

Regional Environmental Center for Central and Eastern Europe.

Skopje [2006-10-06]

Our ref: M1818-733

INVITATION TO TENDER FOR:

Preparation of feasibility study and preliminary design for wastewater management (collection and treatment) in Municipality Saraj, Macedonia.

Maximum budget available: 30,000 €

This invitation to tender dossier consists of the following parts:

A Service contract notice

B Instructions to tenderers

C Terms of Reference

D Annexes

Annex I:	Impact Analyses Matrix
Annex II:	Project methodology and SWOT analyses
Annex III:	Organization and Methodology
Annex IV:	Key Experts
Annex V:	CV template
Annex VI:	Budget Breakdown
Annex VI A:	Financial Identification
Annex VI B:	Audit Certificate
Annex VII:	Administrative Compliance Grid
Annex VIII:	Evaluation Grid
Annex IX:	Tender Submission Form
Annex X:	Map of the Project area

Above documents are available at the REC website www.rec.org.mk in electronic version; You are kindly asked to pool out the complete tender dossier and fill in your application, as described in the Instructions for tenderers, as well as in the ToR. For any information you might need, please call the REC Country office tel: 02 3090 135/136, or send an e-mail to the responsible person ana@rec.org.mk, in accordance with rules established in the Part B), Instructions for tenderers. All interested bidders will be provided with more detailed information during a half a day session, to be organized on 17th of October starting at 09 h, within the REC premises.

We look forward to receiving your tender at the address (specified also in the Instructions to tenderers) Ilindenska 118, 1000, Skopje) before 06.11.2006 at 14:00 h Central European Time.

Yours sincerely,

Katarina Stojkovska,

Director of the REC Country Office

PART A:

SERVICE CONTRACT NOTICE

Preparation of feasibility study and preliminary design for wastewater management (collection and treatment) in the Municipality of Saraj, Macedonia.

Reference: **M1818-733**

Publication date of the procurement notice: [2006-10-09]

Financing: Royal Ministry of Foreign Affairs of Norway

Contracting Authority: REC

Nature of contract: Fee based

Contract description:

a) General objective:

To reduce degradation of river water quality resulting from the untreated discharges in rivers Treska and Vardar, as part of the compliance requirements determined with the Council Directive 91/271/EEC;

b) Specific objective:

To select the most suitable option for waste water collection and treatment in the municipality of Saraj

To develop an implementation plan of the project solution(s)

To design the institutional model for cooperation between the Public Enterprise "Saraj" and Public Enterprise "Vodovod I kanalizacija" Skopje

To address the financing of the new system in line with Polluter's pay" principles

1. Maximum budget: 30,000€
2. Eligibility: Participation is open on equal terms to legal persons registered for the activity under this contract, meeting conditions prescribed in item 8 below (Selection criteria).
3. Number of applications: No more than one application can be submitted by a legal person (including legal persons within the same legal group), whatever the form of participation (as an individual legal entity or as leader or partner of a consortium submitting an application). In the event that a legal person (including legal persons within the same lead group) submits more than one application, all applications in which that person (and legal persons within the same legal group) has participated will be excluded.
4. Grounds for exclusion: The Contracting Authority shall reject a bid if obtaining a credible proof of any bidder's attempt to influence the course of the public procurement procedure. The Contracting Authority shall reject the bid containing misinterpretation of facts, about the bidder's technical capability / competence, as well as financial performance data.
5. Sub contracting: subcontracting is allowed up to 20% of the Contract value.
6. Provisional timetable: specified in the ToR and instructions for tenderers.
7. Initial period of execution is [VIII months]
8. Selection criteria:

The following selection (eligibility) criteria will be applied to candidates (consortium as a whole):

Economic and financial standing of candidate: the average annual turnover of the candidate must exceed 30,000 EURO; the averages of cash and cash equivalents at the beginning and end of year are positive.

Professional capacity of candidate:

at least 4 permanent staff currently work for the applicant in fields related to this contract and

at least 20% of all staff working for the candidate this year in fields related to this contract are permanent.

Technical capacity of candidate

the candidate has managed at least two environmental investment project preparation activities in the past four years.

The candidate has managed at least one environmental infrastructure related projects in Macedonia in the last three years.

Information listed above to be presented in a tender submission form

Award criteria: evaluation grid is presented in [Annex VIII].

Deadline for receipt of applications: [2006-11.06]

Application format and documents: The tender submission form as well as other required documents to be enclosed is included in the Annex I -IX of this Notice.

PART B:

INSTRUCTIONS TO TENDERERS

In submitting their tenders, tenderers must respect all instructions, forms, terms of reference, contract provisions and specifications contained in this tender dossier. Failure to submit a tender containing all the required information and documentation within the deadline specified will lead to the rejection of the tender.

1. Services to be provided

The services required by the REC are described in the terms of Reference.

2. Timetable

Activities	DATE
Publishing of ToR announcement in the newspaper	09 th October
Possibility to pick up ToR	By 13 th October
Clarifications	on 17 th of October
Technical/ financial offers	By 06 th November
Opening of offers (eligibility)	13 th November
Announcing the winner	16 st November
Signing of contract	20 ^h November

3. Participation and sub-contracting

Participation in this tender procedure is open to legal persons registered for the activity being subject to this contract. Legal persons are not entitled to participate in this tender procedure or be awarded a contract if they do not have at least 4 permanent employees working in the field related to the contract, or 20% of total number of employees are involved in the related field, annual average turnover is below the specified amount of 30,000 EURO, failure to pay taxes and fees is evident or overdue, the candidate does not prove a successful execution of environmental as well as infrastructure projects in the period of last four/three years. Tenderers which have been guilty of making false declarations shall also be subject to financial penalties representing 10% of the total value of the contract being awarded. The rate may be increased to 20% in the event of a repeat offence within five years of the first infringement.

Subcontracting is allowed up to 20% of the total financial offer.

4. Content of tenders

Each tender must comprise a Technical offer and a financial offer, each of which must be submitted in separate envelopes. Each Technical offer and financial offer must contain one original, clearly marked "Original" and 3 copies, each marked "Copy". Failure to respect these requirements will constitute a formal error and will result in the rejection of the tender.

4.1 Technical offer is to be prepared in the English and Macedonian language.

The Technical offer must include the following documents:

tender submission form + signed declaration in case of establishment of consortiums and/or subcontracting.

Organisation and methodology (based on Terms of Reference)

Key experts CVs – in the Annex IV and V (Each CV must be confined to 3 pages and only one CV should be provided for each position identified in the Terms of Reference. CVs should be submitted in the EU format [pls. see web site http://europass.cedefop.europa.eu/img/dynamic/c1344/type.FileContent.file/CVTemplate_en_GB.doc]. The qualifications and experience of each key expert must clearly match the profiles indicated in the terms of reference. All key experts must have the nationality of one

of the EU Member States or of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Romania, Serbia and Montenegro and Kosovo (under UNSCR 1244) and Turkey. Tenderers should provide for the key experts: a copy of diplomas and a copy of the employees certificates or references providing the professional experience.

A CD-ROM containing the electronic version of the technical proposal offer must be included with the printed version in the separate envelope in which the technical offer is submitted. In case of any discrepancies between the electronic version and the original - printed version, the latter will prevail.

4.2 Financial offer

The Financial offer must be presented in euro and must include the following documents: budget breakdown, cash flow analyses.

A CD-ROM containing the electronic version of the financial proposal offer must be included with the printed version in the separate envelope in which the financial offer is submitted. In case of any discrepancies between the electronic version and the original, printed version, the latter will prevail.

The maximum budget available for this contract is 30,000 euro. Payment under this contract is made in euros. The applicable VAT (18%) is an eligible cost and it is included in the total contract amount.

5. Variant solutions

Any variant solutions will not be taken into account.

6. Period during which tenders are binding

Tenderers are bound by their tenders for 90 days after the deadline for the submission of tenders.

7. Additional information before the deadline for submission of tenders.

The tender dossier should be clear enough to avoid candidates from having to request additional information during the procedure. In the case of questions for clarifications REC provides an opportunity to ask these questions.

Candidates who would like to ask for clarifications can obtain this information in the REC Country Office in Skopje [Ilindenska 118, 1000 Skopje, Macedonia] on weekdays (from 09.10.2006 - 17.10.2006) in the period between 10:00-12:00 AM or on the phone +389 (0)2 3090 135 within the same period.

REC will organize a consultative meeting with interested tenderers on 17th of October. The date and venue of this meeting will be set in agreement with the interested parties.

Any prospective tenderer seeking to arrange meeting with REC in other time that specified above may be excluded from the tender procedure.

8. Submission of tenders

Tenders must be submitted in Macedonian and English language. The printed documents shall be in Macedonian; the electronic version delivered in the CDs will contain the English translation of all documents forming the bid (technical and financial offer).

Tenders must be delivered by post or recorded delivery or hand delivery to the following address [Katerina Stojkowska, Country Office Director, street Ilindenska 118, 1000, Skopje, by 06th of November 2006 at 14:00 PM] ...

Tenders submitted by any other means will not be considered. Tenders must be submitted using the double envelope system, ie, in an outer parcel or envelope containing two separate, sealed

envelopes, one bearing the words “Envelope A – Technical offer” and the other “Envelope B-financial offer”. All parts of the tender other than the financial offer must be submitted in Envelope A.

Any infringement of these rules (eg. Unsealed envelopes, or references to price in the technical offer) is to be considered a breach of the rules, and will lead to rejection of the tender.

The outer envelope should carry the following information:

- the address for submission of tenders indicated above;
- title of the tender
- the words “Not to be opened before the tender-opening session”
- the name of the tenderer.

The pages of the Technical and Financial offers must be numbered.

9. Alteration or withdrawal of tenders

Tenderers may alter or withdraw their tenders by written notification prior to the deadline for submission of tenders. No tender may be altered after this deadline.

Any such notification of alteration or withdrawal shall be prepared and submitted in writing. The outer envelope (and the relevant inner envelope) must be marked ‘Alteration’ or ‘Withdrawal’ as appropriate.

10. Costs for preparing tenders

No costs incurred by the tendered in preparing and submitting the tender shall be reimbursable. ALL such costs shall be borne by the tenderer.

11. Ownership of tenders

REC retains ownership of all tenders received under this tendering procedure. Consequently, tenderers have no right to have their tenders returned to them.

12. Evaluation of tenders

12.1 Evaluation of eligibility

The eligibility criteria are checked for all projects submitted under this Notice. Only projects that meet all criteria listed below are retained for further evaluation:

Timing: receipt of the bid on or before the deadline date and time established in the notice;

Completeness: the project is complete, i.e. it demonstrates the presence of all requested administrative forms (set of documents as being requested in this notice);

Eligibility: candidate is a legal person registered for the activity related to this contract;

Budget: the amount requested does not exceed the budget under this contract;

Partnership issues: Partnership in case of consortia, and / or sub-contracting is clearly demonstrated, by providing partnership and/or sub-contracting declarations

Administrative compliance grid is given in ANNEX VII.

12.2 Evaluation of technical offers

The quality of each technical offer will be evaluated in accordance with the award criteria and the associated weighting as detailed in the evaluation grid [Annex VIII]. No other award criteria will be used. The award criteria will be examined in accordance with the requirements as indicated in the Terms of Reference.

12.3 Evaluation of financial offers

Upon completion of the technical evaluation, the envelopes containing the financial offers for tenders which were not eliminated during the technical evaluation (i.e. those which have achieved

an average score of 80 points or more) will be evaluated. Tenders exceeding the maximum budget available for the contract will be eliminated.

Any arithmetical errors are corrected without prejudice to the tenderer such that, where there is a discrepancy between a fee rate and the total amount derived from the multiplication of the fee rate by the corresponding number of working days, the fee as quoted shall prevail unless in the opinion of the Evaluation Committee there is an obvious error in the fee rate, in which event the total amount as quoted shall prevail and the fee rate shall be corrected.

12.3 *Choice of selected tenderer*

The most economically advantageous tender is established by weighing technical quality against price on an 80/20 basis.

12.4 *Confidentiality*

The entire evaluation procedure is confidential. The Evaluation Committee's decisions are collective and its deliberations are held in closed session. The members of the Evaluation Committee are bound to secrecy.

The evaluation reports and written records, in particular, are for official use only and may be communicated neither to the tenderer nor to any party other than the REC

13. **Ethics clauses/ Corruptive practices**

Any attempt by a tenderer to obtain confidential information, enter into unlawful agreements with competitors or influence the Evaluation Committee or the REC during the process of examining, clarifying and comparing tenders will lead to the rejection of its tender and may result in administration penalties.

The tenderer must not be affected by any potential conflict of interest and shall have no particular link with other tenderers or parties involved in the project.

REC reserves the right to suspend or cancel project financial of corrupt practices off any kind are discovered at any stage of the award process of during the implementation of a contract. For the purpose of this provision "corrupt practices" are the offer of a bribe, gift, gratuity or commission to any person as an inducement of reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the REC.

Tenders will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which have every appearance of being a front company.

Contractors found to have paid unusual commercial expenses on projects funded by REC are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving REC funds.

Failure to comply with one or more of the ethics clauses may result in the exclusion of the tenderer or contractor from the other REC contracts and in penalties.

14. **Signature of contract**

14.1 *Documentary evidence required from the successful tenderer.*

The successful tenderer will be informed in writing that its tender has been accepted (notification of award). All documents submitted (on financial performance in particular) or statements must

carry the date, which cannot be more than 180 days in relation to the deadline for the submission of the tender.

If the successful tenderer is found to have provided false information, the award will be considered null and void. In such a case, REC may award the tender to another tenderer or cancel the tender procedure.

14.2 Signature of the contract

Within 10 days of receipt of the contract already signed by REC, the selected tenderer shall sign and date the contract and return it to REC.

Failure of selected tenderer to comply with this requirement may constitute grounds for the annulment of the decision to award the contract. In such a case the REC may award the tender to another tenderer or cancel the tender procedure.

The other candidates will be informed that their tenders were not accepted, by means of a standard letter, which includes an indication of the relative weaknesses of their tender by way of a comparative table of the scores for the winning tender and the ones for the unsuccessful tender.

15. **Cancellation of the tender procedure**

In the event of cancellation of the tender procedure, tenderers will be notified of the cancellation by REC. If the tender procedure is cancelled before the outer envelope of an tender has been opened, the unopened and sealed envelopes will be returned to the tenderers.

Cancellation may occur where:

- the tender procedure has been unsuccessful, ie, no qualitatively or financially worthwhile tender has been received or there is no response at all;
- the economic or technical data of the project have been fundamentally altered;
- exceptional circumstances of force majeure render normal performance of the contract impossible;
- all technically compliant tenders exceed the financial resources available;
- there have been irregularities in the procedure, in particular where these have prevented fair competition.

In no event shall the REC be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a tender procedure even if the REC has been advised of the possibility of damages. The publication of a procurement notice does not commit the REC to implement the project announced.

16. **Appeals**

Tenderers believing that they have been harmed by an error or irregularity during the award process may petition the REC Country Office directly. REC must reply within 90 days of receipt of the complaints.

PART C:

TERMS OF REFERENCE

1. Background information

At present waste water collection in Macedonia is covering with connections approximately 90% of population in urban areas; apart from that, in rural areas the connection rate is significantly lower, due to inability of local self governments to invest into development of communal infrastructure. WWTPs are functioning in the areas of natural lakes: Struga Resen and Dojran as well as Makedonski Brod; WWTPs under construction are situated in Kumanovo and Krivogastani. There are also donors who support development of waste water management projects, among which the Austrian and Swiss governments have committed annual earmarked budgets for financing of waste water management projects in municipalities in Macedonia.

The Communal Service Provider (the Utility) for the municipality of Saraj, Macedonia has requested assistance to preparatory activities aimed to financing a waste water collection and treatment system for a number of settlements within its territory. In addition, preliminary design for the best technical, financial and institutional option is to be prepared, to serve as a basis to obtain funds for the project implementation.

1.1. Layout of the project area

Municipality of Saraj is situated in the west of the urban area of Skopje, at a distance of approximately 10 km from the city centre. It is positioned within the canyon of river Treska in its southern part, on the slopes of the hill of Zeden in south-west and along the valley of Vardar entering the Derven ravine in the east. Total area covers 124 km². It is considered as small / medium rural municipality; population density is in the range of 146 inhabitants per sq km. There are 746 registered legal persons; dominant economic activity is agriculture. Concerning public infrastructure, the municipality is equipped with 16 schools, 1 faculty of theology, 22 mosques, 3 churches, 1 hotel and 1 camp.

Since 2003 the new territorial division of Macedonia the municipality of Kondovo merged with Saraj. The settlement of Saraj is the administrative centre of the Municipality

In the table below population growth between the censuses in 1994 and 2002 is given, for two municipalities Saraj and Kondovo and as total population according to the new territorial division.

Population growth

Municipality	Population	According to:
Saraj	35 408	Territorial division 2003
Saraj	21 302	1994 Census
	24 253	2002 Census
Kondovo	9 840	1994 Census
	11 155	2002 Census

Source: Office of Statistics

Population is distributed in 25 settlements with total number of 35 408 inhabitants. The settlements (villages) are: Saraj, Krusopek, Kopanica, Grcec, Ljubin, Arnakija, Matka, Laskarci, Caljane, Semeniste, Bukovikj, Panicari, Raovikj, Bojane, Rudnik, Glumovo, Sisevo, Kondovo, Radusa, Gorno Svilare, Dolno Svilare, Dvorce, Rudnik, Radusa and Rasce.

Communication with the City of Skopje is well established via the Skopje-Tetovo highway section, which passes through the territory of the Municipality.

The neighboring municipalities are: Gjorce Petrov, Karpos, Sopiste, Zelino and Jagunovce.

In the table below the comparison between the city of Skopje population data and the municipality of Saraj, being a rural municipality in the Skopje region is given.

Population, households and average family members

Municipality	Population	Households	HH members
Skopje	506926	146566	3,4
Saraj	35408	7972	4,4

Source: Spatial plan for Skopje region (Draft)

Population generates income mainly in agriculture, cattle breeding (sheep, goats and cows). Arable parcels are spread over 35% of the total agricultural land, 25% are covered by pastures and the remainder is under forests. A number of small-medium enterprises are engaged in the construction business, public transport, shipment of goods and public transportation, wood as well as food industry (meat processing mainly). Number of employees varies between 10 and 60.

Amenities contributing to the attractiveness of the project region and its potential for tourism development refer to the picturesque canyon of the river Treska shaped as an extraordinary morphological object and river's suitability for kayak sports, along the sequence between the dam and Treska inflow in the Vardar river. The canyon is protected due to its geo-morphological and hydrological features, as well as biological value regarding both flora and fauna. Total protected area covers 5 443 ha.

Treska river is utilized for production of electricity, thus the hydropower plant "Matka" has been installed in 1936 with 4,5 MW power capacity and annual production of electricity of 22,6 GWh. On-going construction of the hydropower plant "Matka" will contribute to increase of the installed capacity for 36,0MW and production of 65,10 x 10⁶ kWh per average year. Upstream the river another plant is in its final stage of construction – "Kozjak" dam, with installed capacity of 80MW. It is the biggest artificial lake within the country and its planned use is multifunctional; the most appreciated function of the lake is provision of water supply via gravitational transfer of water to Skopje and parts of Eastern Macedonia struggling with poor water resources. Small hydropower plants are planned to use appropriate topographical conditions of Treska river bed and improve the agricultural production through provision of water for irrigation.

Planned small dams in the project region

Profile	river	volume x10 ⁶ m ³
Radusa	Raduska	0,55
Bojane	Bojanska	0,34

Source: Spatial Plan for Skopje Region (Draft)

1.2. River Treska water quality

The Treska river basin encompass 2 068 sq km. It is the first big tributary inflowing Vardar river on its right bank. It bounces on the eastern slopes of the Stogovo mountain (750 a.s.l.), while the mouth with Vardar river is within the Skopje valley on 261 metres above sea level. Hydrological and pollution parameters were measured upon three stationary points (Makedonski brod, Zdunje and Bogorodica), however, only one hydrometric station (Bogorodica) has been kept at present. This profile is located upon the inflow of the Treska in Vardar river on 282,15 meters of altitude, covering a catchment area of 1880,0 km².

Treska river average flows (1961/1990) god

Profile	Q _{mah} (m ³ /sec)	Q _{sr} (m ³ /sec)	Q _{min} (m ³ /sec)
M. Brod	467,0	11,41	1,06
Zdunje	537,0	19,60	1,80
Bogorodica	750,0	24,20	0,31

Source: Spatial plan for Skopje (Draft)

By the hydrological measurements executed on the stationary points, the driest season is in august and September, while the most humid is April.

The water quality of Treska River has been monitored by the Hydro-meteorological Department under the Ministry of Agriculture, Water Economy and Forestry at 4 measurement points. According the classification set legally by an Order dating from 1999, the quality of the Treska River falls within the following categories:

River Treska water quality

Measurement point	Legally set	Classification of the water quality					
		1989	1990	1991	1992	1993	1994
Treska River							
Izvor	I	II-III	I-II	I-II	I-II	I-II	I-II
Bigor Delenci	II	III-II	III	III-II	III-IV	II-III	II-III
Skopje-Saraj	II	II-III	II-III	II-III	II-III	II	II
Zajaska River							
Kicevo	III	IV	IV-III	III-IV	II-IV	III-II	II-III

Source: Spatial plan for Treska river (Draft)

Monitoring the water quality at the measurement point located in the municipality of Saraj determines II category according to the average results for examined parameters; this is within the legal prescriptions, demanding II category for the regarded sequence of river Treska.

However, analyzing individual parameters, there is an indication for pollution exceeding legally determined thresholds, which is owed to the current inappropriate waste water collection and discharge in the recipient without any treatment.

Oxygen regime is well within the margin between I-II class, except for the chemical oxygen consumption (COD) with results for III and IV class.

Suspended particles are also measured above the allowed concentrations, reaching the worst class (V class, with small seasonal variations, especially in spring, when the situation slightly improves due to rainfalls affecting the hydrological situation in the river).

Eutrophication is classified as mezosaprobe β_2 ; for chemical indicators on faecal pollution only nitrite ion exceeds the allowed limits thus reaching III-IV class.

Toxic substances are within I-II class, with the exception for cadmium which is found within III-IV class.

Above parameters indicate a situation with seasonal variations and alarming for individual parameters, which clearly justifies the need to undertake the waste water management project.

Groundwater with free water table is found on depth of 2,3-2,8 meters. Groundwater residing near the surface is vulnerable and bearing in mind the method of collecting waste water in septic tanks further protection of this resource is required.

Furthermore, thermal and mineral water appear in the area of Radusa and Rasce villages, which renders the water resources of a great importance

1.3 Communal infrastructure

1.3.1 Water supply

The main water supply source in the Skopje region is the regional system attached to the spring Rasche. This is the most abundant spring in the country providing high quality of potable water requiring no treatment except for disinfection which is carried out in the chlorinator station in Kondovo. Villages of Glumovo, Grcec, Dolno Svilare, Kondovo, Ljubin, Matka, Rasche and Sisevo are connected to the system; villages Arnakija, Bojane, Bukovic, Kopanica, Krusopek and Laskarci are in the process of getting an access to the water supply network (main pipeline allows connection of local systems which are under construction under the responsibility of the municipality); remaining settlements obtain potable water from local springs and wells. In the

following table the proportion of population receiving water supply both locally and from the public utility Vodovod from Skopje is outlined.

Population connected to regional and local water supply

Municipality	Population	Water supply provided by Vodovod	(%)	Water supply from local springs	(%)
Saraj	35.408	30.731	87	4.677	13

Source: Draft Spatial plan for Skopje Region

The remnant of 4,677 inhabitants encompass the following settlements: Gorno Svlare, Dvorce, Panicari, Radusa, Raovic, Rudnik, Semeniste and Calane. It must be noted that quality of potable water from local water supply is monitored by the Public Health Office.

1.3.1.1. Public Enterprise "Vodovod i Kanalizacija" Skopje

The Operator of the regional water supply system is the Public Enterprise "Vodovod i kanalizacija" Skopje. It is a public utility established by the City of Skopje. Provision of water supply and waste water collection and discharge is conducted in accordance with the planning documents developed by national and local authorities (the most important is the Master plan dating from 1981 which it is regularly updated by the utility in cooperation with relevant urban planning institutions). The catchment area of Skopje is divided into 7 areas, which are further split into units of districts which according to the office of Statistics encompass about 73 local communities. Population served amounts up to 450 000 inhabitants.

Financial and Commercial performance of the utility suffers from chronic cash flow constraints arising from the combined effect of the following factors:

- i) Relatively low tariffs: Tariffs are approved and set by the Council of the City of Skopje at levels that are intended to cover operational expenses but are not adequate for a satisfactory maintenance and replacement program. Further, the utility have not been able to raise tariffs due to affordability considerations since consumers' incomes have been low. As a result, investments in the sector have been limited, and essential rehabilitation and maintenance work have often been deferred.
- ii) Low Collection Rates: The bill collection rates, especially from the institutional and large industrial consumers, have steadily dropped in the last decade. Collection rate varies between 60-80 % of the total outstanding amounts. Due to political and social constraints, the utility have not been able to aggressively pursue disconnection of services as a means to ensure bill payment. Administrative losses have also increased in the last decade, on average, to about 35% of the water produced.
- iii) Network Deterioration/inefficiency: Rehabilitation and maintenance of the water and wastewater network have been neglected for the last decade due to the weakening financial position of the utility. This has led to situations where large sections of the infrastructure have deteriorated rapidly resulting in water losses through bursts and leaks. The network is also not well managed and, often, inadequate pressure zoning leads to unnecessary high pressures in certain areas resulting in increasing bursts and leaks. The increases in physical and administrative water losses have led to high levels of unaccounted-for-water (UFW) - the percentage of water not billed to water produced rating up to 60%.
- iv) High Staff Costs: The utilities are burdened with excess labour. The share of Employee-related expenses is as high as 60% in the total operating expenses.

In the table below some general data illustrating the financial performance of the Public utility of Skopje have been given.

Relationship between tariff levels, fee collection rate, operation and unit operation costs

Public Utility	2004		Water tariff private den/m ³	Water tariff- industry den/m ³	O&M (den)	production cost den/m ³
	billed (den)	paid (den)				
PU Vodovod i Kanalizacija-Skopje						
- wastewater collection			6,12	9,68		
- water supply	1.275.966.000	589.573.000	8,71	23,55	147.688.408	16,8

Source: ADKOM

1.3.1.2 Public utility "Saraj"

The waste water collection system in the project area is operated by the Public Enterprise "Saraj" founded by the Municipality of Saraj.

Staff number includes 10 employees engaged in administration and maintenance of the system.

The length of the sewage network is 15 km with the total of 600 households connected to the system.

Drainage of storm water is not controlled, except for a limited area adhering to 1 km. long channel.

Most of households discharge waste water into septic tanks or directly without any treatment in the ground; recipients of waste water discharged in that way are local water courses – tributaries of Vardar and Treska rivers, otherwise, waste water is drained in the subsoil and may have reached groundwater aquifers.

The EU project implemented by EAR through the Ministry of Local Self Government (Project ref. Nr. 04MAC01/07/007) is intended to assist the municipality of Saraj with construction of primary sewerage network in total length of approximately 3930 m. Design of the collector and WWTP for Kondovo is underway. The Consultant should review the status of the project implementation.

From total 5200 households possessing septic tanks, only 50% are discharged in controlled way. Service is provided by natural persons, the sludge collected in the tanks is transported by tractors and spread over arable soil.

The fee is flat, amounting up to 500 denars (8,5 €)/one tractor load (about 3-4 m³). Assuming 2,5 EURO/ m³ waste water discharged it shows a fairly more expensive service if compared with the tariffs applied for waste water collection via sewerage systems (e.g. 6 denars/m³ collected waste water in Skopje)

Three settlements, being exposed to high health risks in 2001 due to the refugee crisis, have been supplied with waste water collection and treatment facilities (Bojane, Radusa and Rasche). However, operation problems with these WWTPs appeared (high consumption of electricity and extensive operation costs, as well as the lack of regular maintenance of the equipment); as a consequence they have stopped the operation.

In the table below estimated wastewater quantities discharged in the municipality of Saraj have been presented.

Daily and annual waste water discharge quantities

municipality	Population	Discharge norm l/day/inhabitant	Q _{av/day} m ³ /day x 10 ³	Q _{year} m ³ /y x 10 ³
Saraj (urban area)	5.799	450	2,6	952,5
villages	32.860	200	6,6	2.398,8
total	38.658		9,2	3.351,3

Source: Draft Satial Plan for Skopje region

Public utilities of Skopje and Saraj exist independently, since they have different founders, and there aren't any overlaps in maintenance of the communal infrastructure. Apart from the water supply service provided to settlements that are connected to the system Rasche, Public utility from Skopje has no duties regarding the maintenance of the existing sewerage in Saraj municipality. With the construction of the branches of the water supply system for connection of a couple of villages at present, it will be possible to split between the local and regional network, providing conditions for decentralized ownership and maintenance of the local water supply network. Segregation of responsibilities is possible also for the settlements already connected to the regional water supply system; institutional arrangements could be set in accordance with law, allowing for provision of better and sustainable service to the population in the project region.

1.3. Relevant Background information

The consultant shall analyse the following background information:

Study on Waste water Management System for Skopje – Kruger & Symonds 1999;

Spatial Plan for the Treska River Basin – draft version, Public Enterprise for spatial and urban plans , February 2005;

Saraj Waste water treatment plant Environmental Impact Assessment report, REC CO Macedonia, 2003;

Spatial Plan for Republic of Macedonia, Public Enterprise for spatial and urban plans, 2004;

Priorities for Investments in Public Infrastructure (PIP) 2004-2006, Government of R. of Macedonia;

2. Project rationale:

The Republic of Macedonia signed the Agreement for Stabilisation and Association (SAA) with the EU in 2001 and in 2005 the status of the country candidate for EU was announced. One of the aspects of the SAA was the harmonization of environmental legislation and the adoption of the environmental standards. This process started in 2001 and till now several new environmental acts have been adopted. The new Law on environment, Law on Ambient Air Quality, Law on Waste Management, Law on Nature are already in force and the draft Law on waters has not been adopted yet.

All new environmental legal acts proposed stricter environmental standards for water supply quality, wastewater treatment, limits for max. allowed concentrations of polluters into the water, waste collection etc.

The transposition of the relevant EU Directives on water is one of the most important issues in our process of harmonization of the environmental legislation. Especially the Water Framework Directive and the so called "daughters" directives on urban waste water collection and treatment, nitrate content, bathing water quality and drinking water quality. It will not be only problem of transposition, but also on implementation of the EU water related directives as they are so called" costly and heavy" directives because this kind of infrastructure projects and their implementation and enforcement need time and new investments.

With the new decentralisation the municipalities have more rights and responsibilities in the field of environment and urban planning issues. According the new Law on Environment the municipalities should assess the environmental status of the municipality, propose the environmental related priorities but in context of the urban development. Each municipality should develop and implement the Local environmental Action Plan as a strategic document for the municipality where the problems with water supply, waste water disposal, sewage system should be noticed and the actions should be proposed.

The problems with urban wastewater treatment have been addressed in many national documents as National Environmental Action Plan (1997), NEAP II (2005), EU-funded study “Economic, Financial and Administrative Requisites of Approximation to the European Union” (GOPA-Consultants) from early 2004. The estimated capital cost of compliance for waste water and solid waste management sectors are 14 bn MKD (230 m Euro) and 7.9 bn MKD (130 m Euro) respectively.

This project is intended to comply with national policies contributing to achieving high environmental standards concerning waste water management in the municipality of Saraj, located in the western part of the Skopje region.

The borders of the project region have been set within the area along the rivers of Treska and Vardar, encompassing a number of settlements with population above 2000 inhabitants and placed morphologically in a way that they could establish an agglomeration¹. Map of the project region is attached in the Annex X.

The analyses to be conducted during the development of the feasibility study will focus upon selecting the preferred approach, providing for cost effective solution. The feasibility study must demonstrate that:

- alternatives have been identified and assessed; and
- the best option has been clearly established and justified.

Consideration of project alternatives is very important in order to select the most cost-effective and feasible solution to the problem identified. Therefore, in the process of project preparation the consultant should demonstrate in the feasibility study that the proposed project alternative meets the defined objectives in the optimal manner.

3. Objectives of the project

General objective:

To reduce degradation of river water quality resulting from the untreated discharges in rivers Treska and Vardar, as part of the compliance requirements determined with the Council Directive 91/271/EEC;

Specific objectives:

- To select the most suitable option for waste water collection and treatment in the municipality of Saraj
- To develop an implementation plan of the project solution(s)
- To design the institutional model for cooperation between the Public Enterprise “Saraj” and Public Enterprise “Vodovod I kanalizacija” Skopje
- To address the financing of the new system in line with Polluter’s pay” principles

4. Scope of work

The project scope is agreed with the beneficiary and most important stakeholders. It consists of two main preparatory stages as following:

- Development of a Feasibility study and EIA
- Preparation of a preliminary design for waste water collection system(s) and WWTP(s)

¹ The term “agglomeration” is used in the meaning of Article 2 of Council Directive 91/271/EEC concerning urban waste water treatment.

TASK 1: Assessment of financial performance of the Utility

The Consultant will prepare an assessment of the Utility's financial situation [to clarify to which extend the assessment should cover utility of Skopje for water supply], which can be used as a basis to develop recommendations to improve the financial performance of the Utility. The task will comprise the following:

1.1 Restatement of accounts

The Consultant shall review the accounts of the Utility and restate to IAS.

1.2 Specification of Revenues and Costs

In order to analyse the operational efficiency and the level of cost recovery as well as provide a sound basis upon which to prepare financial projections the Consultant shall prepare a detailed specification of costs and revenues including:

- tariffs and revenue breakdowns for each consumer group over the last three years,
- operating costs breakdown between water and wastewater services, fixed and variable costs for each category;
- an explanation of any asset revaluation, confirmation of depreciation rates for different categories of assets and calculation methodology. Assessment of the adequacy of depreciations;
- an analysis of extraordinary expenditures, in particular tax and late payment penalties (basis and amounts).

1.3 Accounts receivables

The Consultant shall assess the level of accounts receivables. The consultant shall:

- describe in detail the billing and collection system works at present and assess the plans that the Utility has for its development;
- present the total amount of accounts receivable, broken down by category and age and expressed as a percentage of annual revenues by customer groups;
- list all major debtors indicating their ownership: the list shall include all debtors whose debt exceed 5 per cent of the total amounts receivable, and at least the ten largest debtors;
- analyse the amounts due collection record of the budgetary entities, including municipal, regional, and central (military, defence industry, hospital, education etc.);
- assess the likelihood that the receivables are collectable and provide provisions for bad debt. Identify what kind of collection methods have been used (default interest or other penalties, judgments, threat of bankruptcy proceedings, cut off of water supply etc.)

The consultant shall outline the scope for reduction of receivables.

1.4 Specification of liabilities

In the context of the financial performance review of the Utility's liabilities the Consultant shall:

- specify total amount of debt, breakdown by category and age and expressed as percentage of annual costs by creditor groups;
- list all major creditors; the list shall include all creditors whose debt exceed 10 per cent of the total debt, and at least the five largest creditors;
- identify what kind of collection methods have been used by the creditors to collect their receivables, in particular any legal or other enforcement measures (default interest or other penalties, judgments, threat of bankruptcy proceedings, non-delivery of supplies, employee industrial actions, etc.) and to what extent this has caused disruptions to the Utility's ordinary activities;

analyse wages and tax arrears.

1.5 Conclusion

Based on the findings and conclusions from the sub-tasks outlined above the Consultant shall prepare a summary which will conclude on at least the following points:

- financial standing of the Utility;
- level of costs and operational efficiency;
- adequacy of current tariff level.

Based on conclusions the Consultant will provide a list of recommendations for improving the financial performance of the Utility. The Recommendations should include the following points: action, who should perform the action, expected result.

[Maybe to include here recommendations for taking over the water supply services from utility of Skopje? or recommendations for financial sustainability of Saraj utility]

TASK 2: Institutional framework assessment

Part 1 – An assessment of the present legal status of the Utility and the institutional framework in which it operates is required. As part of this the Consultant shall:

- (a) Identify the respective roles of central, regional and local authorities in water supply and sewage management and treatment and environmental infrastructure financing and management including; the method and responsibilities for the setting tariffs; the regulatory responsibilities of various organisations that exist to oversee water quality and environmental standards and the nature of their relationship with the Utility, and issues related to the ownership and control of both the Utility and of the water and sewage infrastructure assets. As a part of this work the Consultant shall collect, translate (the relevant parts) and outline the main contents of relevant laws and regulations governing these relations;
- (b) Analyse the relationship between the Utility and the Municipality of Saraj. This analysis shall include a specification of the rights and responsibilities of the Utility and to what extent the utility operates at an “arms – length” basis from the municipality of Saraj (i.e. are the objectives of the utility clearly defined, to what extent does it operate flexibly and freely in pursuit of those objectives, and the degree of accountability that characterises the relationship). Describe the legal status of the Utility and present the statutory documents of the Utility.
- (c) Identify legal/ political issues or problems which would prevent the enterprise from evolving into the autonomous water utility. Consider specifically issues related to ownership and control of assets, the establishment of tariffs, management independence, investment and personnel decisions, etc. Special attention should be put to relations between Saraj and Skopje public utilities.

Part 2 – An assessment of the specific legal issues affecting Utility operations. As part of this the Consultant shall review the adequacy of legal procedures and enforcement measures to: enforce payments; disconnect illegal connections or delinquent customers; register and invoice consumers in areas of illegal or quasi-legal construction. Where specific legal issues are identified the Consultant shall propose mitigation of reform measures.

Part 3 – Based on findings from part 1 and 2 the Consultant shall provide recommendations for changing or/and improvements in the institutional and legal framework.

TASK 3: Assessment of operational efficiency

The Consultant shall assess the operational efficiency of the Utility, in particular identifying areas where cost savings can be achieved through planning, rationalisation, system optimisation and development and the separation of non-core activities. The tasks shall include:

- (a) assessment of the organisational structure and management; number, skills and attributes of employees; human resources development policies and practices, including training and incentive schemes; appropriateness of the organisational structure; operation of major departments or groups identified on the existing table of organisation; policies and practices relative to strategic planning, project preparation and implementation, operational planning and control, allocation of tasks, supervision of task execution, and related matters;
- (b) assessment of administrative systems and procedures; customer service, accounting and record keeping, personnel management and training programmes, financial record keeping, financial planning and management, investment planning and execution, and management information systems and related matters;
- (c) definition of benchmarks of operational efficiency of the Utility (i.e. number of connections per employee, number of residents served per employee, level of breakdowns, response time for breakdown/ accident reporting, number of administrative staff, etc.);
- (d) assessment of operation and maintenance (O&M) of assets; methods, policies and procedures relating to the operation and maintenance of facilities, including support systems such as repair facilities and spare parts inventories, existence of preventive maintenance programmes, pressure and energy management, meter management, systems information and mapping, and other matters relating to O&M. As a result of such assessment the Consultant shall identify measures of efficiency improvements that could lead to a reduction in operating costs.
- (e) Based on findings the Consultant shall provide recommendations for improving operational efficiency of the utility.

Other key areas in which there is scope for improved operational and financial performance (like collection performance and unit electricity costs) are addressed in task 1 and 5 respectively.

TASK 4: Key socio-economic data and preliminary affordability analysis

The Consultant shall prepare a socio-economic/ affordability study assessing:

- the scope for tariff increases in relationship to fair market rates and customer affordability;
- the need for tariff restructuring (e.g. to eliminate unfair cross subsidies);
- the existence of, or the need for, any transitional social arrangements that will ensure the funding of access to essential services for the poor;
- willingness to pay for different service level options.

Based on findings the Consultant shall provide conclusions and recommendations for possible affordability problems mitigations options.

TASK 5: Technical evaluation of current water and wastewater service provision and development needs

The Consultant shall review the current and forecast water supply and waste water scenarios for the Utility's service area. The content of this review is outlined below:

5.1 Water services

Compile, present and assess data and information, covering the past three years, on service characteristics, water consumption patterns, losses and unaccounted – for water, etc.;

- define the service area and coverage and specify numbers of consumers and connections in each relevant consumer category, i.e. domestic, industrial, commercial, official, public, etc.;

- define likely scenarios for the development of service area and number of consumers;

- define the level of service provided: specify the biological, physical and chemical quality of water provided and compare with national regulation as well as service quality in

western European countries (EU standards); also specify water availability to customers (pressure and reliability);
assess the current methods and practices of water consumption metering and the use and application of water consumption norms;
specify water consumption for each category and list the ten largest consumers with the level of consumption; also specify per capita water consumption for domestic use and compare with consumption levels in western and eastern Europe.
present unaccounted – for water and water losses; determine; determine the difference between the amount of water produced and delivered into the system from all sources and the amount sold; estimate magnitude, causes and importance of physical and administrative losses; establish water balance (production = consumption + physical losses + administrative losses); estimate in-house water losses;
based on the above analyses the Consultant shall prepare likely future scenarios for the water production needs and for the quantity of water sold taking into account the various means which could be introduced as a part of this project to control water consumption.

5.2 Water system

Describe and assess the present water system, including;

provide a description of existing systems and facilities including water source works, water treatment plants, transmission, pumping, storage and distribution system. Present a schematic map;

evaluate the main components of the system in terms of capacity, energy efficiency, performance, state of repair, maintenance practices, age, quality of materials and equipment (treatment plants, pipes, valves, pumps, etc.), adequacy, bottlenecks etc. Outline and assess leak record and detection/ repair policy.

Evaluate the operation of the water network. Based on simple hydraulic assessments of flows and pressure in the primary distribution system, summarise and evaluate interplay of major components (transmission, pumping, storage, distribution [pressure zoning]) and detect critical problems and bottlenecks.

5.3 Wastewater services

Compile, present and assess data and information covering the past three years' service characteristics, including;

define the service area and coverage and specify numbers of consumers and connections in each relevant consumer category, i.e. domestic, industrial, commercial, official, and public, etc. Define likely scenarios for the development of the service area and number of consumers;

wastewater flows and characteristics; present total and per capita flows, solids and organic loads or other important characteristics of strength of wastewater – if important, distinguish between industrial and other wastewater sources; determine relationships between dry weather and wet weather flows for combined systems, frequency and magnitude of storm water overflows and water bodies into which they flow, and reconciliation of wastewater flows with water delivered to customers;

5.4 Wastewater system

Describe and assess the present wastewater collection system, including;

Describe the existing systems and facilities, including area served, length, diameter and type of main sewers, whether separate or combined, pumping stations, discharge points and storm water overflows, location of major wastewater contributors (industry); present schematic map;

Evaluate the main system components in terms of capacity, energy efficiency, performance, state of repair, reliability, adequacy, maintenance practices, infiltration/ inflow, age and quality of materials and equipment (pipes, valves, pumps, etc.);

Evaluate the operation of the sewerage network; based on maximum flow and maximum water level in dry weather and in wet weather (during a ten year return period rainfall) in main collectors, summarise and evaluate interplay of major system components (main collectors, pumping stations, storm water overflows) and detect critical problems and bottlenecks.

5.5 Wastewater treatment

Describe and assess the present wastewater system, including;

describe and assess the existing wastewater treatment facilities (or describe the way how waste water is discharged), including sludge handling and disposal; type of process, capacity, flow, technological appropriateness, treatment effectiveness, condition, maintenance practices, sustainability, bottlenecks and quality of materials and equipment.

Describe and assess present effects (environmental impact) of treated and untreated wastewater and sludge discharges on receiving waters in case of direct discharge into surface water bodies and/or on environment and ground water in case of discharge to evaporation fields. Analyse compliance with applicable ambient water quality standards and effluent standards and applicable regulations.

TASK 6: Preparation of a long-term strategic plan

The objective of this task is to prepare a long-term Strategic Plan identifying the longer term investment needs which shall set the general direction and determine the basic strategy, policies and parameters which would lead to least cost improvement of water supply and wastewater services within the Municipality of Saraj financial constrains.

In order to review the overall framework for the development for the water sector in the Municipality of Saraj the Consultant shall review and agree with the Municipality of Saraj and the Utility a set of strategic goals on all key areas (water and waste water) [wherever relevant Municipality of Skopje public utility should be involved]:

- city expansion plans;
- service objectives;
- water consumption targets;
- metering policy;
- tariff policy.

Based on the agreed strategic goals for the development of the water sector (In particular the revised water demand projections), the strategic system plan for water supply shall outline in broad terms how the water system should evolve over the next ten years. The plan, supported by simple hydraulic assessments of the primary system, shall show the major improvements and expansions to be made to the water supply system, including source development, water treatment, transmission, storage and distribution.

The Consultant will analyse the alternative solutions for waste water collection and treatment in the municipality of Saraj, encompassing the settlements which may be connected to a collector prior to discharge of the effluent in the recipients of the rivers Vardar and Treska.

The task will comprise of the following:

6.1. Scenarios for population growth

The population growth is an important assumption when developing feasibility analyses; it is connected with estimation of waste water quantities generated in the project region, assuming

also waste water consumption, water conservation, storm water collection and discharge etc. The Consultant will take into consideration the settlements of Matka, Sisevo, Glumovo, Grceec, Saraj, Ljubin, Gorno and Dolno Svilare and Kondovo.

6.2 Definition of the industrial load

To define the industrial load the Consultant will analyse the following:

- Industrial growth
- Water savings and pollution reductions
- Pre-treatment
- Industries with separate discharge (if any)

6.3. Develop alternative solutions

Alternatives which may be taken into account refer to scenarios which have been considered in the Master Plan of the public utility “Vodovod I Kanalizacija” from Skopje, based upon the study “Waste water management system for Skopje (Kruger, 1999).

Alternative A:

This alternative comprises of 100% centralized solution in which all waste water is carried to a designated location of the WWTP (on the right bank of the Vardar river, upon the inflow of river Treska).

Alternative B

Alternative B constitutes of installation of two WWTPs, one for settlements located along the river Treska, and one serving the treatment of waste waters originating from settlements nearby the river Vardar, all located in the municipality of Saraj.

Alternative C:

It assumes installation of simple WWTP facilities for every single settlement (fully decentralized option). Technologies may be similar to existing ones, which have been built in the villages Rasche, Radusa and Bojane.

Above described alternatives are only a proposal; consultant is free to set any other variant if it may be justified against criteria approved by the beneficiary, contracting authority and other stakeholders.

6.4. Evaluation of alternatives

Most important criteria include capital and operation costs, but also flexibility with respect to the implementation of the alternatives and the environmental benefits gained by the solutions. In order to assess the alternatives the proposed criteria may be listed as follows:

- Investment impact – capital and operational costs
- Operational effectiveness – reliability, manpower and energy requirements
- Implementation capability and flexibility – phaseability, compatibility and disruption of on-going life
- Quality of life/health benefits – public exposure, are served and health aspects
- Environmental effectiveness – land pollution, Air pollution and Water pollution

Consultant may conduct surveys on stakeholder and public opinion, during the conduction of the EIA analyses.

The Consultant shall summarise in appropriate maps the location and capacity and staging of major infrastructure components and explain and justify the proposed course of action.

In a form similar to that for water supply, the Consultant shall present a Strategic Plan for the development of the wastewater collection and treatment facilities.

The consultant shall also provide outline cost estimates to ensure that the proposed investments are in tune with the Utility’s financial capacity and public affordability.

The Consultant shall provide at least three alternatives for long term strategic development of waste water services and treatment. Each alternative should include: description, justification, costs estimation, needed institutional changes, geographical scope etc. Finally the Consultant shall outline the preferred solution together with its justification.

TASK 7: Identification/ preparation of a short term investment programme

The Consultant shall identify an affordable priority Short-Term Investment Programme. The selection of all STIP project components must be justified within the context of the Strategic Plan.

The identification of the STIP will be based on:

- the Strategic Plan prepared under Task 6;
- the Utility's proposed STIP, (if proposed) (no physical measurements by the Consultant are foreseen);
- affordability of the STIP;
- sustainability of the STIP;
- compliance or phased compliance, with national or EU norms and standards, and,

For each STIP sub-components items the Consultant shall provide cost estimates. Cost information shall be presented in local currency and Euros.

TASK 8: Financial analyses/ forecast and plan

The Consultant shall demonstrate by means of a financial model, that the Utility will have the financial capacity to fully support their operations and to finance the STIP.

The financial viability of the STIP must be demonstrated by means of financial projections over the life of a loan or other proposed financing option. A base case financial model will be developed with projections based upon assumptions consistent with sound banking criteria.

The financial model together with the affordability studies from task 4 shall be used to determine an appropriate tariff adjustments policy to support the STIP. Outputs of the model shall include a sensitivity analysis and key variables.

The Consultant will assist the Utility to identify potential investment financing or co-financing. Where potential sources are identified, the consultant will identify the procedures that need to be followed in order to access such financing.

[While conducting financial analyses and costs estimates special attention should be paid to foreseen self-contribution of the municipality inhabitants as one of the sources of co-financing]

TASK 9: Implementation Plan

The Consultant shall prepare an Implementation Plan for the STIP.

TASK 10: EIA Scoping Report (Preliminary EIA Study)

The Consultant shall perform a preliminary scoping of environmental and social issues and potential impacts of different project alternatives to be included in the EIA Study, which should be documented in the form of an EIA Scoping Report (or: a Preliminary EIA Study).

The Preliminary EIA Scoping Report shall be used as part of the documentation to be submitted to the MoEPP with the notification of intent and application for the environmental permit.

The Preliminary EIA Scoping Report shall contain the following Sections:

1. Project objectives and context
2. Description of the affected environment, data sources and gaps, need for further studies
3. Description of project alternatives considered and their key potential impacts
4. Comparison of impacts of different alternatives

10.1 Project Objectives and Context

This section of the EIA Scoping Report (or: Preliminary EIA Study) shall contain an introduction which presents the developer and his EIA consultant, a statement of need and objectives of the proposal, with emphasis on environmental and health objectives.

The description of the project context should include relevant regional, national and local policies, strategies and development plans / programs; relevant institutions, as well as planning and implementation approvals which will be needed from central and local government authorities. It should also contain a discussion of existing and planned projects which may interact with the proposed project. The Developer shall summarize or cross-refer to information from TASKS 2, 3, 4, 5, and 6, as appropriate.

10.2 Affected Environment, Data Sources and Gaps, and Need for Further Studies

The Developer shall collect all available relevant data and information about the natural and social environment, from existing documents, and by conducting informal consultations with various stakeholders.

This Section should present the natural and social environment baselines, their current state, and the future state forecast in case of no-development scenario (zero alternative). This forecast should be based on above mentioned documents and local / regional developments plans and policies. Potential impact zones should be defined. Environmental and social (including health and economic) issues to be studied in further depth in the EIA process, should be indicated.

Data and information sources used should be clearly identified and properly referenced. Difficulties in obtaining data, and data gaps should be identified. A list of necessary further baseline surveys and investigations (in order to cover data gaps), should be presented.

10.3 Description of Project Alternatives Considered, and their Key Potential Impacts

This Section should provide the most important data on all considered project alternatives (including the zero alternative). The EIA Scoping Report (or: Preliminary EIA Study) should focus on reasonable alternatives and only on relevant issues so as to ensure that the EIA is useful to decision makers and addresses the concerns of the stakeholders.

All considered alternatives should be presented on a map (or several maps, if necessary) of suitable type, scale and level of detail. The map(s) should encompass all relevant impact zones as defined in Section 2.

For each considered alternative present the following information (to the extent adequate to this early stage of the EIA process):

A) Main Project Characteristics:

(Purpose; location; land uses; size; use of resources; technological process; waste emissions etc.)

B) Environmental and Social Baseline:

Refer to baseline described in Section 2. In case that some of the alternatives encompass and affect different areas of the natural and social environment, indicate those differences.

C) Key Potential Impacts

Identify key potential positive and negative environmental and social impacts of the alternative in question, for all project phases. Based on the **magnitude** and **type** (e.g. reversible / irreversible; reparable / irreparable (via management practices); short-term / long term; temporary / continuous; during construction / operation / decommissioning and post-project phases; local / regional; planned / accidental; direct (primary) / indirect (secondary); “single” / cumulative etc.) of each described potential impact and the vulnerability of the affected natural and/or social environment, determine the **significance** of each impact, using the following scale:

+3 significant positive impact	+2 medium positive impact	+1 insignificant positive impact
-3 significant negative impact	-2 medium negative impact	-1 insignificant negative impact
0 no impact	+/- possible positive and negative impacts	? unknown

Identify issues and impacts that will have to be studied in greater detail in further EIA stages.

10.4 Comparison of Impacts of Different Alternatives

Based on the information from the previous Section, create a table for comparing impacts from different alternatives. For example:

Impacts:	Alternative 0 (no-action)	Alternative 1	Alternative 2	Alternative 3 (etc.)
Environmental Impacts:				
Natural Resources				
Air				
Surface Waters				
Groundwater				
Soil, including Solid Waste				
Flora and Fauna				
Social Impacts:				
Health				
Land use				
Local economy and jobs				
Cultural				
Assessed Financial Performance of the Utility				
(use data from TASK 1)				

Note: use the same significance scale as described in Section 3.

Discuss positive and negative impacts of each alternative on different environmental and social issues, and highlight and compare the most significant impacts between different alternatives.

In case a decision on the preferred alternative is reached during this phase, explain and justify the decision on the basis of the above discussion and table.

TASK 11: Utility preparation

Based on the institutional assessment outlined in Task 2 the Consultant shall provide recommendations to address the key shortcomings. The Consultant should identify specific areas in which the contractual arrangements between the Utility and the Municipality of Saraj need to be clarified, refined or, in some cases, introduced, in order to enable the Utility to have clear performance targets and incentives for achieving these targets, as well as for the Municipality to be able to monitor and regulate the Utility’s activities properly. The Consultant should make recommendations in these areas, including a draft public agreement between the Utility and its public owner (if relevant).

Building on the analyses carried out under other tasks (especially 1,2,3 and 4), the Consultant shall identify key financial, institutional and operational areas in which the Utility could consolidate or strengthen its performance and its underlying creditworthiness. The Consultant should consolidate or strengthen its performance and its underlying creditworthiness.

The Consultant should define measures in these areas for inclusion in a Financial and Operational Performance Improvement Programme (FOPIP).

The FOPIP should serve a number of functions:

- it should influence of form of the Utility's business strategy;
- it should help the Utility to build its creditworthiness and value as a company;
- it may form the basis of loan covenants set by financiers.

TASK 12: Preliminary design

Main elements of the waste water collection and treatment will be set during the selection of alternatives. Preliminary design will provide specification of all elements of the collection system, as well as the location, size and technology of the WWTP(s) for the selected alternative.

5. STAFFING (outline for specific expertise required)

All experts who have a crucial role in implementing the contract are referred to as key experts.

The core team will comprise 3 long term key experts and a pool of short term experts.

5.1 Long term experts

Key expert 1 – Team Leader

The Key expert 1 will act as team leader of the overall project.

Qualifications and skills: University degree in economics, or business administration or environmental engineering, or another degree integrated with specialised trainings in environmental economics or other relevant disciplines.

Fluency in written and spoken English.

General experience: minimum 10 years of professional experience in management of environmental projects.

Specific experience: At least 5 years experience in senior management or team leader positions.

At least 3 years experience with environmental investment project preparation and financing structuring.

Preferably experience in working in Macedonia.

Preferably experience with process of compliance with EU water directives and policies.

Key expert 2 – Waste water treatment and sewage expert

Qualifications and skills: University degree in civil or chemical or environmental engineering or other relevant discipline.

Fluency in written and spoken English.

General experience: Minimum 10 years relevant professional experience in waste water and sewage sub sector related to pollution abatement, procurement of services and equipment.

Specific experience: At least 5 years of experience in projects preparation.

At least 3 years of experience in the development of waste water treatment projects in transition countries and project preparation.

Preferably experience in working in Macedonia.

Preferably experience with processes of compliance with EU directives and policies.

Key expert 3 – Municipal finance and environmental economics

Qualifications and skills: University degree in environmental economics, public administration or other related discipline.

Fluency in written and spoken English.

General experience: Minimum 8 years relevant professional experience in the municipal finance and/ or environmental economics.

Specific experience: At least three years experience working on financial project preparation for investment projects.

At least 2 years of experience working with the municipalities and/or public utilities.

5.2 Short term experts

The Consultant will present the names and summary of short term experts. The group of short term experts should cover all aspects of the expertise which is needed to fulfil all the tasks described.

The full CVs of short term experts are not needed before the contract signature.

Short term experts may be EU nationals or local staff in Macedonia or other eligible nationalities as mentioned in paragraph 4.1 of this Notice.

All the experts and staff involved should be presented in the offer. Their profiles must indicate whether they are to be regarded as long-term/ short term, international/ local and senior/junior so that it is clear which fee rate in the budget breakdown will apply to each profile. For the purpose of the contract, international experts are considered those whose permanent residence is outside the beneficiary countries while local experts are considered to be those whose permanent residence is in Macedonia.

The Consultant should pay attention to the need to ensure the active participation of local professional skills where available, and a suitable mix of international and local staff in the project team. All experts must be free from conflicts of interest in the responsibilities accorded to them.

Civil servants and other staff of the public administration of Macedonia shall not be recruited as experts.

5.3 Support Staff and office

The costs of support staff (notably administrative, secretarial and interpreting staff) must be included in the fee rates of the experts.

Office costs are considered to be included in the fee rates. Office accommodation of a reasonable standard should be provided for each experts working on the contract to be provide by the Consultant.

The costs of the office accommodation including running costs, telecommunications, copying costs are to be covered by the fee rates of the experts.

The Consultant shall ensure that experts are adequately supported and equipped. In particular in shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities.

5.4 Other information

Project preparation activities will be carried out in Macedonia. The Contractor will establish a project office there.

The project duration will be XX months. The intended commencement date is (XX). The actual commencement of the contract will be specified in the contract signed with the Consultant.

The REC may, at its own discretion, extend the project duration and/or scope, subject to the availability of funding. Any subsequent extension of the contract would be subject to satisfactory performance by the Contractor. The intervention of events outside the Contractor's control shall also be taken into consideration.

The project will be monitored according to standard procedures. Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specific project results and towards achievement of project objective.

6. REPORTING AND TIMETABLE

- English and Macedonian – draft final and final
- interim in Macedonian

Progress reports must be prepared every month during the period of execution of the contract. Interim reports will be submitted upon finalizing of every stage as indicated in the section 4 Scope of Work. Reporting requirements

Fee-based contract

Month	Reports	Payment schedule	<EUR/**>
1	Inception report	Pre-financing payment	<amount> 35% of the cashflow forecast following the commencement date
3	I Interim Report – Draft Feasibility study + EIA	Forecast interim payment in Month 3	<estimated amounts> based on the cashflow forecast
6	II Interim Report – Preliminary Design	Forecast interim payment in Month 6	<estimated amounts> based on the cashflow forecast
7	Preparation of ToR for detailed design	Forecast balance	<estimated amount> 10% of the maximum contract value after adoption of the reports
		Total	<maximum contract value>

In addition, an updated financial report must be submitted with each of the above interim reports. The updated financial report must contain details of the time inputs of the experts. The final report must be accompanied by the final invoice and an audit certificate (as defined with the template in Annex VI B of the contract) confirming the final certified value of the contract.

All reports are to be submitted in hard copy and in electronic format using MS Office or an MS Office compatible software allowing for direct import and export of files and text/table sections using the software's copy and paste function.

(i) An Inception Report shall be submitted 1 month after the commencement of the project. The report shall clearly define the aims, objectives and methodology of the project; set out a detailed work plan for the provision of each activity, area of expertise and list of deliverables; identify the experts and local personnel required, the management of the project including members of the project steering committee etc. The inception report shall contain an updated SWOT analyses. The inception will contain an extended executive summary of 3-5 pages in English and Macedonian containing all relevant elements required by decision makers to understand the implications of the report both in technical and financial terms.

(ii) Monthly Reports shall be submitted within one week after the end of each month. These will briefly (two pages) explain project progress, difficulties in project implementation and solutions proposed.

(iii) Interim Reports shall be submitted upon finalizing individual project phases.

- The first Interim Report shall be delivered at the end of the third month after the inception period. This report shall present the results of the feasibility analyses, as being specified indicated in the section 4 of this ToR, TASKS 1-12. It will present the financial data, including resources utilised as well as recommendations and requests and planning of project activities for the forthcoming project period.
- The Second Interim report will work out the preliminary design for the selected alternative. It will contain maps, drawings, bills of quantities as required. Financial data concerning spending of resources are to be included as well.

(vii) Draft Final and Final Report documents summarise the project implementation history. They contain an executive summary, description of all documents prepared (reports, proceedings from workshops, minutes of relevant meetings, findings from workshops), results, lessons and a judgement of the sustainability of the measures taken. This report shall also include a complete financial statement for the programme showing a breakdown for each of the activities; a critical analysis of any major problem, which may have arisen during the performance of the contract. The Final Report will be delivered within one month after the completion of the Project. The Final Report shall be provided on CD - ROM as well. In particular, the final report should contain a ToR for development of the Detailed design as a base to tender follow up activities.

Submission and approval of Reports

The number of copies for each report shall be at least 2. Approval of all formal reports rests with the local authorities of the municipality of Saraj, as well as REC Director of the CO. The beneficiary shall communicate his observations on all formal reports to the consultant and the contracting authority within 15 calendar days of being in receipt of said reports. These shall be taken into account by the contracting authority prior to approving said reports.

Monitoring

The project will be monitored according to standard REC procedures.

Project monitoring and evaluation will be based on periodic assessment of progress on delivery of specified project results and towards achievement of project objectives.

The contractor will at all times provide to the contracting authority on written and verbal request any information pertaining to the implementation of this contract.

Definition of indicators

Suitable objectively quantifiable output and impact indicators will be agreed between the Contracting Authority and the Consultant. The consultant will provide such indicators in his offer in complementing the log frame contained therein. He/she will further refine monitoring indicators in the inception report.

7. COUNTERPART ASSISTANCE

The Consultant main counterpart is the Utility. For the success of this assignment, it is important that the Utility and the municipality of Saraj are closely involved in the study process and that recommendations are made in consultation with the relevant local/ national stakeholders.

The Consultant will have the following main points of contact:

Municipality of Saraj: [Mr. Adnan Saracini, Head of the Department on Urban development, tel: 2057 990,

The Utility: [Mr. Fatmir Aliu, Director tel: 2058 531, e-mail jicky_seeu@yahoo.com]

Municipality of Skopje/ public utility [Mr. Zlate Ikonov, tel: +389 (0)2 2621 443 e-mail: zlatan.ikonov@vodovod-skopje.com.mk)

The Utility will provide assistance to the Consultant in respect of data collection etc. Also an office in the Utility's premises will be made available for the Consultant if needed; however the Consultant will be asked to provide relevant office equipment.

8. MEETINGS

Presentation on meetings in Macedonian
Inception meeting – after contract award English – kick off
Progress reports
Visits of all local villages
Draft Feasibility Report and EIA
Closure Final Meeting

9. OUTLINE OF TECHNICAL AND FINANCAL OFFERS (plus deadline)

The Tender Submission form, the Project methodology and SOT analyses, Organization and Methodology, key experts and CVs financial identification (Annexes of this call) form the elements of the Technical Offer.
The Financial offer contains Budget Breakdown as well as cashflow forecasts.

10. Other conditions

Not applicable

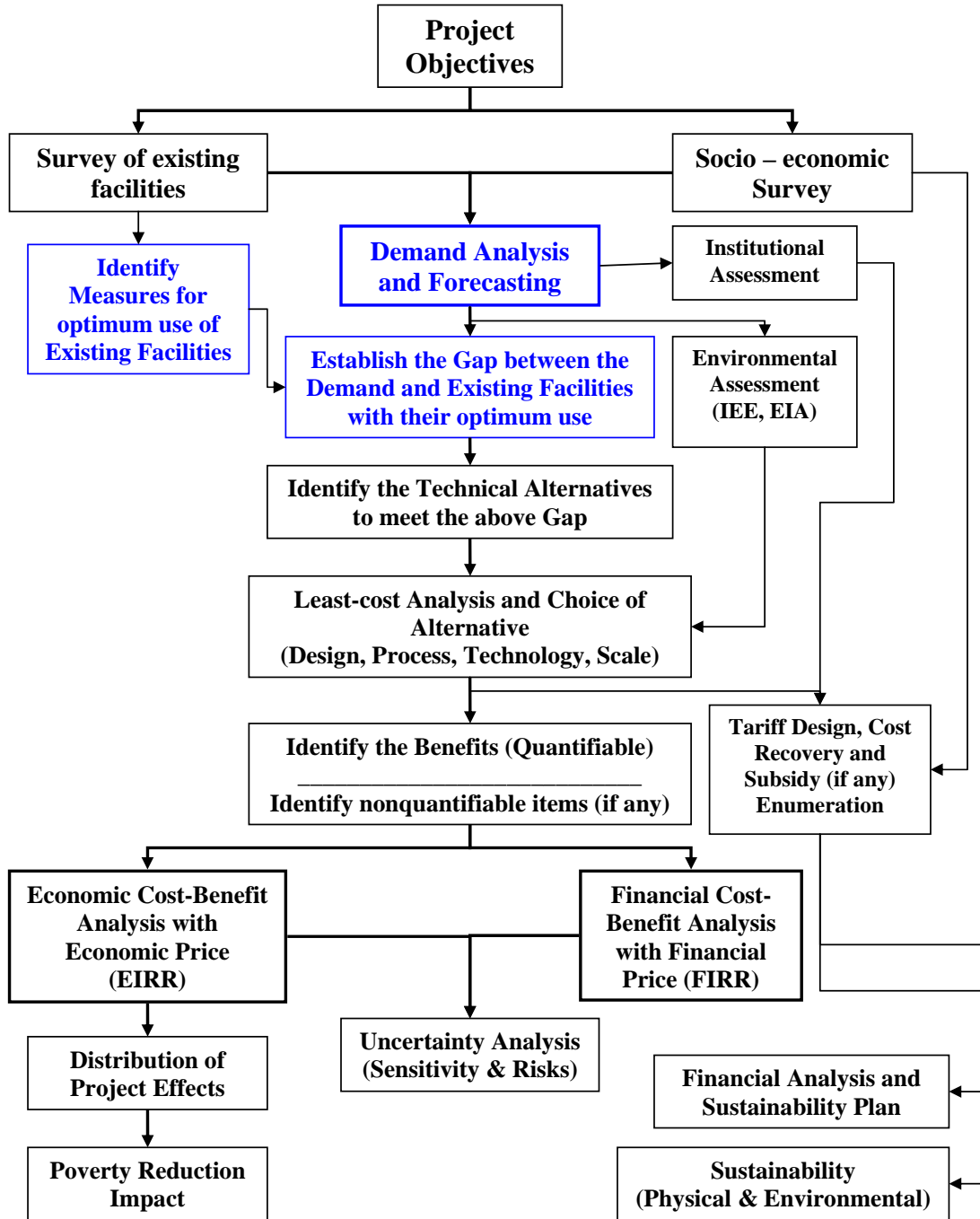
ANNEX 1

Impact Analysis Matrix (Template)

<i>Environment</i>	<i>Impact</i>	<i>Nature</i>	<i>+ or -</i>	<i>Magnitude</i>	<i>Extent / Location</i>	<i>Timing</i>	<i>Duration</i>	<i>Rever. Irrever.</i>		
<i>Physical environment</i>										
Noise		Direct	Negative	Medium		Immediate	Short term	Irrever		
Vibration		Direct	Negative	Low		Immediate	Short term	Irrever		
Electromagnetic										
Air		Direct	Negative	Medium	Area/Volume	Delayed	Long term	Revers		
Ground water		Direct	Positive	High	Area	Immediate	Long term	Revers		
Surface water		Direct	Positive	High	Area	Immediate	Long term	Revers		
Land use (agricultural)		Direct	Negative	High	Area	Immediate	Long term	Irrever		
Waste (construction)		Direct	Negative	High	Volume	Immediate	Short term	Irrever		
Waste (solid liquid)		Direct	Positive	High	Volume	Delayed	Long term	Revers		
Soil		Direct	Negative	High	Area	Delayed	Short term	Irrever		
Flora/Fauna		Direct	Negative	Medium	Area/Volume	Immediate	Long term	Irrever		
<i>Social environment</i>										
Health and Safety		Direct	Positive	High	Dispersion	Delayed	Long term	Revers		
Employment		Direct	Positive	Medium	Dispersion	Delayed	Long term	Revers		
Lifestyle		Indirect	Positive	High	Dispersion	Delayed	Long term	Revers		
Demography		Indirect	Positive	Low	Dispersion	Delayed	Long term	Revers		
Cultural, historical heritage		Direct	Negative	Low	Area	Immediate	Short term	Irrever		
<i>Economic environment</i>										
SMEs		Indirect	Positive	Low	Dispersion	Delayed	Long term	Revers		
Farming/Agricultural development		Direct	Positive	Medium	Dispersion	Delayed	Long term	Revers		

Note: the values displayed in the cells are only examples.

ANNEX II: Project methodology and SWOT Analysis



ANNEX II A) SWOT ANALYSES of the capacities of the Municipality, Public Communal Enterprise and the whole interested community including the national circumstances to implement this infrastructure project

<p>Strengths</p> <p>Readiness of the Mayor of Municipality of Saraj to support the implementation of the project;</p> <p>There are a great number of civil consulting and design companies to provide a quality Feasibility Study for the project;</p> <p>There is a great interest into implementation of the project expressed by the national relevant institutions;</p> <p>There are a good team in the municipality with organizational and management skills for such kind of project initiation and implementation;</p> <p>There is a great acceptance and support for implementation of the project expressed by the local population</p>	<p>Weaknesses</p> <p>Other governmental institutions have not been involved into the project in this phase (Programming);</p> <p>The new Law on Water harmonized with the EU regulations has not been already adopted (lack of the political will);</p> <p>There are a lack of human and technical capacities of the Public Communal Enterprise for maintenance and operation of the infrastructure project</p>
<p>Threats</p> <p>Ownership of the land and need for expropriation;</p> <p>Acceptance by the local population of the WWTP technology installed;</p> <p>Affordability of communal service;</p> <p>Volume of water billed and williness to pay</p>	<p>Opportunities</p> <p>The project has been included into the National Investment Plan for the period 2004-2006;</p> <p>The new structure for the water supply and waste water treatment will be established soon in cooperation with the Public Communal Enterprise “Vodovod i Kanalizacija” of City of Skopje</p>

ANNEX III: Organisation & Methodology

To be completed by the tenderer

1. RATIONALE

Any comments on the Terms of reference of importance for the successful execution of activities, in particular its objectives and expected results, thus demonstrating the degree of understanding of the contract. **Any comments contradicting the Terms of reference or falling outside their scope will not form part of the final contract**

An opinion on the key issues related to the achievement of the contract objectives and expected results

An explanation of the risks and assumptions affecting the execution of the contract

2. STRATEGY

An outline of the approach proposed for contract implementation

A list of the proposed activities considered to be necessary to achieve the contract objectives

The related inputs and outputs

In the case of a tender being submitted by a consortium, a description of the input from each of the consortium partners and the distribution and interaction of tasks and responsibilities between them

A description of the support facilities (back-stopping) that the team of experts will have from the contractor during the execution of the contract

A description of sub-contracting arrangements foreseen, if any and within the limit indicated in clause 3 of the Instructions to tenderers, with a clear indication of the tasks that will be entrusted to a sub-contractor and a statement by the tenderer guaranteeing the eligibility of any sub-contractor

3. TIMETABLE OF ACTIVITIES

The timing, sequence and duration of the proposed activities, taking into account mobilisation time

The identification and timing of major milestones in execution of the contract, including an indication of how the achievement of these would be reflected in any reports, particularly those stipulated in the Terms of reference

[For fee-based contracts:

The expected number of working days required from each category of expert each month during the period of execution of the contract (using the Excel spreadsheet).

ANNEX IV: KEY EXPERTS

Name of expert	Proposed position	Years of experience	Age	Nationality	Educational background	Specialist areas of knowledge	Experience in beneficiary country	Languages and degree of fluency (VG, G, W)
	Key Expert 1							
	Key Expert 2							
	Key Expert 3							

ANNEX V: CV

Curriculum Vitae

Personal information

Surname(s) / First name(s)

Address(es)

Telephone(s)

Fax(es)

E-mail

Nationality

Date of birth

Gender

Desired employment / Occupational field

Work experience

Dates

Occupation or position held

Main activities and responsibilities

Name and address of employer

Type of business or sector

Education and training

Dates

Title of qualification awarded

Principal subjects/occupational skills covered

Name and type of organisation providing education and training

Level in national or international classification

Personal skills and competences

Mother tongue(s)

Other language(s)

Self-assessment

Surname(s) First name(s)

House number, street name, postcode, city, country

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

(remove if not relevant, see instructions)

Add separate entries for each relevant post occupied, starting from the most recent. (remove if not relevant, see instructions)

Add separate entries for each relevant course you have completed, starting from the most recent. (remove if not relevant, see instructions)

(remove if not relevant, see instructions)

Specify mother tongue (if relevant add other mother tongue(s), see instructions)

Understanding	Speaking	Writing
----------------------	-----------------	----------------

European level (*)

Language

Language

Listening	Reading	Spoken interaction	Spoken production	

(*) *Common European Framework of Reference for Languages*

Social skills and competences

Replace this text by a description of these competences and indicate where they were acquired. (Remove if not relevant, see instructions)

Organisational skills and competences

Replace this text by a description of these competences and indicate where they were acquired. (Remove if not relevant, see instructions)

Technical skills and competences

Replace this text by a description of these competences and indicate where they were acquired. (Remove if not relevant, see instructions)

Computer skills and competences

Replace this text by a description of these competences and indicate where they were acquired. (Remove if not relevant, see instructions)

Artistic skills and competences

Replace this text by a description of these competences and indicate where they were acquired. (Remove if not relevant, see instructions)

Other skills and competences

Replace this text by a description of these competences and indicate where they were acquired. (Remove if not relevant, see instructions)

Driving licence

State here whether you hold a driving licence and if so for which categories of vehicle. (Remove if not relevant, see instructions)

Additional information

Include here any other information that may be relevant, for example contact persons, references, etc. (Remove heading if not relevant, see instructions)

Annexes

List any items attached. (Remove heading if not relevant, see instructions)

ANNEX VI B

FINANCIAL IDENTIFICATION

ACCOUNT HOLDER	
NAME	<input type="text"/>
ADDRESS	<input type="text"/>
TOWN/CITY	<input type="text"/>
POSTCODE	<input type="text"/>
COUNTRY	<input type="text"/>
VAT NUMBER	<input type="text"/>
CONTACT PERSON	<input type="text"/>
TELEPHONE	<input type="text"/>
FAX	<input type="text"/>
E - MAIL	<input type="text"/>

BANK	
BANK NAME	<input type="text"/>
BRANCH ADDRESS	<input type="text"/>
TOWN/CITY	<input type="text"/>
POSTCODE	<input type="text"/>
COUNTRY	<input type="text"/>
ACCOUNT NUMBER	<input type="text"/>
IBAN	<input type="text"/>

REMARKS :

BANK STAMP + SIGNATURE of BANK REPRESENTATIVE (Both Obligatory)

DATE + SIGNATURE of ACCOUNT HOLDER : (Obligatory)

ANNEX VI C

ANNEX VI - B: AUDIT CERTIFICATE
[Fee-based service contracts only]

To be submitted on the letter-headed notepaper of the audit firm providing the certificate

To: <name and address of the Contracting Authority>

Subject: Audit certificate for the contract <Contract title> with identification number <Identification number>

We have been appointed by <name and address of Consultant> (the Consultant) to audit the above contract it has with you with a view to certifying its final value, as required by Article 30 of the General Conditions of the contract. We confirm that we belong to an internationally-recognised supervisory body for statutory auditing. We have conducted our audit in accordance with the International Standards on Auditing and as required by the contract.

We certify that EUR <amount> as shown below presents a true and fair view of the final value of the above contract. The amounts up to this final value are supported by relevant and reliable evidence and are in compliance with the terms and purpose of the contract.

	Maximum amount contract (€)	Actual per number of days worked	Fee rate of (€ per day worked)	Actual amount (€)
FEES (including overheads):				
<i>Long-term experts</i>				
- Team leader				
- Key Expert 1				
- Key Expert 2				
<i>ST Experts</i>				
- Senior experts				
- Junior experts				

FINAL CONTRACT VALUE

[If appropriate: The following amounts were invoiced but have not been included in the final certified value above:

Description	Amount (EUR)	Reason for non-inclusion

]
 Signed on behalf of the audit firm

Name	
Signature	
Date	

ANNEX VII: ADMINISTRATIVE COMPLIANCE GRID

Deleted:

Contract title	National Solid Waste Management Plan and Feasibility Studies	Publication reference:	
-----------------------	---	-------------------------------	--

Tender envelope number	Tenderer name	Tender submission form duly completed? (Yes/No)	Tenderer's declaration (signed by each consortium partner, if appropriate)? (Yes/No)	Language as required? (Yes/No)	Organisation & methodology exists? (Yes/No)	Key experts (list CVs)? (Yes/No)	Key experts are present in only one tender? (Yes/No)	All key experts have signed statements of exclusivity & availability? (Yes/No)	Sub-contracting statement acceptable? (Yes/No/Not Applicable)	Nationality of key experts and sub-contractors eligible? (Yes/No)	Overall decision? (Accept / Reject)
1											
2											
3											
4											
5											
6											
7											
8											

Chairman's name	
Chairman's signature	
Date	

ANNEX VIII: EVALUATION GRID

	Maximum
Organisation and methodology	
Rationale	10
Strategy	10
Timetable of activities	10
Total score for Organisation and methodology	30
Key experts	
Team Leader (Max 30 points)	30
Qualifications and skills	5
General professional experience	10
Specific professional experience	15
Key Expert 1 (Max 20 points)	20
Qualifications and skills	3
General professional experience	7
Specific professional experience	10
Key Expert 2 (Max 20 points)	20
Qualifications and skills	3
General professional experience	7
Specific professional experience	10
Total score for Key experts	70
Overall total score	100

ANNEX IX:

TENDER SUBMISSION FORM

Ref: M1818-733

Contract title: *Preparation of feasibility study and preliminary design for wastewater management (collection and treatment) in Municipality Saraj, Macedonia.*

One signed original of this tender submission form (including original signed statements of exclusivity and availability from all key experts proposed, a completed financial identification form, as well as declarations from the Leader and all Partners in the case of a consortium) must be supplied, together with three copies.

Tenders being submitted by a consortium (ie, either a permanent, legally-established grouping or a grouping which has been constituted informally for a specific tender procedure) must follow the instructions applicable to the consortium leader and its partners.

1 SUBMITTED by [ie, the identity of the Tenderer]

	Name(s) and address(es) of legal entity or entities submitting this tender
Leader*	
Partner 2*	
Etc ... *	

*add / delete additional lines for consortium partners as appropriate. Note that a sub-contractor is not considered to be a consortium partner. If this tender is being submitted by an individual legal entity, the name of that legal entity should be entered as 'Leader' (and all other lines should be deleted). Any change in the identity of the Leader and/or any consortium partners between the deadline for receipt of tenders indicated in the Instructions to tenderers and the award of the contract must be communicated to the Contracting Authority as soon as possible.

2 CONTACT PERSON (for this tender)

Name	
Organisation	
Address	
Telephone	
Fax	
e-mail	

3 DECLARATION(S)

As part of their tender, each legal entity identified under point 1 of this form, including every consortium partner, must submit a signed declaration using the attached format. [For consortia, the declaration of the Leader must be a signed original but those of other partners may be faxed copies].

4 STATEMENT

I, the undersigned, being the authorised signatory of the above tenderer (including all consortium partners, in the case of a consortium), hereby declare that we have examined and accept without reserve or restriction the entire contents of the tender dossier for the tender procedure referred to above. We offer to provide the services requested in the tender dossier on the basis of the following documents, which comprise our Technical offer, and our Financial offer, which is submitted in a separate, sealed envelope:

- Organisation & Methodology
- Key experts (comprising a list of the key experts and their CVs)
- Tenderer's declaration (including one from every consortium partner, in the case of a consortium)
- Statements of exclusivity and availability signed by each of the key experts
- Completed financial identification form (see Annex VI of the draft contract) providing details of the bank account into which payments under the proposed contract should be made in the event that we are awarded the contract

[If applicable: We undertake to guarantee the eligibility of the sub-contractor(s) for the parts of the services for which we have stated our intention to sub-contract in the Organisation and Methodology.]

We recognise that our tender will be excluded if we propose key experts who have been involved in preparing this project or engage such personnel as advisers in the preparation of our tender and that we may also be subject to exclusion from other tender procedures and contracts funded by the EC.

We are fully aware that, in the case of a consortium, the composition of the consortium cannot be modified in the course of the tender procedure. We are also aware that the consortium partners would have joint and several liability towards the Contracting Authority concerning participation in both the above tender procedure and any contract awarded to us as a result of it.

This tender is subject to acceptance within the validity period stipulated in clause 6 of the Instructions to tenderers. Signed on behalf of the tenderer

Name	
Signature	
Date	

**FORMAT OF THE DECLARATION REFERRED TO IN POINT 3
OF THE TENDER SUBMISSION FORM**

To be submitted on the headed notepaper of the legal entity concerned

<Date>

<Name and address of the Contracting Authority >

Your ref: < Publication reference >

TENDERER'S DECLARATION

Dear Sir/Madam

In response to your letter of invitation to tender for the above contract, we hereby declare that we:

are submitting this tender [**on an individual basis**]* / [**as partner of the consortium** led by < name of the leader / ourselves >]* for this contract. We confirm that we are not participating in any other tender for the same contract, whatever the form of the application (as a partner - including leader - in a consortium or as an individual Candidate);

reconfirm that we are not in any of the situations excluding us from participating in contracts which are listed in **Section 11** of the Procurement Notice; agree to abide by the ethics clauses in **Section 13 of the Instructions for Tenderers** and, in particular, have no potential conflict of interests or any relation with other short-listed candidates or other parties in the tender procedure at the time of the submission of this tender;

[have attached a current list of the enterprises in the same group or network as ourselves] / [are not part of a group or network]* and have only included data in the application form concerning the resources and experience of our legal entity;

will inform the Contracting Authority immediately if there is any change in the above circumstances at any stage during the tender procedure or during the implementation of the contract; and fully recognise and accept that any inaccurate or incomplete information deliberately provided in this tender may result in our exclusion from this and other contracts implemented by REC.

[* Delete as applicable]

In the event that our tender is selected by the Evaluation Committee, we undertake to provide a sworn statement that our situation with regard to the grounds for exclusion listed in Section 11 of this Procurement Notice has not altered in the period which has elapsed since the documentary evidence submitted with our application form was drawn up. We also understand that if we fail to provide this proof, or references corresponding to the CVs of the key experts, confirmation of bank account details and a contact address for the contract within 15 calendar days after the date of the letter advising us that our tender has been recommended by the Evaluation Committee, or if the information provided is proved false, the notification will be considered null and void.

Within 30 days of receipt of the contract already signed by the Contracting Authority, we undertake to sign and date the contract and return it to the Contracting Authority.

Yours faithfully

<Signature of authorised representative of the legal entity >

< Name and position of authorised representative of the legal entity >