastewater treatment plant for the city of Podgorica and is subdivided into the following three Sections:</p> <ul style="list-style-type: none"> • Section A: design and construction of the wastewater treatment plant (WWTP), sewage sludge treatment plant (SSTP), small hydro-power plant (SHPP) and common facilities (CF) with a time for completion of 30 months followed by a 12 months Defects Notification Period • Section B: design and construction of the sewage sludge incineration plant (SSIP) with a time for completion of 36 months followed by a 24 months Defects Notification Period; • Section C: Technical Operation Management for the support to ViK Podgorica in the technical operation of the plant for a period of 2 years for Section A works and 3 years for the Section B works <p>The anticipated duration of the design period is 6 months.</p>

No.	Matter of discussion
5.	<p><u>Clarification Points</u></p> <p>Together with the invitation letter (Attachment No. 2), the Employer submitted to JV Kuzu-Alkatas a series of requests for clarification. The Bidder JV Kuzu-Alkatas answered to the different points mentioned in the invitation letter in written by letter from 6th May 2022 (Attachment No. 3) and the provided answers were discussed during the meeting as described in the following.</p>
5.1.	<p><u>Standardisation and uniformisation of material and equipment</u></p> <p>In its written answer to the request for clarification JV Kuzu-Alkatas confirmed his agreement and commitment to select and propose, for similar equipment, equipment from one and the same manufacturer, in order to limit as much as possible the number of manufacturers and suppliers of equipment and to give preference to manufacturers and suppliers having a service provider in the Balkan area or close regions in Europe.</p> <p>This agreement and commitment is confirmed during the meeting by JV Kuzu-Alkatas</p>
5.2	<p><u>Design and Layout of the SSIP Building</u></p> <p>JV Kuzu-Alkatas confirmed in its answer to the request for clarification, his agreement to revise the layout and design of the SSIP Building in accordance with the Employer's Requirements with the aim to provide adequate accessibility to all parts of the plant for operation, maintenance and repair.</p> <p>This agreement is confirmed during the meeting.</p>
5.3.	<p><u>Thin Film Dryer Manufacturer</u></p> <p>JV Kuzu-Alkatas confirmed in the written answer to the request for clarification and during the meeting that the thin film dryer will preferably be supplied from the manufacturer BUSS SMS Canzler as proposed in the technical offer. However, in order to provide for competitive conditions in the purchase of the thin film dryer, the Bidder requests the possibility to propose alternative manufacturers provided that it is demonstrated that the proposed equipment is a least of similar quality as BUSS SMS Canzler.</p> <p>The possibility to propose alternative manufacturers for the thin film dryer is accepted. It is however the Bidder's responsibility to provide any necessary data and documentation to demonstrate that the quality of the proposed equipment is a least equivalent to BUSS SMS Canzler. Mr Gutjahr emphasises the requirement to provide verifiable and proven references for the satisfactory use of the proposed equipment for <u>the partial drying</u> of municipal sewage sludge. JV Kuzu-Alkatas confirms that these references will be provided.</p> <p>The Employer reserves the right to accept or reject the proposed alternative equipment based on the provided data, documentation and references.</p>
5.4.	<p><u>Sludge Crane</u></p> <p>JV Kuzu-Alkatas proposed in its written answer to the request for clarification, three potential manufacturers for the sludge crane and provided calculation of the sludge crane capacity.</p> <p>The Employer reserves the right to approve the proposed manufacturer based on the data, documentation and references provided by the Bidder with his request for approval. Mr Gutjahr highlights the requirement to provide verifiable and proven references for the satisfactory use of the proposed equipment for <u>fully automated operation for handling and mixing</u> of partially dried sewage sludge.</p>
5.5.	<p><u>Electrostatic Precipitator</u></p> <p>JV Kuzu-Alkatas proposed in its written answer to the request for clarification five potential manufacturers for the electrostatic precipitator and provided technical documentation of the proposed equipment.</p> <p>Mr Gutjahr indicates that the list of potential suppliers for the electrostatic precipitator includes known and reputable manufacturers as well as unfamiliar manufacturers and reserves the right to approve the proposed manufacturer based on the data, documentation and references provided by the Bidder with his request for approval. He notably highlights the requirement of the guaranteed power consumption of the proposed equipment as an important and critical criterion for the selection and approval of the proposed equipment.</p>

No.	Matter of discussion
5.6.	<p><u>Sludge Buffer Tank</u></p> <p>JV Kuzu-Alkatas explains that a sludge buffer tank is considered necessary in order to make sure that vapour from the sludge drier is not sucked into the furnace. W+G comment that dried sludge is difficult to store and there is a significant risk of clogging, especially if the sludge becomes cold. In order to avoid clogging JV Kuzu-Alkatas will equip the buffer tank with screw conveyors that cover the complete bottom of the buffer tank, and the cross section of the buffer tank will increase in the downward direction. Also, the weight measurements needed to determine the level of sludge in the buffer tank will be redundant.</p>
5.7.	<p><u>Price Adjustment for Component C Work and Services</u></p> <p>The tender documents provides for a price adjustment clauses for works and services under Section C of the Works (Technical Operation Management). The Bidder JV Kuzu-Alkatas did not provide, as requested, as part of his offer, the proposed index to be used as a basis for the price revision and was requested to proposed the index for adjustment in the scope of the requests for clarification send with the invitation Letter.</p> <p>In his written answers he proposed to use for the purpose of price adjustment, the Consumer Price Index in Montenegro published by the statistical office of Montenegro (Monstat).</p> <p>JV Kuzu-Alkatas was requested to clarify the choice of the proposed index as the relation with the nature of services to be provided under Section C - mainly assignment of experts to provide technical support to ViK in the operation of the plant - is not clear. JV Kuzu-Alkatas indicates that it refrained from proposing a statistical index from Turkey due to the high inflation and fluctuation of prices which is currently been observed in the country. The choice of the Montenegrin Consumer Price Index is also justified by the fact that the currency of payments under the contract is the Euro. JV Kuzu-Alkatas confirms the proposed index for price adjustment.</p> <p>The proposal is approved with a base value of the proposed Consumer Price Index of 108.9 for October 2021 which is the month of submission of the proposal, in accordance with the stipulations of the tender documents.</p>
5.7.	<p><u>Compliance with Employer's requirements and applicable technical guidelines in the design of the wastewater treatment plant</u></p> <p>Under items No. 9 to 14 of the requests for clarification send together with the invitation letter to the pre-award discussions, JV Kuzu-Alkatas was requested to confirm that the process calculation and design of the wastewater treatment and sludge treatment plants will fully comply with the Employer's Requirements and applicable technical guidelines, especially German Technical Guidelines published by DWA (DWA-A 131 (2016), DWA-A 202, DWA-M 368, DWA-M 381).</p> <p>JV Kuzu-Alkatas confirms that the process calculation and design will be carried out and optimised in accordance with the Employer's Requirements and the indicated technical guidelines.</p>
5.8.	<p><u>Dispute Adjudication Board</u></p> <p>JV Kuzu-Alkatas confirms its agreement to the conditions of nomination of the Dispute Adjudication Board in accordance with the General Conditions of Contract, Clause 20.2.</p>
6.	<p><u>Statement of Prof. Zivkovic, Chairman of the Working Team</u></p> <p>Prof Zivkovic highlights some critical aspects which need to be considered by the Contractor in the design and implementation of works, including notably:</p> <ul style="list-style-type: none"> • the sensitivity of the Moraca River and the necessity that the quality of the treated effluents is all time compliant with the contractual effluent requirements; • the importance of providing sufficient aeration in the aeration tanks to allow for the adequate treatment of the effluent; • the importance of providing all necessary emergency systems to ensure that the plant can be all time efficiently operated, also in emergency situation; • when designing and implementing the project, take into account the energy balance of energy consumption and production from own plants. It is necessary to optimise these components of the system in order to reach the highest possible coverage of electrical power consumption with the internally produced power. The goal is that after three years of operation of the plant a minimum target of 50 % coverage of the power consumption is achieved;

No.	Matter of discussion
	<ul style="list-style-type: none"> particular attention needs to be brought on the prevention of odours at all stages of the wastewater treatment, sewage sludge treatment and sewage sludge incineration process. <p>Prof Zivkovic concludes its intervention wishing the Contractor success in the implementation of the contract.</p> <p>JV Kuzu-Alkatas confirms that the indicated points will be fully considered and adequately addressed and that the design and construction will fully comply with European Standards and regulations.</p>
7.	<p><u>Mobilisation and organisation of works</u></p> <p>JV Kuzu-Alkatas confirms that its team is ready to be mobilised and that the logistics will be organised in a way to allow for a start of the project activities immediately after award of the contract.</p> <p>JV Kuzu-Alkatas confirms that in accordance with its technical proposal it will be present on the site in Podgorica full time from the start of the project activities, including during the design phase, to guarantee that the design is developed in close co-operation with the Employer and the Engineer.</p>
8.	<p><u>Sub-contracting of works</u></p> <p>In its written answer to the requests for clarification, JV Kuzu-Alkatas indicates only Raschka, the specialised sub-contractor for the design and construction of the Sewage Sludge Incineration Plant, as sub-contractor of JV Kuzu-Alkatas for the works under the contract.</p> <p>JV Kuzu-Alkatas notably confirms during the meeting that it intends to implement civil works, works for installation of equipment and electrical and automation works with use of available in-house capacities does not plan to have recourse to sub-contractor.</p> <p>Mr Meistermann emphasises, with reference to Section A.4.4. of the Employer's Requirements, the legal obligation of the Contractor that the design, including preliminary design and detailed design, is carried out in compliance with the applicable Montenegrin regulations. This includes the requirement that both the company and the responsible designers in the different fields of speciality possess the required licences. It also includes the requirement for an external review and approval of the preliminary and detailed design.</p> <p>For the above reasons it is strongly recommended that JV Kuzu-Alkatas associates with a local design company which is familiar with the applicable local regulations and the procedure of preparation, submission and approval of design.</p> <p>JV Kuzu-Alkatas indicates being in contact with potential local partners for the design works and commits to verify its legal obligations in order to fully comply with local regulations.</p> <p>JV Kuzu-Alkatas confirms that any sub-contractor it envisages to engage during the implementation of the works under the contract will be submitted to the approval of the Employer.</p>
9.	<p><u>Description of next steps to contract signature</u></p> <p>Mr Koopmann presents, in compliance with the Employer's Requirements and FIDIC Conditions of Contract for Plant and Design Build the timeline of the next steps until signature of the contract, commencement of works and initial activities to be carried out under the project (Attachment No. 4).</p> <p>Major milestones and necessary pre-conditions are as follows:</p> <ul style="list-style-type: none"> issuance by the Employer of the Letter of Acceptance; within 28 days of receipt of Letter of Acceptance / Contract Agreement signing of the contract (in a public ceremony) and provision of the Performance Security; within 28 days after Commencement of Works Access to Site, project start-up programme / detailed programme, insurances, safety procedure, PA-ESMP, QA/QC; within 42 days after receipt of the Letter of Acceptance Commence of Works; No physical work may commence until PA-ESMP approved; Initial design meetings could be take place any time after receipt of Letter of Acceptance.
10.	<p><u>Miscellaneous</u></p> <p>None of the physically and remotely present participants makes and additional comment or statement.</p>

No.	Matter of discussion
11.	<p><u>Conclusion</u></p> <p>Mr Raabe welcomes the progress which has been made towards a close signature of the Contract and express his wishes for a successful and smooth implementation and completion of the Works under the Contract.</p> <p>Mr Makrid concludes the meeting and thanks all participants for their participation to the meeting.</p>

Podgorica, 25th May 2022

Stéphane Meistermann
Fichtner W&T / Project Manager Design Phase

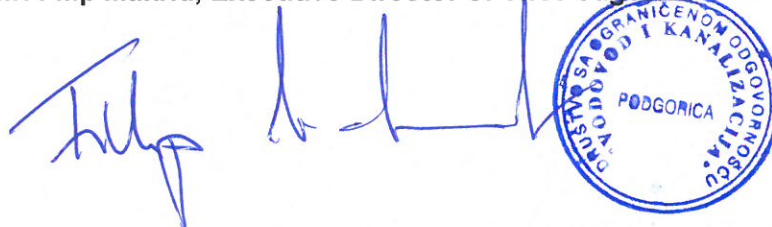
Attachments:

1. Attendance List
2. Invitation Letter with Requests for Clarification
3. Answer Kuzu 06.05.2022 to the Requests for Clarification
4. Timeline for the next steps to contract signature and commencement of project

Signatures:

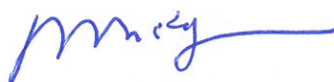
For the Employer:

Mr. Filip Makrid, Executive Director of ViK Podgorica



For the Contractor JV Kuzu-Alkatas

Mr Mehmet Emre Baştıopçu, Deputy General Manager of Kuzu



KUZU - ALKATAŞ J.V

For the Consultant / Engineer

Mr Stéphane Meistermann, Project Manager Design Phase



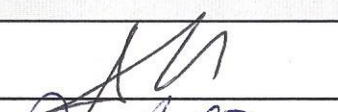
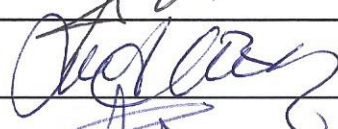
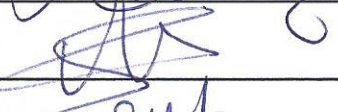
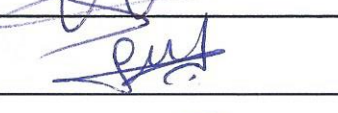
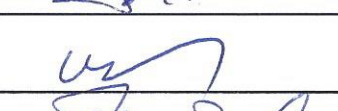
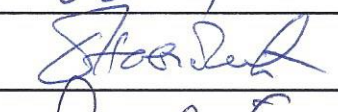
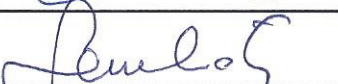
Pre-Award Discussions - Annexes

- **Attendance List**
- **Employer's Invitation Letter with Issues and Topics**
- **Contractor's Reply with Attachment 5**
- **Contractual Milestones before / 28 days after Commencement Date**

Vodovod i kanalizacija Podgorica d.o.o.**Sewer Network Extension and Construction of the Wastewater Treatment Plant for the City of Podgorica /
Proširenje kanalizacione mreže i tretiranje otpadnih voda i kanalizacionog mulja, uključujući spaljivanje u gradu Podgorici****Component, 1, 2 and 3: Works for Construction of a Wastewater Treatment Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica****Komponenta 1, 2 & 3: Radovi na izgradnji postrojenja za prečišćavanje otpadnih voda, tretiranje kanalizacionog mulja, i spaljivanje kanalizacionog mulja
za grad Podgoricu**

2019-KFW-WBIF-C1-02

DRUŠTVO SA OGRANIČENOM ODGOVORNOSTI
"VODOVOD I KANALIZACIJA"
Broj 02-430/22-11333/h
Podgorica, 12. 05. 2022. 20. god.**Pre-award discussions/ Sastanak pred-dodjele****Attendance List / Evidencija prisustva**Date and hour: 12th May 2022 at 10:00 local time
Venue: ViK Podgorica Headquarters, Meeting roomDatum i vrijeme: 12. maj 2022. 10:00 sati po lokalnom vremenu
Prostorije: ViK-a Podgorica, Sala za sastanke

No. / Br.	Participant name / Ime učesnika	Company or Organisation / Kompanija ili odsjek	Position / Funkcija	E-mail Address / E-mail addressa	Signature / Potpis
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4	Dr. Figen Nayal	ALKATAS	Proposal Manager	figennayal@alkatas.com.tr	
5	Marko But Hukona	VIKPG	ČLAN RADNOG TIMA	nikola.markovic@vikpg.me	
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7	Goran Sevinc	GF	ČLAN RADNOG TIMA	goran2000@gmail.com	

No. / Br.	Participant name / Ime učesnika	Company or Organisation / Kompanija ili odsjek	Position / Funkcija	E-mail Address / E-mail addressa	Signature / Potpis
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10	Željko Vuković	VIK PG	Član tima	z.vukovic@vikpg.org	Željko Vuković
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15	Petar Živković	VIK PG	Priznati	petar2939@gmail.com	Petar Živković
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From:

Vodovod i kanalizacija d.o.o. (ViK) Podgorica
ulica Zetskih vladara bb
81000 Podgorica
Montenegro

DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU
"VODOVOD I KANALIZACIJA"
Broj 02-430/22-10062/1
Podgorica, 26. 04. 2022 god.

(Address)

(date)

**To Bidder JV Kuzu - Alkatas for
Tender 2019-KFW-WBIF-C1-02**

**Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica**

Dear Madam or Sir,

We are glad to inform you that your bid for the Contract No. 2019-KFW-WBIF-C1-02 for the design and construction of the wastewater treatment plant for the city of Podgorica has been evaluated with the highest combined technical and financial score and we therefore invite you to pre-award discussions on **Thursday 12th of May 2022, 10:00 hours** Montenegrin time at:

Vodovod i kanalizacija (ViK) d.o.o.

Ulica Zetskih vladara bb,
81000 Podgorica
Montenegro

The possibility will be offered to participants who cannot be present in Podgorica to join the meeting virtually via TEAMS. A link to join the meeting will be shared on time.

Please ensure the participation of a representative of your specialized Sub-contractor for the Sewage Sludge Incineration Plant **Raschka Engineering Ltd.**

We propose following agenda for the meeting:

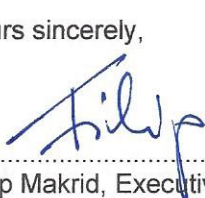
1. Introduction of Participants
2. Overview of the project (Engineer)
3. Discussion of the pre-award meeting discussion points listed in the attached table
4. Details on mobilisation and organisation of works (JV Kuzu - Alkatas)
5. Details on sub-contracting of works (JV Kuzu - Alkatas)
6. Description of next steps to contract signature (Engineer)
7. Miscellaneous

We kindly ask you to submit your written answers to the discussion points described in the attached table until latest **Friday 6th of May 2022**.

Minutes of the pre-award discussions will be prepared after the meeting and will form integral part of the Contract.

We kindly ask you to confirm receipt of the present letter and to confirm that you will submit the requested answers to the pre-award meeting discussion points.

Yours sincerely,



(Filip Makrid, Executive Director, Vodovod i Kanalizacija d.o.o. (ViK) Podgorica)

Encl.: Pre-award

Issues and Topics to be clarified in the scope of the Pre-award Discussions

No.	Topic	Description
1.	Standardisation and uniformisation of material and equipment	<p>The Employer's Requirements request, in Section B.4.6., that <i>"All similar items of the Plant and their components together with spare parts, as well as all equipment performing similar functions, shall be made of the same type and manufacture and shall be fully interchangeable to limit the stock of spare parts required and to maintain uniformity of plant and equipment. The standards of workmanship and finish shall be uniform throughout and the final colours shall be designated by the Engineer."</i></p> <p>Kindly confirm your agreement – with a view on standardisation of equipment and facilitated operation and maintenance - your agreement and commitment to propose, for similar equipment, equipment from one and the same manufacturer or supplier.</p> <p>This shall include as a minimum, but not be limited to, the following items:</p> <ul style="list-style-type: none"> • Pumps (centrifuge pumps, booster pumps, well pumps with the exclusion of screw pumps and dosing pumps); • Screw pumps; • Dosing pumps and dosing stations; • Centrifuges; • Blowers; • Mixers; • Valves and hydraulic equipment; • Instrumentation and control equipment. <p>Preference shall be given to manufacturers and suppliers having a service provider in the Balkan or at least in Europe.</p> <p>In general, the number of manufacturers and suppliers should be limited to the minimum extent possible.</p>
2.	Design and layout of the SSIP building	<p>The design of the building of the SSIP in your technical Bid is very compact and minimized, deviates from the Employer's Requirements on some aspects and does not allow for adequate accessibility to all parts of the plant for operation and maintenance, inspection, repair and cleaning.</p> <p>This point has been addressed in the Request for Clarification No. 4, Item No. 1.</p> <p>In your answer to the request for clarification your agreement to revise the design of the building in accordance to the Request for Clarification and the Employer's Requirements.</p> <p>As it is considered critical for the future operation and maintenance of the plant, we kindly ask you to reconfirm your agreement to revise the design of the SSIP building.</p>
3.	Thin film dryer manufacturer	<p>In your bid (Schedules of Particulars, Section B.3.2.1) you proposed BUSS SMS Canzler GmbH as a potential supplier of the thin film dryer.</p> <p>As this supplier is evaluated as superior quality manufacturer and in accordance with the Bidding Documents Volume 1, Section I, ITB 29.4 (approved manufacturers), we kindly ask you to confirm that the thin film dryer will be procured from BUSS SMS Canzler.</p> <p>Kindly also confirm Duplex as the material for the rotor plates.</p>

No.	Topic	Description
4.	Sludge Crane	<p>Please nominate the manufacturer of the sludge crane and provide technical references of the proposed supplier and equipment.</p> <p>Please also demonstrate how the capacity of the sludge crane has been calculated and provide evidence that the capacity of the sludge crane is in accordance with the Employer's requirements.</p>
5.	Electrostatic Precipitator	<p>Please nominate the manufacturer of the electrostatic precipitator and provide technical references of the proposed supplier and equipment.</p>
6.	Process Flow Diagram Sludge Incineration (15. General Drawings\3. P&ID-2.pdf, page 5 ff)	<p>The sludge is fed into the fluidised bed via a buffer and sliding frame (R103V1). This implies a serious danger of blockage along with the risk of unavailability of the plant. Thus, we worry that this concept is not a technically reliable solution.</p> <p>Please demonstrate the motivation of the proposed design and how risks of blockages are prevented or submit an alternative design or technical solution.</p> <p>In addition, we kindly ask for reference installations where this technology is in use.</p>
7.	Price Adjustment for works and services under Section C Technical Operation Management (Section IV, Schedule of Adjustment Data)	<p>Please provide in accordance with the Schedule of Adjustment Data:</p> <ul style="list-style-type: none"> the proposed index for adjustment of prices referring to the section C of the Works - Technical Operation Management and quoted in Schedule 4b of the schedules of Prices; The publication source of the proposed index; the Base Value L_0 of the proposed index.
8.	Sub-contractor	<p>In accordance with the Bidding Documents Volume 1, Section IV "Proposed Subcontractors for Major Items of Plant and Installation Services" and Section I, ITB 29.4 (approved subcontractors), we kindly ask you to provide a list of sub-contractors you envisage to contract for the provision of works and services under the Contract with the description of works and services they will provide.</p>
9.	Primary Sedimentation tank	<p>The retention time in the primary sedimentation tanks must comply with the specifications in Chapter 4.4 of DWA-A 131 (2016) in order to optimize the energy balance, the process stability and the required tank volumes of the further treatment components.</p>
10.	Activated Sludge Tanks	<p>The design of the activated sludge tanks (AST) must comply with the specifications of DWA-A 131 (2016). In particular the calculation of the loads at the AST inlet has to be based on the eliminated organic loads in the optimized primary clarifiers (based on the retention time in the PST).</p>

No.	Topic	Description
11.	Secondary Settling Tanks	The design of the secondary settling tanks (FST) must also comply with the specifications of DWA-A 131 (2016). This concerns in particular the depth and diameter of the FST as well the dimensions of the inlet structure.
12.	Phosphorous precipitation dosing point	According to DWA-A 202 (2011) precipitants for supplementary simultaneous precipitation should be dosed either into the effluent of the final sedimentation tanks or, if necessary, into the last basin of a cascade.
13.	Primary Sludge Thickening	The design of the primary sludge thickening system must comply with the specifications of DWA-M 381 (2007). This concerns in particular gravity thickening instead of mechanical thickening by centrifuges according to Vol. 1 Part 1, Section II, ITB 13.3 in order to reduce operational problems.
14.	Primary sludge characteristics	For the assumption on dry matter contents in the primary sludge, the detailed „sludge list“ in DWA-M 368 (2014) and the values specified in DWA-M 381, chapter 5.2, shall be used as a basis as long as no reliable measurement data are available.
15.	Dispute Adjudication Board	Kindly confirm your approval of the conditions of nomination of the Dispute Adjudication Board in accordance with the General Conditions of Contract Clause 20.2

Wastewater Collection & Treatment Podgorica
C 1/2/3 - WWTP / SSTP / SSIP

Reference	Description	Before Commencement	Within 28 days from Commencement
ITB 44.4	Pre-Award Meeting	Minutes circulated & signed	
ITB 44.1	Letter of Award	with Contract Agreement	
ITB 45.2 / GCC 1.6	Signing of Contract / Contract Agreement	Within 28 days of receipt of Contract Agreement - Public Ceremony ?	
ITB 46 / PCC 4.2	Performance Security	Within 28 days of receipt of Letter of Acceptance Performance Security Form included in Section X, Contract Forms, or another form acceptable to the Employer Requiring the Bank's Non Objection.	
GCC/PCC 8.1	Commencement of Works	Within 42 days after receipt of Letter of Acceptance	No physical work may commence until <u>PA-ESMP</u> approved
GCC 14.2	Advance Payment	Requiring the Bank's Non Objection	
	Initial Design Meeting		
GCC 2.1	Access to Site		CD + 14d
GCC 4.21	Progress Reports		1 st MPR end of the first calendar month following CD
GCC 8.3	Programme		Project Start-up Programme: CD + 10d Detailed Programme: CD + 28d
GCC/PCC 18.1	Insurances		Within the respective periods stated in the Contract Data submit: (a) Evidence that the insurances have been effected within 14 days after Commencement Date; and (b) Copies of the policies for the insurances within 28 days after Commencement
WR, a	Safety Procedure		CD + 28d
WR, a	PA-ESMP		CD + 28d
WR, a	Quality Assurance		CD + 28d

(i) Letter of Acceptance



GLAVNI GRAD PODGORICA - Vodovod i kanalizacija d.o.o.

Adresa: Ul. Zetskih vladara bb, 81000 Podgorica, Crna Gora

Tel: +382 20 440 300, Dežurna služba 24h: +382 20 440 388, Fax: +382 20 440 352

Email: info@vikpg.me

Web address: www.vikpg.me

PIB: 02015641; PDV: 2031-00109-1; Žiro računi: 510-1028 60 CKB, 510-8284-20 CKB, 535-9562-08 Prva banka

Notification of Award

Letter of Acceptance

To:

KUZU - ALKATAS Joint Venture
Kuzu Plaza Yesilköy Cad No:19
34153 Florya / Istanbul
Turkey

DRUŠTVO SA OGRANIČENOM ODGOVORNOSTI
"VODOVOD I KANALIZACIJA"

Broj:

02-432/22-13296/1

Podgorica,

02. 06. 2022

2022

This is to notify you that your Bid dated 18.10.2021 for execution of the

Component 1, 2 and 3:

Works for Construction of a Wastewater Treatment Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant for the City of Podgorica (BMZ Project ID 2016 65 322 ICB No.: 2019-KFW-WBIF-C1-02)

for the Contract Price **47,342,269.56 EUR** (Forty Seven Million, Three Hundred Forty Two Thousand, Two Hundred Sixty Nine EURO and Fifty Six CENT) including Schedule No. 7 Recommended Spare parts as corrected and modified in accordance with the Instructions to Bidders, is hereby accepted by our institution.

You are requested to furnish the Performance Security within 28 days in accordance with the Conditions of Contract, using for that purpose the Performance Security Form included in Section X, Contract Forms, of the Bidding Documents.

Authorized Signature: _____



Name and Title of Signatory: Filip Makrid, Executive Director

Name of institution: Vodovod i kanalizacija d.o.o. (ViK) Podgorica

Attachment: Contract Agreement

(ii) Letter of Bid

- **Letter of Technical Bid**
- **Letter of Financial Bid**
- **Declaration of Undertaking**

TECHNICAL BID

Letter of Technical Bid

Date: 18.10.2021

ICB No.: 2019-KFW-WBIF-C1-02

To: Vodovod i kanalizacija (ViK) Podgorica d.o.o.

We, the undersigned, declare that:

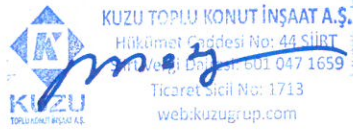
- (a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB 8) *Addendum No. 1 dated 09.07.2021, Addendum No. 2 dated 10.08.2021, Addendum No. 4 dated 26.08.2021, Addendum No. 5 dated 27.09.2021, Addendum No. 6 dated 28.09.2021, Addendum No. 7 dated 28.09.2021;*
- (b) We have no conflict of interest in accordance with ITB 4;
- (c) We have not been suspended nor declared ineligible by the Employer based on execution of a Bid Securing Declaration in the Employer's country in accordance with ITB 4.4;
- (d) We offer to execute, in conformity with the Bidding Documents, the following Plant and Installation Services: : Section A (WWTP, SSTP, SHPP and common facilities), Section B (SSIP) and Section C (technical operation management of Section A and Section B works);
- (e) Our Bid shall be valid for a period of 120 days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (f) We are not participating, as a Bidder, in more than one Bid in this bidding process in accordance with ITB 4.2(e), other than alternative Bids submitted in accordance with ITB 13;
- (g) We understand that this Technical Bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and
- (h) We acknowledge and agree that the Employer reserves the right to annul the bidding process and reject all Bids at any time prior to contract award without thereby incurring any liability to us;
- (i) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any type of fraud and corruption.

Name of the Bidder* **KUZU – ALKATAŞ JOINT VENTURE**

Name of the person duly authorized to sign the Bid on behalf of the Bidder** **Mehmet Emre Baştopçu**

Title of the person signing the Bid **Deputy General Manager**

Signature of the person named above



KUZU TOPLU KONUT İNŞAAT A.Ş.
Hükümet Caddesi No: 44 SİİBT
Etiler / Beşiktaş / İstanbul - 061 047 1659
Ticaret Sicil No: 1713
web:kuzugrup.com

Name of the person duly authorized to sign the Bid on behalf of the Bidder** **Figen NAYAL**

Title of the person signing the Bid **Proposal and Business Development Manager**

Signature of the person named above



ALKATAŞ
Alkutaş İnşaat ve Taahhüt A.Ş.
Etiler Sk. No:19 Kat:5 Kavaok Beykoz İST
Tel:0216 663 26 66 / Fax:0216 663 23 18
Kavacık - Beşiktaş / İstanbul - 064 020 8980
www.alkutasy.com.tr

Date signed 18 day of October, 2021

*: In the case of the Bid submitted by a JV specify the name of the JV as Bidder

** : Person signing the Bid shall have the power of attorney given by the Bidder to be attached with the Bid

FINANCIAL BID

Letter of Financial Bid

Date: 18.10.2021
ICB No.: 2019-KFW-WBIF-C1-02

To: Vodovod i kanalizacija (ViK) Podgorica d.o.o.

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Bidding Document, including Addenda issued in accordance with Instructions to Bidders (ITB) 8 Addendum No.1 dated 09.07.2021, Addendum No. 2 dated 10.08.2021, Addendum No.4 dated 26.08.2021, Addendum No.5 dated 27.09.2021, Addendum No.6 dated 28.09.2021, Addendum No.7 dated 28.09.2021;
- (b) We have no conflict of interest in accordance with ITB 4;
- (c) We have not been suspended nor declared ineligible by the Employer based on execution of a Bid Securing Declaration in the Employer's country in accordance with ITB 4.4.
- (d) We offer to execute, in conformity with the Bidding Document, the following Plant and Installation Services: Section A (WWTP, SSTP, SHPP and common facilities), Section B (SSIP) and Section C (technical operation management of Section A and Section B works)
- (e) The price of our Bid, excluding any discounts offered in item (d) below is the sum of: **47,170,056.56 Euro**
(FortySevenMillionOneHundredSeventyThousandandFiftySix Euro and FiftySix Eurocent)
- (f) The discounts offered and the methodology for their application are: **None**;
- (g) Our bid shall be valid for a period of **120** days from the date fixed for the bid submission deadline in accordance with the Bidding Document, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (h) If our bid is accepted, we commit to obtain a performance security in accordance with the Bidding Document;
- (i) We are not participating, as a Bidder or a subcontractor, in more than one bid in this bidding process in accordance with ITB 4.2, other than alternative bids submitted in accordance with ITB 13;

KUZU - ALKATAŞ JOINT VENTURE

Kuzu Plaza Yeşilköy Cad. No:19 34153 Florya / İstanbul – TURKEY
Telephone: +90 212 663 26 66 / Fax: +90 212 573 28 09

- (j) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract:

Name of Recipient	Address	Reason	Amount
<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>

(If none has been paid or is to be paid, indicate "none.")

- (k) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and
- (l) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.
- (m) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any type of fraud and corruption.

Name of the Bidder* **KUZU – ALKATAŞ JOINT VENTURE**

Name of the person duly authorized to sign the Bid on behalf of the Bidder** **Mehmet Emre Baştıopçu**

Title of the person signing the Bid **Deputy General Manager**

Signature of the person named above



Name of the person duly authorized to sign the Bid on behalf of the Bidder** **Figen NAYAL**

Title of the person signing the Bid **Proposal and Business Development Manager**

Signature of the person named above



Date signed 18 day of October, 2021

*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

** : Person signing the Bid shall have the power of attorney given by the Bidder to be attached with the Bid

Declaration of Undertaking

Reference name of the Application/Offer/Contract: *Components 1,2 and 3: Works for Construction of a Wastewater Treatment Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant for the City of Podgorica* ("Contract")¹

To: *Vodovod i kanalizacija (ViK) Podgorica d.o.o.*

("Project Executing Agency")

1. We recognise and accept that KfW only finances projects of the Project Executing Agency ("PEA")² subject to its own conditions which are set out in the Funding Agreement it has entered into with the PEA. As a matter of consequence, no legal relationship exists between KfW and our company, our Joint Venture or our Subcontractors under the Contract. The PEA retains exclusive responsibility for the preparation and implementation of the Tender Process and the performance of the Contract.
2. We hereby certify that neither we nor any of our board members or legal representatives nor any other member of our Joint Venture including Subcontractors under the Contract are in any of the following situations:

2.1) being bankrupt, wound up or ceasing our activities, having our activities administered by courts, having entered into receivership, reorganisation or being in any analogous situation;

2.2) convicted by a final judgement or a final administrative decision or subject to financial sanctions by the United Nations, the European Union or Germany for involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings; this criterion of exclusion is also applicable to legal Persons, whose majority of shares are held or factually controlled by natural or legal Persons which themselves are subject to such convictions or sanctions;

2.3) having been convicted by a final court decision or a final administrative decision by a court, the European Union, national authorities in the Partner Country or in Germany for Sanctionable Practice in connection with a Tender Process or the performance of a Contract or for an irregularity affecting the EU's financial interests (*in the event of such a conviction, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this conviction is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction*);

2.4) having been subject, within the past five years to a contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during such Contract performance, unless this termination was challenged and dispute resolution is still pending or has not confirmed a full settlement against us;

2.5) not having fulfilled applicable fiscal obligations regarding payments of taxes either in the country where we are constituted or the PEA's country;

2.6) being subject to an exclusion decision of the World Bank or any other multilateral development bank and being listed on the website <http://www.worldbank.org/debarr> or respectively on the relevant list of any other multilateral development bank (*in the event of such exclusion, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this exclusion is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction*); or

¹ Capitalised terms used, but not otherwise defined in this Declaration of Undertaking have the meaning given to such term in KfW's "Guidelines for the Procurement of Consulting Services, Works, Goods, Plant and Non-Consulting Services in Financial Cooperation with Partner Countries".

² The PEA means the purchaser, the employer, the client, as the case may be, for the procurement of Consulting Services, Works, Plant, Goods or Non-Consulting Services.

2.7) being guilty of misrepresentation in supplying the information required as condition to participation in this Tender Procedure.

3. We hereby certify that neither we, nor any of the members of our Joint Venture or any of our Subcontractors under the Contract are in any of the following situations of conflict of interest:

3.1) being an affiliate controlled by the PEA or a shareholder controlling the PEA, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;

3.2) having a business or family relationship with a PEA's staff involved in the Tender Process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;

3.3) being controlled by or controlling another Applicant or Bidder, or being under common control with another Applicant or Bidder, or receiving from or granting subsidies directly or indirectly to another Applicant or Bidder, having the same legal representative as another Applicant or Bidder, maintaining direct or indirect contacts with another Applicant or Bidder which allows us to have or give access to information contained in the respective Applications or Offers, influencing them or influencing decisions of the PEA;

3.4) being engaged in a Consulting Services activity, which, by its nature, may be in conflict with the assignments that we would carry out for the PEA;

3.5) in the case of procurement of Works, Plant or Goods:

- i. having prepared or having been associated with a Person who prepared specifications, drawings, calculations and other documentation to be used in the Tender Process of this Contract;
- ii. having been recruited (or being proposed to be recruited) ourselves or any of our affiliates, to carry out works supervision or inspection for this Contract;

4. If we are a state-owned entity, and compete in a Tender Process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.

5. We undertake to bring to the attention of the PEA, which will inform KfW, any change in situation with regard to points 2 to 4 here above.

6. In the context of the Tender Process and performance of the corresponding Contract:

6.1) neither we nor any of the members of our Joint Venture nor any of our Subcontractors under the Contract have engaged or will engage in any Sanctionable Practice during the Tender Process and in the case of being awarded a Contract will engage in any Sanctionable Practice during the performance of the Contract;

6.2) neither we nor any of the members of our Joint Venture or any of our Subcontractors under the Contract shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or Germany; and

6.3) we commit ourselves to complying with and ensuring that our Subcontractors and major suppliers under the Contract comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the Contract and the fundamental conventions of the International Labour Organisation³ (ILO) and international environmental treaties. Moreover, we

³ In case ILO conventions have not been fully ratified or implemented in the Employer's country the Applicant/Bidder/Contractor shall, to the satisfaction of the Employer and KfW, propose and implement appropriate measures in the spirit of the said ILO conventions with respect to a) workers grievances on working conditions and terms of employment, b) child labour, c) forced labour, d) worker's organisations and e) non-discrimination.

shall implement environmental and social risks mitigation measures when specified in the relevant environmental and social management plans or other similar documents provided by the PEA and, in any case, implement measures to prevent sexual exploitation and abuse and gender based violence.

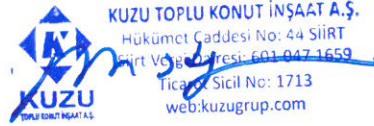
7. In the case of being awarded a Contract, we, as well as all members of our Joint Venture partners and Subcontractors under the Contract will, (i) upon request, provide information relating to the Tender Process and the performance of the Contract and (ii) permit the PEA and KfW or an auditor appointed by either of them, and in the case of financing by the European Union also to European institutions having competence under European Union law, to inspect the respective accounts, records and documents, to permit on the spot checks and to ensure access to sites and the respective project.
8. In the case of being awarded a Contract, we, as well as all our Joint Venture partners and Subcontractors under the Contract undertake to preserve above mentioned records and documents in accordance with applicable law, but in any case for at least six years from the date of fulfilment or termination of the Contract. Our financial transactions and financial statements shall be subject to auditing procedures in accordance with applicable law. Furthermore, we accept that our data (including personal data) generated in connection with the preparation and implementation of the Tender Process and the performance of the Contract are stored and processed according to the applicable law by the PEA and KfW.

Name: Mehmet Emre Baştıopçu

In the capacity of: Deputy General Manager

Duly empowered to sign in the name and on behalf of⁴: KUZU – ALKATAŞ JOINT VENTURE

Signature:



Name: Figen NAYAL

In the capacity of: Proposal and Business Development Manager

Duly empowered to sign in the name and on behalf of⁵: KUZU – ALKATAŞ JOINT VENTURE

Signature:



Dated: 18.10.2021

⁴ In the case of a JV, insert the name of the JV. The person who will sign the application, bid or proposal on behalf of the Applicant/Bidder shall attach a power of attorney from the Applicant/Bidder.

⁵ In the case of a JV, insert the name of the JV. The person who will sign the application, bid or proposal on behalf of the Applicant/Bidder shall attach a power of attorney from the Applicant/Bidder.

(iii) Addenda

- **Addendum No. 1**
- **Addendum No. 2**
- **Addendum No. 3 (VOID)**
- **Addendum No. 4**
- **Addendum No. 5**
- **Addendum No. 6**
- **Addendum No. 7**



DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU "VODOVOD I KANALIZACIJA"

81000 PODGORICA, ul. Zetskih vladara bb,

PIB: 02015641, PDV: 20/31-00109-1

Telefoni: centrala 020/440 300, fax: 440 362, komerc. sl. tel/fax: 440 364

Vodovodna mreža: 440 309, kanalizacija: 440 325, tehnička priprema 440 312

E-mail: vikpg@t-com.me, Web. www.vikpg.co.me

Žiro računi:

PG banka: 550-1105-66

CKB: 510-8284-20

Prva banka CG: 535-9562-08

Hipotekarna banka: 520-9074-13

Broj:

20752

Podgorica,

09. 07. 2021

20

**To Prequalified Bidders for
Tender 2019-KFW-WBIF-C1-02**

**Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica**

Dear Madam or Sir,

In the framework of the subject tender procedure we inform you on the following amendment(s)
to the Bidding Documents:

Addendum N° 1 to the Bidding Documents

Section	Chapter	Original wording	New wording
Section IX: Particular Conditions of Contract	Part B Specific Provisions Sub-Clause 14.5 Plant and Materials intended for the Works	In the penultimate paragraph, replace "eighty percent" by "fifty percent"	Sub-clause 14.5 of Part B of the Specific Provisions of Section IX – Particular Conditions of Contract is deleted

Reference is made to Section B.4.4. of the Employer's Requirements with regard to the
manufacturer's warranty period.

We kindly ask you to confirm receipt of the present Addendum.

Yours sincerely,


.....
(Filip Makrid, Executive Director, Vodovod i kanalizacija d.o.o. (ViK) Podgorica)





81000 PODGORICA, ul. Zetskih vladara bb,

PIB: 02015641, PDV: 20/31-00109-1

Telefoni: centrala 020/440 300, fax: 440 362, komerc. sl. tel/fax: 440 364

Vodovodna mreža: 440 309, kanalizacija: 440 325, tehnička priprema 440 312

E-mail: vikpg@t-com.me, Web. www.vikpg.co.me

Žiro računi:

PG banka: 550-1105-66

CKB: 510-8284-20

Prva banka CG: 535-9562-08

Hipotekarna banka: 520-9074-13

To Prequalified Bidders for
Tender 2019-KFW-WBIF-C1-02

Broj: 24238
Podgorica, 10. 08. 2021 20

Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica

Dear Madam or Sir,

In the framework of the subject tender procedure we inform you on the following amendment(s)
to the Bidding Documents:

Addendum N° 2 to the Bidding Documents

Section	Chapter	Original wording	New wording
Section II: Bid Data Sheet	ITB 23.1	The Bid shall be submitted not later than Date: 7th September 2021 Time: 11:00 am local time of Montenegro at the following address, which shall be the controlling address for the purposes of the timely submission of the Bid: Vodovod i kanalizacija d.o.o. Attention Mr Aleksandar Jokmanovic, Project Coordinator Ulica Zetskih vladara bb, 81000 Podgorica Montenegro	The Bid shall be submitted not later than Date: 5th October 2021 Time: 11:00 am local time of Montenegro at the following address, which shall be the controlling address for the purposes of the timely submission of the Bid: Vodovod i kanalizacija d.o.o. Attention Mr Aleksandar Jokmanovic, Project Coordinator Ulica Zetskih vladara bb, 81000 Podgorica Montenegro
Section II: Bid Data Sheet	ITB 26.1	The bid opening shall take place at:	The bid opening shall take place at:

Section	Chapter	Original wording	New wording
		<p>7th September 2021, 13:00 local time of Montenegro</p> <p>at</p> <p>Vodovod i kanalizacija d.o.o. Ulica Zetskih vladara bb, 81000 Podgorica Montenegro</p> <p>No minimum number of bids is required in order to proceed to bid opening.</p>	<p>5th October 2021, 13:00 local time of Montenegro</p> <p>at</p> <p>Vodovod i kanalizacija d.o.o. Ulica Zetskih vladara bb, 81000 Podgorica Montenegro</p> <p>No minimum number of bids is required in order to proceed to bid opening.</p>

We kindly ask you to confirm receipt of the present Addendum.

Sincerely yours,

(Filip Makrid, Executive Director, Vodovod i kanalizacija d.o.o. (ViK) Podgorica)





81000 PODGORICA, ul. Zetskih vladara bb,

PIB: 02015641, PDV: 20/31-00109-1

Telefoni: centrala 020/440 300, fax: 440 362, komerc. sl. tel/fax: 440 364

Vodovodna mreža: 440 309, kanalizacija: 440 325, tehnička priprema 440 312

E-mail: vikpg@t-com.me, Web. www.vikpg.co.me

Žiro računi:

PG banka: 550-1105-66

CKB: 510-8284-20

Prva banka CG: 535-9562-08

Hipotekarna banka: 520-9074-13

Broj: 25967

Podgorica, 26. 08. 2021.

**To Prequalified Bidders for
Tender 2019-KFW-WBIF-C1-02**

**Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica**

Dear Madam or Sir,

In the framework of the subject tender procedure we inform you on the following amendment(s)
to the Bidding Documents:

Addendum N° 4 to the Bidding Documents

Amendment No. 4.1

Section	Chapter	Original wording				
Volume 2 Schedules. Part A Schedules of Operational Performance and Consumption Guarantees	Section A.3.3.2, Table E Consumption guarantees, Item 2.3	2.3	Excess Sludge thickening (excess sludge with a concentration between 0,6 and 0,9%)	Specific polymer consumption	g / kg DS	• Max 2 g/kg DS • g polymer refers to the active ingredient only;
		New wording				
		2.3	Excess Sludge thickening (excess sludge with a concentration between 0,6 and 0,9%)	Specific polymer consumption	g / kg DS	• Max 4 g/kg DS • g polymer refers to the active ingredient only;

Amendment No. 4.2

Section	Chapter	Original wording											
Volume 1, Section III,	Section 4.2 Operating Costs Present Value. Table "Methodology for the Calculation of the Plant's Operation Costs"	3.3	Bicarbonate consumption	t_h yearly operation time in hours per year	h/y	5.520	b_b	Part B, Schedules of Particulars 3.5.2: Bicarbonate consumption DLC	kg/h	t/y	306	€/t	
		$\text{Bicarbonate consumption} = b_b \cdot 10^{-3} \frac{t}{kg} \cdot t_h$											
		New wording											
		3.3	Bicarbonate consumption	t_h yearly operation time in hours per year	h/y	5.520	c_b	Consumption guarantee, Volume 2, Part A, Section A.3.3.2, Table E, Item 3.15: Sodium bicarbonate consumption - Maximum stoichiometric factor DLC	-	t/y	306	€/t	
		$\text{Bicarbonate consumption} = 21 \frac{kg}{h} \cdot c_b \cdot 10^{-3} \frac{t}{kg} \cdot t_h$											

Section	Chapter	Original wording											
Section	Chapter	Original wording											
Volume 1, Section III,	Section 4.2 Operating Costs Present Value. Table "Methodology for the Calculation of the Plant's Operation Costs"	3.4 FGT Residues disposal											
		3.4.1	FGT residues disposal: Bicarbonate	t_h yearly operation time in hours per year	h/y	5.520	b_b	Part B, Schedules of Particulars 3.5.2: Bicarbonate consumption DLC	kg/h		t/y	480	€/t
							c_b	consumption guarantee 3.15: Sodium bicarbonate consumption - Maximum stoichiometric factor DLC	-				
$FGT\ Residues\ production\ from\ bicarbonate = b_b \cdot (c_b - 1) \cdot 10^{-3} \frac{t}{kg} \cdot t_h$													
New wording													
		3.4 FGT Residues and ash disposal											
		3.4.1	FGT residues disposal	S_{DS} yearly SSTP sludge production for the year 2030 ⁽¹⁾	t_{DS}/y	3.119	b_b	Guarantee on by-products production, Volume 2, Part A, Section A.3.4, Table F, Item 3.4: FGT residues - Specific production of FGT residues	kg/ t_{DS}		t/y	480	€/t
$FGT\ Residues\ production = S_{DS} \cdot b_b \cdot 10^{-3} \frac{t}{kg}$													
		$(1): (S_{DS} = s_{SSTP} \cdot DR = 12.475 \frac{t_{OS}}{y} \cdot 0,25 \frac{t_{DS}}{t_{OS}} = 3.119 \frac{t_{DS}}{y})$											
Section	Chapter	Original wording											
Volume 1, Section III,	Section 4.2 Operating Costs Present Value. Table "Methodology for the Calculation of the Plant's Operation Costs"	3.4.2	FGT residues disposal: Ash	t_h yearly operation time in hours per year	h/y	5.520	p_r	operational performance guarantee 3.63: Flue gas outlet volume flow in DLC - Maximum volume flow in DLC with 5 % O2 (dry)	Nm³/h		t/y	480	€/t
							b_a	Part B, Schedules of Particulars 3.5.1: Ash	mg/Nm³				

Section	Chapter	Original wording											
								content ESP outlet DLC					
								$FGT \text{ residues production from ashes} =$ $p_f \cdot b_e \cdot 10^{-9} \frac{t}{mg} \cdot 0,99 \cdot t_h$					
		New wording											
		3.4.2	Ash disposal	S _{DS} yearly SSTP sludge production for the year 2030 ⁽¹⁾	t _{DS} /y	3.119	b _a	Guarantee on by-products production, Volume 2, Part A, Section A.3.4, Table F, Item 3.2: Ashes - Specific production of ashes	kg/t _{DS}		t/y	30	€/t
							$Ash \text{ production} = s_{DS} \cdot b_a \cdot$ $10^{-3} \frac{t}{kg}$						
$(1): (s_{DS} = s_{SSTP} \cdot DR = 12.475 \frac{t_{OS}}{y} \cdot 0,25 \frac{t_{DS}}{t_{OS}} = 3.119 \frac{t_{DS}}{y})$													

Amendment No. 4.3

Section	Chapter	Original wording				
Volume 1, Section III,	Section 4.2 Operating Costs Present Value. Table "Methodology for the Calculation of the Plant's Operation Costs"	3.1.	Ashes	Production of ashes from the sludge incineration	m³/a	<ul style="list-style-type: none">For the average load received at the plant in 2023 as indicated in Table Am³ means m³ of wastewater received and treated measured after grit and grease removal.
		3.2		Specific production of ashes from the sludge incineration	kg of ashes per m³ effluent	<ul style="list-style-type: none">m³ means m³ of wastewater received and treated measured after grit and grease removal.
		3.3.	Flue gas treatment (FGT) residues	Production of FGT residues	m³/a	<ul style="list-style-type: none">For the average load received at the plant in 2023 as indicated in Table Am³ means m³ of wastewater received and treated measured after grit and grease removal.
		3.4.		Specific production of FGT residues	l of FGT residues per m³ of effluent	<ul style="list-style-type: none">m³ means m³ of wastewater received and treated measured after grit and grease removal.
		New wording				
		3.1.	Ashes	Production of ashes from the sludge incineration	kg/a	<ul style="list-style-type: none">For the sludge input in 2023 as indicated in Volume 3, Section B.8.2.1, Table 9;kg means kilogrammes of ashes produced by the SSIP;t_{DS} means tons of sludge expressed in dry solids received at the SSIP from the SSTP.
		3.2		Specific production of ashes from the sludge incineration	kg/t _{DS}	
		3.3.	Flue gas treatment (FGT) residues	Production of FGT residues	kg/a	<ul style="list-style-type: none">For the sludge input in 2023 as indicated in Volume 3, Section B.8.2.1, Table 9;kg means kilogrammes of flue gas treatment residues produced by the SSIP;t_{DS} means tons of sludge expressed in dry solids received at the SSIP from the SSTP.
		3.4.		Specific production of FGT residues	kg/t _{DS}	

Amendment No. 4.4

Section	Chapter	Original wording		
Volume 4, Section IX Particular Conditions of Contract	Sub-clause 17.6	Maximum total liability of the Contractor to the Employer	17.6	The product of 1,15 (one point fifteen) times the Accepted Contract Amount
		New wording		
		Maximum total liability of the Contractor to the Employer	17.6	100 % (one hundred percent) of the Accepted Contract Amount

We kindly ask you to confirm receipt of the present Addendum.

Sincerely yours,


.....


(Filip Makrid, Executive Director, Vodovod i kanalizacija d.o.o. (ViK) Podgorica)



Broj: 25374

Podgorica, 27. 09. 2020.

**To Prequalified Bidders for
Tender 2019-KFW-WBIF-C1-02**

**Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica**

Dear Madam or Sir,

In the framework of the subject tender procedure we inform you on the following amendment(s)
to the Bidding Documents:

Addendum N° 5 to the Bidding Documents

Section	Chapter	Original wording	New wording
Section II: Bid Data Sheet	ITB 23.1	<i>Modified by Addendum No. 2 to the Bidding Documents</i> The Bid shall be submitted not later than Date: 5th October 2021 Time: 11:00 am local time of Montenegro at the following address, which shall be the controlling address for the purposes of the timely submission of the Bid: Vodovod i kanalizacija d.o.o. Attention Mr Aleksandar Jokmanovic, Project Coordinator Ulica Zetskih vladara bb, 81000 Podgorica Montenegro	The Bid shall be submitted not later than Date: Monday 18th October 2021 Time: 11:00 am local time of Montenegro at the following address, which shall be the controlling address for the purposes of the timely submission of the Bid: Vodovod i kanalizacija d.o.o. Attention Mr Aleksandar Jokmanovic, Project Coordinator Ulica Zetskih vladara bb, 81000 Podgorica Montenegro

Section	Chapter	Original wording	New wording
Section II: Bid Data Sheet	ITB 26.1	<p><i>Modified by Addendum No. 2 to the Bidding Documents</i></p> <p>The bid opening shall take place at: 5th October 2021, 13:00 local time of Montenegro</p> <p>at</p> <p>Vodovod i kanalizacija d.o.o. Ulica Zetskih vladara bb, 81000 Podgorica Montenegro</p> <p>No minimum number of bids is required in order to proceed to bid opening.</p>	<p>The bid opening shall take place at: Monday, 18th October 2021, 13:00 local time of Montenegro</p> <p>at</p> <p>Vodovod i kanalizacija d.o.o. Ulica Zetskih vladara bb, 81000 Podgorica Montenegro</p> <p>No minimum number of bids is required in order to proceed to bid opening.</p>
Section II Bid Data Sheet	Additional Clause ITB 7.1	--	<p>The Employer will respond in writing to any request for clarification, provided that such request is received <u>not later than the 28th of September 2021.</u></p>

We kindly ask you to confirm receipt of the present Addendum.

Sincerely yours,



(Filip Makrid, Executive Director, Vodovod i kanalizacija d.o.o. (ViK) Podgorica)



DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU "VODOVOD I KANALIZACIJA"

81000 PODGORICA, ul. Zetskih vladara bb,

PIB: 02015641, PDV: 20/31-00109-1

Telefoni: centrala 020/440 300, fax: 440 362, komerc. sl. tel/fax: 440 364

Vodovodna mreža: 440 309, kanalizacija: 440 325, tehnička priprema 440 312

E-mail: vikpg@t-com.me, Web. www.vikpg.co.me

Žiro računi:

PG banka: 550-1105-66

CKB: 510-8284-20

Prva banka CG: 535-9562-08

Hipotekarna banka: 520-9074-13

Broj: 29521
Podgorica, 28. 09. 2021 20

**To Prequalified Bidders for
Tender 2019-KFW-WBIF-C1-02**

**Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica**

Dear Madam or Sir,

In the framework of the subject tender procedure we inform you on the following amendment(s)
to the Bidding Documents:

Addendum N° 6 to the Bidding Documents

Amendment No. 6.1

Section	Chapter	Original wording	New wording
Volume 1, Section I: Instruction to Bidders	ITB 20.3 Bid Security	The Bid Security shall be a demand guarantee in the form of an unconditional guarantee issued by a bank or financial institution (such as an insurance, bonding or surety company) from a reputable source from an eligible country as specified in Section V, Eligibility Criteria. If the unconditional guarantee is issued by a financial institution located outside the Employer's Country, the issuing financial institution shall have a correspondent financial institution located in the Employer's Country to make it enforceable. [...]	The Bid Security shall be a demand guarantee in the form of an unconditional guarantee issued by a bank or financial institution (such as an insurance, bonding or surety company) from a reputable source from an eligible country as specified in Section V, Eligibility Criteria. If the unconditional guarantee is issued by a financial institution located outside the Employer's Country, the issuing financial institution shall have a correspondent financial institution located in the Employer's Country to make it enforceable. In case the issuance of the Bid Security by a correspondent financial institution located in the Employer's Country is not possible, the Bid Security shall be issued by a bank or financial institution from a reputable source located in a member state of the European Union. [...the remaining part of the paragraph remains unchanged...]

Amendment No. 6.2

Section	Chapter	Original wording (revised by Amendment No. 4.4 to the Bidding Documents)	New wording
Volume a, Section IX: Particular Conditions of Contract	Sub- Clause 17.6 Maximum total liability of the Contractor to the Employer	100 % (one hundred percent) of the Accepted Contract Amount	100 % (one hundred percent) of the Accepted Contract Amount. This value is reduced to 10 % of the Accepted Contract Amount of Section A and Section B of the Works after expiration of the respective Defects Notification Period.

We kindly ask you to confirm receipt of the present Addendum.

Sincerely yours,



(Filip Makrid, Executive Director, Vodovod i kanalizacija d.o.o. (ViK) Podgorica)



Broj: 29522

Podgorica, 28. 09. 2021. 20

**To Prequalified Bidders for
Tender 2019-KFW-WBIF-C1-02**

**Ref: Wastewater Collection and Treatment Project Podgorica
Tender 2019-KFW-WBIF-C1-02
Components 1, 2 and 3 - Works for Construction of a Wastewater Treatment
Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant
for the City of Podgorica**

Dear Madam or Sir,

In the framework of the subject tender procedure we inform you on the following amendment(s)
to the Bidding Documents:

Addendum N° 7 to the Bidding Documents

Section	Chapter	Original wording	New wording
Volume 3, Employer's Requirements, 1. Specifications, b) Technical Specifications, Part Particular Process and Design Requirements	Section B.6.5	--	Following paragraph is inserted after the headline "B.6.5. Biological and Chemical Wastewater Treatment Facility": "The process and tank dimensions shall be designed in accordance with German DWA-A131 (2016) and DWA-A202 (2011)"
Volume 3, Employer's Requirements, 1. Specifications, b) Technical Specifications, Part Particular Process and Design Requirements	Section B.6.5.1.1., 2 nd paragraph	The process and the tank dimensions shall be designed in accordance with German DWA-A131 (2000) and additionally in accordance with DWA- A131(2016) "Dimensioning of Single- Stage Activated Sludge Plants" for the design loads of horizon 2023, 2035 and 2045 by use of the factors and coefficients specified in below table.	The process and the tank dimensions shall be designed in accordance with German DWA-A131 (2016) "Dimensioning of Single-Stage Activated Sludge Plants" for the design loads of horizon 2023, 2035 and 2045 by use of the factors and coefficients specified in below table". The aeration and mixing shall be designed in accordance with German DWA M-229 (2017).

(iv) Particular Conditions (PC)

- **Particular Conditions**
- **Contract Form Securities**

(iv) Particular Conditions (PC)

- **Particular Conditions**
- **Contract Form Securities**

Section IX. Particular Conditions (PC)

The following Particular Conditions shall supplement the GC. Whenever there is a conflict, the provisions herein shall prevail over those in the GC.

Table of Content

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Part A - Contract Data

Conditions	Sub-Clause	Data
Employer's name and address	1.1.2.2 & 1.3	Vodovod i kanalizacija d.o.o. Ulica Zetskih vladara bb, 81000 Podgorica Montenegro Tel: +382 20 440 300 Tel / Fax: +382 20 440 114
Engineer's name and address	1.1.2.4 & 1.3	Fichtner Water & Transportation GmbH , Germany In association with IWA Consalt d.o.o. , Serbia and Wandschneider + Gutjahr ingenieurgesellschaft mbh , Germany 8 Marta br 74 Podgorica, Montenegro Tel.: +382 20 221 533
Bank's name	1.1.2.11	KfW Development Bank ("KfW"), leading financing agency of the project funding agencies including KfW Development Bank, the EU Western Balkan Investment Framework ("WBIF") and the Capital City Podgorica.
Borrower's name	1.1.2.12	Government of Montenegro through Ministry of Ecology, Spatial Planning and Urbanism
Time for Completion of the Works	1.1.3.3	Section A: 30 months for the wastewater treatment plant (WWTP), sewage sludge treatment plant (SSTP), small hydro-power plant (SHPP) and common facilities (CF) Section B: 36 months for the sewage sludge incineration plant (SSIP) Section C: 24 months for the operation and maintenance of Section A Works Section C: 36 months for the operation and maintenance of Section B Works
Defects Notification Period	1.1.3.7	12 months for the Section A Works (wastewater treatment plant - WWTP, sewage sludge treatment plant - SSTP, small hydro-power plant - SHPP and common facilities - CF) 24 months for the Section B Works (sewage sludge incineration plant - SSIP)
Reasonable profit	1.1.4.13	Five (5) %

Section IX: Particular Conditions of Contract

Conditions	Sub-Clause	Data
Electronic transmission systems	1.3	Issuance of approvals, certificates, consents, determinations, notices, requests and discharges via electronic transmission only shall not be allowed. Issuance shall be in writing and delivered by hand (against receipt) or sent by mail or courier. However a digital copy of the above documents shall be additionally issued by electronic transmission (Email).
Governing Law	1.4	Law of Montenegro
Ruling language	1.4	English
Language for communications	1.4	English
Care and Supply of Documents No. of copies of Contractor's Documents	1.8	Six (6) soft (digital) copies and Six (6) hard (paper) copies
Time for Access to the Site	2.1	14 Days after Commencement Date
Amount of Performance Security	4.2	<ul style="list-style-type: none"> A Performance Security is to be submitted within 28 days after receiving the Letter of Acceptance and shall be in the form of an unconditional bank guarantee in the amount(s) of 10 % (ten percent) of the Contract Price but not including the Contract Amount for Section C ("Section A and Section B Performance Bond"). A further Performance Security is to be submitted 28 days prior to commencement of the Section C Services and shall be in the form of an unconditional bank guarantee in the amount(s) of 10 % (ten percent) of the Contract Amount for Section C ("Section C Performance Bond") but at least 100,000 EUR.
Subcontractors	4.4	Direct payment of Sub-Contractors is allowed: no
Progress reports	4.21	<p>Monthly progress reports shall be prepared by the Contractor and submitted to the Engineer in:</p> <ul style="list-style-type: none"> Two (02) English copies Two (02) Montenegrin copies <p>In addition to the above mentioned hard copies, soft copies of the above reports shall be submitted via electronic transmission or on digital support in pdf and MS-Office processable format (docx, .xlsx, .pptx). Drawings shall be delivered in the pdf and dwg format.</p>

Conditions	Sub- Clause	Data
Period for notifying unforeseeable errors, faults and defects in the Employer's Requirements	5.1	Twenty eight (28) days
Normal working hours	6.5	From 07:00 am until 06:00 pm
Delay damages for the Works	8.7 & 14.15(b)	0,1 % of the Contract Price per day.
Maximum amount of delay damages	8.7	10 % of the final Contract Price. Reference is made to the table "Summary of Sections" on page 7 below.
Provisional Sums	13.5.(b) (ii)	Eight (8) % for overhead charges and profit

Conditions	Sub-Clause	Data
Adjustments for Changes in Cost	13.8	<p>Prices quoted by the Bidder for the design, construction, commissioning and testing of the plant, i.e. all works and services to be provided until issuance of the Taking-Over Certificates, shall be fixed. This includes all prices quoted in the Prices Schedule with the exception of Prices quoted in Schedule 4b for Section C Technical Operation Management Services.</p> <p>Technical Operation Management Services quoted in the Price Schedules in Schedule 4b shall be subject to adjustment by use of the Price Adjustment Formula indicated below:</p> $P_n = P_o \times (0,15 + (0,85 \times \frac{L_n}{L_o}))$ <p>With: P_n = revised price P_o = base price L_n = revised index L_o = base index</p> <p>The applicable index for price adjustment is:</p> <ul style="list-style-type: none"> • Index code: Consumer Price Index in Montenegro published by Monstat • Index description / identification: Consumer Price Index • Index publication source: Statistical Office of Montenegro (Monstat) • Base value L_o of the Index ⁽¹⁾: 108.9 (10/2021) <p>⁽¹⁾: Index of the month of the deadline for bid submission.</p>
Contract Price	14.1(b) & 14.1(e)	<p>In accordance to the Separate Agreement to the German Financial Cooperation with Montenegro / Wastewater Collection and Treatment Podgorica, dated 22.09.2017, the Contractor and its Sub-Contractors shall be exempt from Value Added Tax expenses for payments relating to Section A and Section B Works in accordance with the Law on Value Added Tax (Official Gazette of Montenegro, No. 65/01 of 31 March 2003) and Rulebook on Value Added Tax exemptions for investors and supply of certain goods and services ("Official Gazette of Montenegro", No. 068/15 of December 8, 2015).</p>

Section IX: Particular Conditions of Contract

Conditions	Sub-Clause	Data
Total advance payment	14.2	Twenty percent (20 %) of the Accepted Contract Amount but not including the Contract Amount for Section C.
Number and timing of instalments	14.2	One
Currencies and proportions	14.2	100% in Euro (€)
Start repayment of advance payment	14.2(a)	When payments are twenty percent (20 %) of the Accepted Contract Amount less the Contract Amount for Section C and less Provisional Sums.
Repayment amortization rate of advance payment	14.2(b)	Thirty five percent (35 %) of the amount of each Payment Certificate (excluding the advance payment and deduction and repayments of retention).
Application for Interim Payment Certificates Copies of Statement	14.3	Three (3) soft (digital) copies and Three (3) hard (paper) copies.
Percentage of Retention	14.3(c)	10 %
Limit of Retention Money	14.3(c)	10 % of the Accepted Contract Amount
Plant and Materials	14.5(b)(i) 14.5(c)(i)	Not applicable Plant and Materials for payment when delivered to the Site according to Price Schedule 1 and Price Schedule 2
Minimum Amount of Interim Payment Certificates	14.6	Five percent (5 %) of the Accepted Contract Amount except for the Section C (Technical Operation Management services) for which the quarterly minimum amount is set to 100.000 €.
Contractor's Bank Account	14.7	Bank Name: Türkiye İş Bankası Branch: Başkent Kurumsal Account Number: 10506 IBAN Number: TR14 0006 4000 0024 3990 0105 06
Delayed Payment	14.8	The interest rate for delayed payments is LIBOR + 2%
Currency / currencies of payment	14.15	EURO
Maximum total liability of the Contractor to the Employer	17.6	The product of 1,15 (one point fifteen) times the Accepted Contract Amount

Section IX: Particular Conditions of Contract

Conditions	Sub-Clause	Data
Periods for submission of insurance: a. evidence of insurance b. relevant policies	18.1	Fourteen (14) days after the Commencement date Twenty-eight (28) days after the Commencement Date
Maximum amount of deductibles for insurance of the Employer's risks	18.2(d)	Up to two hundred fifty thousand Euro (250.000 EUR)
Minimum amount of third party insurance per occurrence	18.3	One million Euro (1.,000.000 EUR) per occurrence, with unlimited number of occurrences
Date by which the DB shall be appointed	20.2	28 days after the Commencement date
The DB shall be comprised of	20.2	One sole member / adjudicator
Appointment (if not agreed) to be made by	20.3	President of FIDIC or a person appointed by the President]
Arbitration institution	20.6(a)	For foreign Contractors: International Chamber of Commerce For local / locally registered Contractors: arbitration shall be conducted in accordance with the Montenegrin Law on Arbitration (Off Gazette of Montenegro 47/15) and in accordance with the Arbitration Rules of the Arbitration Court at the Chamber of Economy of Montenegro (ACCEMN)
Arbitration rules	20.6(a)	Rules of the International Chamber of Commerce and UNCITRAL
Place of arbitration	20.6	Podgorica, Montenegro

Table: Summary of Sections

Section Name/Description (Sub-Clause 1.1.5.6)	Time for Completion (Sub-Clause 1.1.3.3)	Damages for Delay (Sub- Clause 8.7)
Preliminary Design, Submission	2 months	One thousand (1.000) EUR/day up to € 100.000 ⁽¹⁾
Detailed Design, Submission	5 months	One thousand (1.000) EUR/day up to € 100.000 ⁽¹⁾
Section A: Wastewater treatment plant (WWTP), sewage sludge treatment plant (SSTP), small hydro-power plant (SHPP) and common facilities (CF)	30 months	0,1 % of Contract Price related to Section 1 per day up to 10 % of CP
Section B Sewage sludge incineration plant (SSIP)	36 months	0,1 % of Contract Price related to Section 2 per day up to 10 % of CP
Section C: Technical Operation Management Services	Section 1: 24 months after Taking Over; Section 2: 36 months after Taking Over	Not applicable

⁽¹⁾ These delay damages apply only to the Design Phase of the Works but will be consider as part of the overall 10% total delay damages applicable under the Contract in accordance with Subclause 8.7.

Part B - Specific Provisions

Conditions	Sub-Clause	Specific Provisions
Contract	1.1.1	<i>Add under 1.1.1.1 "Contract" the sentence:</i> "The Contract requires the no-objection by the Bank for becoming eligible for any disbursement under the Bank's loan."
	1.1.1.9	<i>Delete this Sub-Clause and replace by:</i> "Contract Data" means the pages completed by The Employer entitled Contract Data which constitute Part A of the Particular Conditions. Wherever the term "Appendix to Tender" is used in the Conditions of Contract then it is to be replaced by "Contract Data".
Parties and Persons	1.1.2.11	<i>Add the following new Sub-Clause:</i> "Bank" means the financing institution (if any) named in the Contract Data.
	1.1.2.12	<i>Add the following new Sub-Clause:</i> "Borrower" means the person (if any) named as the borrower in the Contract Data.
Defects Notification Period	1.1.3.7	Add, at the end of the Sub-Clause "or taken over under Sub-Clause 10.2 [Taking Over of Parts of the Works]"
Money and Payments	1.1.4.13	<i>Add the following new Sub-Clause:</i> "Cost plus reasonable profit" means Cost plus the applicable percentage for reasonable profit stated in the Contract Data. Such percentage shall only be added to Cost, and "Cost plus reasonable" shall only be added to the Contract Price, where the Contractor is entitled under a Sub-Clause of these Conditions to payment of "Cost plus reasonable Profit"
Site	1.1.6.7	<i>Add as last sentence</i> "The areas for any Temporary Works which lie outside the confines of the Site, and the areas required for any temporary traffic diversions, shall be arranged and provided by the Contractor, but shall be deemed to form part of the Site."
Notice of Dissatisfaction	1.1.6.10	<i>Additional Sub-Clause:</i> "Notice of Dissatisfaction" means the notice given by either Party to the other under Sub-Clause 20.4 [Obtaining Dispute Board's Decision]
Exceptionally Adverse Climatic Conditions	1.1.6.11	<i>Additional Sub-Clause</i> "Exceptionally Adverse Climatic Conditions" means: <ul style="list-style-type: none"> for rainfall: a daily - or over several successive days - rainfall equal or higher than a 5 year frequency event measured at a local (in the Podgorica Area)

Conditions	Sub-Clause	Specific Provisions
		<p>meteorological station from the Montenegrin Institute for Hydrometeorology and Seismology;</p> <ul style="list-style-type: none"> for wind: a wind with a velocity equal or over 25 m/s over a duration of minimum 15 minutes, measured at a local (in the Podgorica Area) meteorological station from the Montenegrin Institute for Hydrometeorology and Seismology. <p>Other climatic conditions like temperature, snow, frost will not be considered.</p> <p>It is the Contractor's responsibility to collect the relevant data on measured rainfall or wind at the Montenegrin Institute for Hydrometeorology and Seismology as well as, if the case may be, relevant statistical rainfall data at the same meteorological station.</p>
Exceptionally high Water Levels of Moraca River	1.1.6.12	<p><i>Additional Sub-Clause</i></p> <p>"Exceptionally high water level means a water level of Moraca River at the height of the Construction Site of 21,5 m"</p>
Communications	1.3	<p><i>Add the following at the end of item (a), after "Contract Data" and before "":</i></p> <p>"In case of electronic transmission, these communications shall be in the form of an un-editable record attached to an electronic mail, such as a PDF document for instance, and any other communication transmitted in a different manner, such as the email body text, shall not be construed as communication under the Contract".</p>
Inspections and Audit by KfW	1.15	<p><i>Add new Sub-Clause:</i></p> <p>"The Contractor shall permit, and shall cause its agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers and any personnel thereof, to permit, KfW and/or persons appointed by the KfW to inspect the Site and all accounts and records relating to the performance of the Contract and the submission of the Bid, and to have such accounts and records audited by auditors appointed by KfW if requested by KfW.</p> <p>The Contractor's attention is drawn to Sub-Clause 15.6 [Corrupt or Fraudulent Practices] which provides, inter alia, that acts intended to materially impede the exercise of KfW's inspection and audit rights provided for under Sub-Clause 1.15 constitute a prohibited practice subject to contract termination."</p>

Section IX: Particular Conditions of Contract

Conditions	Sub-Clause	Specific Provisions
The Employer's Claims	2.5	<i>Replace the first sentence of the second paragraph as follows: "Notice shall be given as soon as practicable but not later than 42 days after the Employer became aware of the event or circumstances giving rise to the claim."</i>
Replacement of the Engineer	3.4	Not applicable
Contractor's General Obligations	4.1	<i>Insert the following at the end of the 2nd paragraph:</i> "Goods and services from countries under embargo from Germany, the European Union or the United Nations are not eligible and shall not be used by the Contractor."
Performance Security	4.2	<i>Delete last sentence of second paragraph and replace by the sentence:</i> "The Performance Security shall be issued by a reputable bank or financial institution selected by the Contractor and requiring the Bank's non-objection, and shall be in the form annexed to the Particular Conditions."
Subcontractors	4.4	Add the following at the end of the Sub-Clause: "Unless explicitly agreed to by the Engineer, the ESHS Specifications apply to all Subcontractors and Suppliers used for the execution of the Works. The Contractor is fully liable for all actions, non-compliance and negligence by Subcontractors and Suppliers their representatives, employees and workers, to the same degree as it would be held liable for its own actions, non-compliance or negligence or that of its own representatives, employees or workers."
Safety Procedures	4.8	<i>Add the following at the end of the Sub-Clause:</i> f) The Contractor shall ensure compliance with the ESHS Specifications.
Protection of the Environment	4.18	<i>Add the following after the last paragraph:</i> "These provisions are complemented by those listed under the ESHS Specifications which the Contractor must ensure compliance with."
Progress reports	4.21	<i>Add the following new item at the end of the Sub-Clause:</i> "(i) matters requested under the ESHS Specifications."
Fossils	4.24	<i>Add the following at the end of the Sub-Clause:</i> "Any items found are the property of the Republic of Montenegro. The Contractor shall pass over any items to the authorities of the Republic of Montenegro."

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Conditions	Sub-Clause	Specific Provisions
As-Built Documents	5.6	<i>Insert in the last sentence of the first paragraph after 'two copies':</i> 'each copy in English and Montenegrin language' <i>'In the first sentence of the third paragraph, after Employer's Requirements' add:</i> 'each copy in English and Montenegrin language'
Operation and Maintenance Manuals	5.7	<i>Insert in the last sentence:</i> 'each copy in English and Montenegrin language'
Staff and Labour	6.	<i>Clause 6 is deleted in its entirety and replaced by the following:</i>
Engagement of Staff and Labour	6.1	Except as otherwise stated in the Specification, the Contractor shall make arrangements for the engagement of all staff and labour, local or otherwise, and for their payment, feeding, transport, and, when appropriate, housing. The Contractor is encouraged, to the extent practicable and reasonable, to employ staff and labour with appropriate qualifications and experience from sources within the Country.
Rates of Wages and Conditions of Labour	6.2	The Contractor shall pay rates of wages, and observe conditions of labour, which are not lower than those established for the trade or industry where the work is carried out. If no established rates or conditions are applicable, the Contractor shall pay rates of wages and observe conditions which are not lower than the general level of wages and conditions observed locally by employers whose trade or industry is similar to that of the Contractor. The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in the Country in respect of such of their salaries, wages, allowances and any benefits as are subject to tax under the Laws of the Country for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him by such Laws.
Persons in the Service of Employer	6.3	The Contractor shall not recruit, or attempt to recruit, staff and labour from amongst the Employer's Personnel.
Labour Laws	6.4	The Contractor shall comply with all the relevant labour Laws applicable to the Contractor's Personnel, including Laws relating to their employment, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights.

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Conditions	Sub-Clause	Specific Provisions
		The Contractor shall require his employees to obey all applicable Laws, including those concerning safety at work.
Working Hours	6.5	<p>No work shall be carried out on the Site on locally recognised days of rest, or outside the normal working hours stated in the Contract Data, unless:</p> <ul style="list-style-type: none"> (a) otherwise stated in the Contract, (b) the Engineer gives consent, or (c) the work is unavoidable, or necessary for the protection of life or property or for the safety of the Works, in which case the Contractor shall immediately advise the Engineer.
Facilities for Staff and Labour	6.6	<p>Except as otherwise stated in the Specification, the Contractor shall provide and maintain all necessary accommodation and welfare facilities for the Contractor's Personnel. The Contractor shall also provide facilities for the Employer's Personnel as stated in the Specification.</p> <p>The Contractor shall not permit any of the Contractor's Personnel to maintain any temporary or permanent living quarters within the structures forming part of the Permanent Works.</p>
Health and Safety	6.7	<p>The Contractor shall at all times take all reasonable precautions to maintain the health and safety of the Contractor's Personnel. In collaboration with local health authorities, the Contractor shall ensure that medical staff, first aid facilities, sick bay and ambulance service are available at all times at the Site and at any accommodation for Contractor's and Employer's Personnel, and that suitable arrangements are made for all necessary welfare and hygiene requirements and for the prevention of epidemics.</p> <p>The Contractor shall appoint an accident prevention officer at the Site, responsible for maintaining safety and protection against accidents. This person shall be qualified for this responsibility, and shall have the authority to issue instructions and take protective measures to prevent accidents. Throughout the execution of the Works, the Contractor shall provide whatever is required by this person to exercise this responsibility and authority.</p> <p>The Contractor shall send, to the Engineer, details of any accident as soon as practicable after its occurrence. The Contractor shall maintain records and make reports concerning health, safety and welfare of persons, and</p>

Section IX: Particular Conditions of Contract

Conditions	Sub-Clause	Specific Provisions
		<p>damage to property, as the Engineer may reasonably require.</p> <p>HIV-AIDS Prevention. The Contractor shall conduct an HIV-AIDS awareness programme via an approved service provider, and shall undertake such other measures as are specified in this Contract to reduce the risk of the transfer of the HIV virus between and among the Contractor's Personnel and the local community, to promote early diagnosis and to assist affected individuals.</p> <p>The Contractor shall throughout the contract (including the Defects Notification Period): (i) conduct Information, Education and Communication (IEC) campaigns, at least every other month, addressed to all the Site staff and labour (including all the Contractor's employees, all Subcontractors and any other Contractor's or Employer's personnel employees, and all truck drivers and crew making deliveries to Site for construction activities) and to the immediate local communities, concerning the risks, dangers and impact, and appropriate avoidance behaviour with respect to, of Sexually Transmitted Diseases (STD) - or Sexually Transmitted Infections (STI) in general and HIV/AIDS in particular; (ii) provide male or female condoms for all Site staff and labour as appropriate; and (iii) provide for STI and HIV/AIDS screening, diagnosis, counselling and referral to a dedicated national STI and HIV/AIDS programme, (unless otherwise agreed) of all Site staff and labour.</p> <p>The Contractor shall include in the programme to be submitted for the execution of the Works under Sub-Clause 8.3 an alleviation programme for Site staff and labour and their families in respect of Sexually Transmitted Infections (STI) and Sexually Transmitted Diseases (STD) including HIV/AIDS. The STI, STD and HIV/AIDS alleviation programme shall indicate when, how and at what cost the Contractor plans to satisfy the requirements of this Sub-Clause and the related specification. For each component, the programme shall detail the resources to be provided or utilised and any related sub-contracting proposed. The programme shall also include provision of a detailed cost estimate with supporting documentation. Payment to the Contractor for preparation and implementation this programme shall not exceed the Provisional Sum dedicated for this purpose.</p>
Contractor's Superintendence	6.8	Throughout the execution of the Works, and as long thereafter as is necessary to fulfil the Contractor's obligations, the Contractor shall provide all necessary

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Conditions	Sub-Clause	Specific Provisions
		<p>superintendence to plan, arrange, direct, manage, inspect and test the work.</p> <p>Superintendence shall be given by a sufficient number of persons having adequate knowledge of the language for communications (defined in Sub-Clause 1.4 [Law and Language]) and of the operations to be carried out (including the methods and techniques required, the hazards likely to be encountered and methods of preventing accidents), for the satisfactory and safe execution of the Works.</p>
Contractor's Personnel	6.9	<p>The Contractor's Personnel shall be appropriately qualified, skilled and experienced in their respective trades or occupations. The Engineer may require the Contractor to remove (or cause to be removed) any person employed on the Site or Works, including the Contractor's Representative if applicable, who:</p> <ul style="list-style-type: none"> (a) persists in any misconduct or lack of care, (b) carries out duties incompetently or negligently, (c) fails to conform with any provisions of the Contract, or (d) persists in any conduct which is prejudicial to safety, health, or the protection of the environment. <p>If appropriate, the Contractor shall then appoint (or cause to be appointed) a suitable replacement person.</p>
Records of Contractor's Personnel and Equipment	6.10	<p>The Contractor shall submit, to the Engineer, details showing the number of each class of Contractor's Personnel and of each type of Contractor's Equipment on the Site. Details shall be submitted each calendar month, in a form approved by the Engineer, until the Contractor has completed all work, which is known to be outstanding at the completion date stated in the Taking-Over Certificate for the Works.</p>
Disorderly Conduct	6.11	<p>The Contractor shall at all times take all reasonable precautions to prevent any unlawful, riotous or disorderly conduct by or amongst the Contractor's Personnel, and to preserve peace and protection of persons and property on and near the Site.</p>
Foreign Personnel	6.12	<p>The Contractor may bring in to the Country any foreign personnel who are necessary for the execution of the Works to the extent allowed by the applicable Laws. The Contractor shall ensure that these personnel are provided with the required residence visas and work permits. The Employer will, if requested by the Contractor, use his best endeavours in a timely and expeditious manner to assist</p>

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Conditions	Sub-Clause	Specific Provisions
		<p>the Contractor in obtaining any local, state, national or government permission required for bringing in the Contractor's personnel.</p> <p>The Contractor shall be responsible for the return of these personnel to the place where they were recruited or to their domicile. In the event of the death in the Country of any of these personnel or members of their families, the Contractor shall similarly be responsible for making the appropriate arrangements for their return or burial.</p>
Supply of Foodstuffs	6.13	The Contractor shall arrange for the provision of a sufficient supply of suitable food as may be stated in the Specification at reasonable prices for the Contractor's Personnel for the purposes of or in connection with the Contract.
Supply of Water	6.14	The Contractor shall, having regard to local conditions, provide on the Site an adequate supply of drinking and other water for the use of the Contractor's Personnel.
Measures against Insect and Pest Nuisance	6.15	The Contractor shall at all times take the necessary precautions to protect the Contractor's Personnel employed on the Site from insect and pest nuisance, and to reduce the danger to their health. The Contractor shall comply with all the regulations of the local health authorities, including use of appropriate insecticide.
Alcoholic Liquor or Drugs	6.16	The Contractor shall not, otherwise than in accordance with the Laws of the Country, import, sell, give, barter or otherwise dispose of any alcoholic liquor or drugs, or permit or allow importation, sale, gift, barter or disposal thereof by Contractor's Personnel.
Arms and Ammunition	6.17	The Contractor shall not give, barter, or otherwise dispose of, to any person, any arms or ammunition of any kind, or allow Contractor's Personnel to do so.
Festivals and Religious Customs	6.18	The Contractor shall respect the Country's recognized festivals, days of rest and religious or other customs.
Funeral Arrangements	6.19	The Contractor shall be responsible, to the extent required by local regulations, for making any funeral arrangements for any of his local employees who may die while engaged upon the Works.
Prohibition of Forced or Compulsory Labour	6.20	The Contractor shall not employ forced labour, which consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour-contracting arrangements.

Conditions	Sub-Clause	Specific Provisions
Prohibition of Harmful Child Labour	6.21	The Contractor shall not employ children in a manner that is economically exploitative, or is likely to be hazardous, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development. Where the relevant labour laws of the Country have provisions for employment of minors, the Contractor shall follow those laws applicable to the Contractor. Children below the age of 18 years shall not be employed in dangerous work.
Employment Records of Workers	6.22	The Contractor shall keep complete and accurate records of the employment of labour at the Site. The records shall include the names, ages, genders, hours worked and wages paid to all workers. These records shall be summarized on a monthly basis and submitted to the Engineer. These records shall be included in the details to be submitted by the Contractor under Sub-Clause 6.10 [Records of Contractor's Personnel and Equipment].
Workers' Organizations	6.23	In countries where the relevant labour laws recognise workers' rights to form and to join workers' organisations of their choosing without interference and to bargain collectively, the Contractor shall comply with such laws. Where the relevant labour laws substantially restrict workers' organisations, the Contractor shall enable alternative means for the Contractor's Personnel to express their grievances and protect their rights regarding working conditions and terms of employment. In either case described above, and where the relevant labour laws are silent, the Contractor shall not discourage the Contractor's Personnel from forming or joining workers' organisations of their choosing or from bargaining collectively, and shall not discriminate or retaliate against the Contractor's Personnel who participate, or seek to participate, in such organisations and bargain collectively. The Contractor shall engage with such workers' representatives. Workers' organisations are expected to fairly represent the workers in the workforce.
Non-Discrimination and Equal Opportunity	6.24	The Contractor shall not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The Contractor shall base the employment relationship on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, promotion, termination of employment or retirement, and discipline. In countries where the relevant labour laws provide for non-discrimination in employment, the Contractor shall comply

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Conditions	Sub-Clause	Specific Provisions
		with such laws. When the relevant labour laws are silent on non-discrimination in employment, the Contractor shall meet this Sub-Clause's requirements. Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job shall not be deemed discrimination.
Commencement of Works	8.1	<i>Add the following at the end of the Sub-Clause:</i> "As defined in the ESHS Specifications, no physical work may commence on any Project Area until such time the Contractor has prepared and submitted to the Engineer the PA-ESMP, and the Engineer has approved this."
Programme	8.3	<i>Add the following at the end of the Sub-Clause:</i> "The revised programme shall be submitted within 7 days from the date of the Engineer's notice."
Suspension of Work	8.8	<i>Add the following after the last sentence of the Sub-Clause:</i> "As an example, and without limitation to other possible causes, any suspension of work caused by any failure from the Contractor to comply with the obligations stated : (a) Under the ESHS Specifications (if any), in the event of a level 3 non-compliance; (b) Under Sub-Clause 4.8 as to safety procedures; (c) Under Sub-Clause 4.9 as to the quality assurance; (d) Under Sub-Clause 4.18 as to the protection of the environment; or (e) Under Sub-Clause 6.7 as to health and safety; shall be considered as cause of suspension which is the responsibility of the Contractor".
Performance Certificate	11.9	<i>Delete the second paragraph and replace with:</i> The Engineer shall issue the Performance Certificate if the Employer has received all legal permits/license necessary to operate the Works and within 28 days after the latest of the expiry dates of the Operation Management Services Periods, or as soon thereafter as the Contractor has supplied all the Contractor's Documents and completed and tested all the Works, including remedying any defects.

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Conditions	Sub-Clause	Specific Provisions
Evaluation	13.9	<p>Insert new Sub-Clause 13.9:</p> <p>“For Section C (Technical Operation Management) a new rate or price shall be appropriate for an item of work if the measured quantity for this item is decreased by more than 25% from the quantity of this item stated in the Schedule of Prices and the changes in quantities multiplied by such specified unit rate for these items in the Contract exceeds five (5) percent of the Contract Amount for Section C.</p> <p>The new rate shall be applied to the quantity for this item, but the total of new rate multiplied with the new quantity shall not exceed 0,75 of the total of the original rate multiplied with 75% of the original quantity.”</p>
Contract Price	14.1 (b)	<p>Add the following new sentence:</p> <p>“In accordance to the Separate Agreement to the German Financial Cooperation with Montenegro / Wastewater Collection and Treatment Podgorica, dated 22.09.2017, the Contractor and its sub-Contractors shall be exempt from Value Added Tax expenses for payments relating to Section A and Section B Works in accordance with the Law on Value Added Tax (Official Gazette of Montenegro, No. 65/01 of 31 March 2003) and Rulebook on Value Added Tax exemptions for investors and supply of certain goods and services ("Official Gazette of Montenegro", No. 068/15 of December 8, 2015).”</p>
Advance Payment	14.2	<p>Delete last sentence of third paragraph and replace by the sentence: "This guarantee shall be issued by a reputable bank or financial institution selected by the Contractor and requiring the Bank's no objection, and shall be in the form annexed to the Particular Conditions."</p> <p>At the end of the third paragraph add the sentence "Guarantees are to be made payable to the Employer's account at the Bank as listed in the annexed form."</p>
Application for Interim Payment Certificates	14.3	<p>In the 1st sentence of the 1st paragraph, replace “six copies” by “in the number of copies specified in the Contract Data”</p>
Plant and Materials intended for the Works	14.5	<p>In the penultimate paragraph, replace “eighty percent” by “fifty percent”</p>

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Conditions	Sub-Clause	Specific Provisions
Issue of Interim Payment Certificates	14.6 (c)	<p><i>After paragraph (b) add paragraph (c) as follows:</i></p> <p>In the event of an unresolved level 3 non-compliance specified in the ESHS Specifications, the Engineer shall reduce the value of the Interim Payment Certificates as follows:</p> <ul style="list-style-type: none"> (i) If Level 3 Non-conformity not resolved after the first occurrence: by 33,3% for the first Interim Payment Certificate (ii) If Level 3 Non-conformity still not resolved: by 66,6% for the second Interim Payment Certificate (iii) If Level 3 Non-conformity still not resolved: by 100% for the third Interim Payment Certificate <p>If the Level 3 Non-conformity is still not resolved after the last Interim Payment Certificate in (iii) above then payments will be suspended indefinitely until such time as the Level 3 Non-conformity has been resolved.</p> <p>Following the resolution of the Level 3 Non-Conformity, the reduction(s) will be included in the next Interim Payment Certificate for payment. No interest will be paid on any reductions or suspended payment amounts.</p>
Contractor's Bank Account	14.7	<p><i>In the last sentence after "Contractor" insert:</i></p> <p>"and as stated in the Contract Data"</p>
Delayed Payment Interest – foreign currency	14.8	<p><i>After the second paragraph insert a new paragraph as follows:</i></p> <p>The interest rate for payments in foreign currency is as stated in the Contract Data.</p>
Payment of Retention Money	14.9	<p><i>In the fifth paragraph, delete first sentence and replace by the sentence "Unless otherwise stated in the Particular Conditions, when the Taking-Over Certificate has been issued for the Works, and the first half of the Retention Money has been certified for payment by the Engineer, the Contractor may substitute a guarantee issued by a reputable bank or financial institution selected by the Contractor and requiring the Bank's non-objection, for the second half of the Retention Money. The guarantee for the release of the Retention Money has to be acceptable in form and substance to the Bank and shall be valid for the period of the Defects Notification Period."</i></p>
Statement at Completion	14.10	<p><i>In the 1st paragraph, replace "six copies" by "the number of copies stated in the Contract Data"</i></p>
Application for Final Payment Certificate	14.11	<p><i>In the 1st paragraph, replace "six copies" by "the number of copies stated in the Contract Data"</i></p>

Section IX: Particular Conditions of Contract

Conditions	Sub-Clause	Specific Provisions
Corrupt or Fraudulent Practices	15.6	<i>Add the following at the end of the Sub-Clause:</i> “In addition to the provisions of this Sub-Clause, the Contractor is also bound by the provisions found under Appendix 1 to the Particular Conditions of Contract, named “Corrupt and Fraudulent Practices Policy – Social and Environmental Responsibility”.”
Contractor's Entitlement to Suspend Work	16.1	<i>At the end of the second paragraph add the sentence:</i> "The Bank has no legal obligations towards the Contractor and is not obliged to inform the Contractor about suspension of disbursements or any other circumstances or conduct."
Failure to Agree Dispute Adjudication Board	20.3	<i>Add at the end of the first sentence of the last paragraph after the words "of the DAB" the words "out of the international or related national lists of certified adjudicators"</i>

Appendix 1 to Particular Conditions of Contract KfW Policy – Sanctionable Practice – Social and Environmental Responsibility

1. Sanctionable Practice

The PEA and the Contractors (including all members of a Joint Venture and proposed or engaged Subcontractors) must observe the highest standard of ethics during the Tender Process and performance of the Contract.

By signing the Declaration of Undertaking the Contractors declare that (i) they did not and will not engage in any Sanctionable Practice likely to influence the Tender Process and the corresponding Award of Contract to the PEA's detriment, and that (ii) in case of being awarded a Contract they will not engage in any Sanctionable Practice.

Moreover, KfW requires to include in the Contracts a provision pursuant to which Contractors must permit KfW and in case of financing by the European Union also to European institutions having competence under European law to inspect the respective accounts, records and documents relating to the Tender Process and the performance of the Contract, and to have them audited by auditors appointed by KfW.

KfW reserves the right to take any action it deems appropriate to check that these ethics rules are observed and reserves, in particular, the rights to:

- (a) reject an Offer for Award of Contract if during the Tender Process the Bidder who is recommended for the Award of Contract has engaged in Sanctionable Practice, directly or by means of an agent in view of being awarded the Contract;
- (b) declare misprocurement and exercise its rights on the ground of the Funding Agreement with the PEA relating to suspension of disbursements, early repayment and termination if, at any time, the PEA, Contractors or their legal representatives or Subcontractors have engaged in Sanctionable Practice during the Tender Process or performance of the Contract without the PEA having taken appropriate action in due time satisfactory to KfW to remedy the situation, including by failing to inform KfW at the time they knew of such practices.

KfW defines, for the purposes of this provision, the terms set forth below as follows:

Coercive Practice	The impairing or harming, or threatening to impair or harm, directly or indirectly, any person or the property of the person with a view to influencing improperly the actions of a person.
Collusive Practice	An arrangement between two or more persons designed to achieve an improper purpose, including influencing improperly the actions of another person.
Corrupt Practice	The promising, offering, giving, making, insisting on, receiving, accepting or soliciting, directly or indirectly, of any illegal payment or undue advantage of any nature, to or by

any person, with the intention of influencing the actions of any person or causing any person to refrain from any action.

Fraudulent Practice Any action or omission, including misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a person to obtain a financial benefit or to avoid an obligation.

Obstructive Practice Means (i) deliberately destroying, falsifying, altering or concealing evidence material to the investigation or the making of false statements to investigators, in order to materially impede an official investigation into allegations of a Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice, or threatening, harassing or intimidating any Person to prevent them from disclosing their knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) any act intended to materially impede the exercise of KfW's access to contractually required information in connection with an official investigation into allegations of a Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice.

Sanctionable Practice Any Coercive Practice, Collusive Practice, Corrupt Practice, Fraudulent Practice or Obstructive Practice (as such terms are defined herein) which is unlawful under the Financing Agreement.

2. Social and Environmental Responsibility

Projects financed in whole or partly in the framework of Financial Cooperation have to ensure compliance with international Environmental, Social, Health and Safety (ESHS) standards (including issues of sexual exploitation and abuse and gender based violence) Contractors in KfW-financed projects shall consequently undertake in the respective Contracts to:

- (a) comply with and ensure that all their Subcontractors and major suppliers, i.e. for major supply items comply with international environmental and labour standards, consistent with applicable law and regulations in the country of implementation of the respective Contract and the fundamental conventions of the International Labour Organisation¹ (ILO) and international environmental treaties and;
- (b) implement any environmental and social risks mitigation measures, as identified in the environmental and social impact assessment (ESIA) and further detailed in the environmental and social management plan (ESMP) as far as these

¹ In case ILO conventions have not been fully ratified or implemented in the Employer's country the Applicant/Bidder/Contractor shall, to the satisfaction of the Employer and KfW, propose and implement appropriate measures in the spirit of the said ILO conventions with respect to a) workers grievances on working conditions and terms of employment, b) child labour, c) forced labour, d) worker's organisations and e) non-discrimination.

measures are relevant to the Contract and implement measures for the prevention of sexual exploitation and abuse and gender-based violence.

(iv) Particular Conditions (PC)

- **Particular Conditions**
- **Contract Form Securities**

Section A and Section B Performance Security

Beneficiary: *[Insert name and Address of Purchaser]*

Date: *[Insert date of issue]*

PERFORMANCE GUARANTEE No.: *[Insert guarantee reference number]*

Guarantor: *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[Insert name and address of contractor, which in the case of a joint venture shall be the name and address of the joint venture]* (hereinafter called “the Applicant”) has entered into Contract No. *[Insert reference number of the contract]* dated *[Insert contract date]* with the Beneficiary, for the execution of *[Insert object of the contract and brief description of Works]* (hereinafter called “the Contract”). Furthermore we understand that, according to the conditions of the Contract, a performance guarantee is required for *[Insert percentage in words and figures]* % of the contract price less the contract amount for Section C (technical operation and maintenance services).

Waiving all objections and defences, we, as Guarantor, hereby irrevocably and independently undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[Insert guarantee amount and currency in words and figures]*² upon receipt by us of the Beneficiary’s first demand, supported by the Beneficiary’s statement, whether in the demand itself or a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for the demand or the sum specified therein.

[For guarantees issued in foreign currency insert the following:

In the event of any claim under this guarantee, payment shall be effected to *[Either insert the account on which payments are to be made with prior approval from KfW or, if no particular account is provided, insert instead:]* KfW, Frankfurt am Main (BIC: KFWIDEFF, BLZ 500 204 00), account no. 38 000 000 00 (IBAN: DE53 5002 0400 3800 0000 00), for the account of *[Insert name of the Purchaser and the Purchaser’s country]*.

[For guarantees issued in local currency insert the following:

In the event of any claim under this guarantee, payment shall be effected to *[Insert the account on which payments are to be made]*, for the account of *[Insert name of the Purchaser and the Purchaser’s country]*.

This guarantee shall expire not later than *[Insert expiry date]*³.

By this date we must have received any claims for payment by letter or encoded telecommunication.

² This guarantee shall be issued in the contract currency only.

³ This guarantee shall be valid for at least 28 days from the date of contractual contract completion (including warranty obligations) except for Section C (technical operation and maintenance services).

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

[As preferred option regarding guarantee rules insert⁴: This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.]

Place, date

Guarantor's authorized signature(s)

⁴ In the case the issuing bank will not add the preferred option, the following must be added instead: This guarantee is governed by the laws of *[Insert country of jurisdiction]*. Note: the country of jurisdiction shall be the country where the bank's branch issuing the guarantee is physically located.

Section C Performance Security

Beneficiary: *[Insert name and Address of Purchaser]*

Date: *[Insert date of issue]*

PERFORMANCE GUARANTEE No.: *[Insert guarantee reference number]*

Guarantor: *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[Insert name and address of contractor, which in the case of a joint venture shall be the name and address of the joint venture]* (hereinafter called “the Applicant”) has entered into Contract No. *[Insert reference number of the contract]* dated *[Insert contract date]* with the Beneficiary, for the execution of *[Insert object of the contract and brief description of Works]* (hereinafter called “the Contract”). Furthermore we understand that, according to the conditions of the Contract, a performance guarantee is required for *[Insert percentage in words and figures]* % of the contract amount for Section C (technical operation and maintenance services).

Waiving all objections and defences, we, as Guarantor, hereby irrevocably and independently undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[Insert guarantee amount and currency in words and figures]*⁵ upon receipt by us of the Beneficiary’s first demand, supported by the Beneficiary’s statement, whether in the demand itself or a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for the demand or the sum specified therein.

[For guarantees issued in foreign currency insert the following:

In the event of any claim under this guarantee, payment shall be effected to Client, city, account no. insert (IBAN: insert), for the account of *[Insert name of the Purchaser and the Purchaser’s country]*.

This guarantee shall expire not later than *[Insert expiry date]*⁶.

By this date we must have received any claims for payment by letter or encoded telecommunication.

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

⁵ This guarantee shall be issued in the contract currency only.

⁶ This guarantee shall be valid for at least 28 days from the date of contractual contract completion of Section C (technical operation and maintenance services).

[As preferred option regarding guarantee rules insert⁷: This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.]

Place, date

Guarantor's authorized signature(s)

⁷ In the case the issuing bank will not add the preferred option, the following must be added instead: This guarantee is governed by the laws of *[Insert country of jurisdiction]*. Note: the country of jurisdiction shall be the country where the bank's branch issuing the guarantee is physically located.

Advance Payment Security

Beneficiary: *[Insert name and Address of Purchaser]*

Date: *[Insert date of issue]*

ADVANCE PAYMENT GUARANTEE No.: *[Insert guarantee reference number]*

Guarantor: *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[Insert name and address of contractor, which in the case of a joint venture shall be the name and address of the joint venture]* (hereinafter called “the Applicant”) has entered into Contract No. *[Insert reference number of the contract]* dated *[Insert contract date]* with the Beneficiary, for the execution of *[Insert object of the contract and brief description of Works]* (hereinafter called “the Contract”). Furthermore we understand that, according to the conditions of the Contract, an advance payment in the sum of *[Insert amount and currency in words and figures]*⁸, representing *[Insert percentage in words and figures]* % of the contract price, but not including the contract amount for Section C (technical Operation Management services), is to be made against an advance payment guarantee.

Waiving all objections and defences, we, as Guarantor, hereby irrevocably and independently undertake to pay the Beneficiary, any sum or sums not exceeding in total an amount of *[Insert guarantee amount and currency in words and figures]* upon receipt by us of the Beneficiary’s first demand, supported by the Beneficiary’s statement, whether in the demand itself or a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for the demand or the sum specified therein.

The advance payment guarantee shall come into force and effect as soon as the advance payment has been credited to the Applicant on its account. Minor deductions of the above mentioned amount notably due to bank fees shall have no effect on the entry into force.

[For guarantees issued in foreign currency insert the following:

In the event of any claim under this guarantee, payment shall be effected to *[Either insert the account on which payments are to be made with prior approval from KfW or, if no particular account is provided, insert instead:]* KfW, Frankfurt am Main (BIC: KFWIDEFF, BLZ 500 204 00), account no. 38 000 000 00 (IBAN: DE53 5002 0400 3800 0000 00), for the account of *[Insert name of the Purchaser and the Purchaser’s country]*.

[For guarantees issued in local currency insert the following:

⁸ This guarantee must be issued in the contract currency only.

In the event of any claim under this guarantee, payment shall be effected to *[Insert the account on which payments are to be made]*, for the account of *[Insert name of the Purchaser and the Purchaser's country]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety (90) per cent of the Accepted Contract Amount, less provisional sums, has been certified for payment, or on the *[Insert date]*, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date, by letter or encoded telecommunication.

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

[As preferred option regarding guarantee rules insert⁹: This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.]

Place, date

Guarantor's authorized signature(s)

⁹ In the case the issuing bank will not add the preferred option, the following must be added instead: This guarantee is governed by the laws of *[Insert country of jurisdiction]*. Note: the country of jurisdiction shall be the country where the bank's branch issuing the guarantee is physically located.

Retention Money Security

Beneficiary: *[Insert name and Address of Purchaser]*

Date: *[Insert date of issue]*

RETENTION MONEY GUARANTEE No.: *[Insert guarantee reference number]*

Guarantor: *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[Insert name and address of contractor, which in the case of a joint venture shall be the name and address of the joint venture]* (hereinafter called “the Applicant”) has entered into Contract No. *[Insert reference number of the contract]* dated *[Insert contract date]* with the Beneficiary, for the execution of *[Insert object of the contract and brief description of Works]* (hereinafter called “the Contract”).

Furthermore we understand that, according to the conditions of the Contract, the Beneficiary retains moneys up to the limit set forth in the Contract (“the Retention Money”), and that when the Taking-Over Certificate has been issued under the Contract and the first half of the Retention Money has been certified for payment, payment of *[insert the second half of the Retention Money or if the amount guaranteed under the Performance Guarantee when the Taking-Over Certificate is issued is less than half of the Retention Money, the difference between half of the Retention Money and the amount guaranteed under the Performance Security]* is to be made against a Retention Money guarantee.

Waiving all objections and defences, we, as Guarantor, hereby irrevocably and independently undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[insert guarantee amount and currency in words and figures]*¹⁰ upon receipt by us of the Beneficiary’s first demand supported by the Beneficiary’s statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or show grounds for the demand or the sum specified therein.

The retention money guarantee shall come into force and effect as soon as the second half of the Retention Money has been credited to the Applicant on its account. Minor deductions of the above mentioned amount notably due to bank fees shall have no effect on the entry into force.

[For guarantees issued in foreign currency insert the following:

In the event of any claim under this guarantee, payment shall be effected to [either insert the account on which payments are to be made with prior approval from KfW or, if no particular account is provided, insert instead:] KfW, Frankfurt am Main (BIC: KFWIDEFF, BLZ 500 204 00), account no. 38 000 000 00 (IBAN: DE53 5002 0400

¹⁰ The Guarantor shall insert an amount representing the amount of the second half of the Retention Money or if the amount guaranteed under the Performance Guarantee when the Taking-Over Certificate is issued is less than half of the Retention Money, the difference between half of the Retention Money and the amount guaranteed under the Performance Security and denominated in the contract currency(ies) only.

3800 0000 00), for the account of *[Insert name of the Purchaser and the Purchaser's country]*.

[For guarantees issued in local currency insert the following:

In the event of any claim under this guarantee, payment shall be effected to *[Insert the account on which payments are to be made]*, for the account of *[Insert name of the Purchaser and the Purchaser's country]*.

This guarantee shall expire not later than *[Insert expiry date]*¹¹.

By this date we must have received any claims for payment by letter or encoded telecommunication.

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

*[As preferred option regarding guarantee rules insert*¹²*: This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.]*

Place, date

Guarantor's authorized signature(s)

¹¹ Insert the same expiry date as set forth in the performance security, representing the date twenty-eight days after the completion date described in the Appendix to Bid. The Employer should note that in the event of an extension of this date for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Beneficiary's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

¹² In the case the issuing bank will not add the preferred option, the following must be added instead: This guarantee is governed by the laws of *[Insert country of jurisdiction]*. Note: the country of jurisdiction shall be the country where the bank's branch issuing the guarantee is physically located.

(v) General Conditions (GC)

Section VIII. General Conditions (GC)

These Standard Bidding Documents have been designed for use with the Fédération Internationale des Ingénieurs-Conseils (FIDIC) General Conditions of Contract for Plant and Design Build 1st edition, 1999. Due to the FIDIC copyrights, these FIDIC General Conditions are not included in these Tender Documents which contain instructions on how these conditions can be acquired.

Employer: Vodovod i kanalizacija d.o.o.

Contract: Works for Construction of a Wastewater Treatment Plant, Sewage Sludge Treatment Plant and Sewage Sludge Incineration Plant for the City of Podgorica

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The conditions of Contract are the “General Conditions” which form part of the Conditions of Contract for Plant and Design Build First edition 1999 published by the Fédération Internationale des Ingénieurs-Conseils (FIDIC) and the following “Particular Conditions” which are the Employer created amendments and additions to such General Conditions.

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