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GROWTH ACTIVITY



THE URBAN INSTITUTE

Request for Proposal RFP No. 01_NI_09

Regional Strategic Waste Management Plan (RWMP) for the Region of Nis including additional elements of a Feasibility Study

Date: October 05, 2009.

Dear Sir/Madam,

Municipal Economic Growth Activity (MEGA) is an USAID-sponsored technical assistance project implemented by the Urban Institute (UI), a non-profit policy research and development organization with headquarters in Washington, DC.

MEGA's objectives are to work with a number of Serbian municipalities and assist them with improving services to citizens, creating new job opportunities, facilitating investments, developing new businesses and creating public-private partnerships. MEGA will work towards municipalities having the skills and knowledge to put these concepts and skills into practice, and create a business-friendly environment where the private sector might flourish through trainings and direct technical assistance. One of the Program's goals is the improvement of municipal capacities for providing services to citizens and investors.

Recognizing the role of regional waste management leader, the city of Niš has shown willingness to invest efforts and resources into introducing European standards and providing sustainable development and environmental protection. Establishing sustainable regional waste management with the lowest negative impact on the environment implying rational use of resources and compliance with modern principles is the vision of the City of Nis.

The Regional Strategic Waste Management Plan for which UI is soliciting proposals under this RFP will describe the priorities, direction and management of waste handling and treatment in the Niš Region, in compliance with all national and EU waste management and environment protection regulations. It will determine how to establish a new system of waste management, based on the guidelines from the National Strategy for Waste Management, the Law on Waste Management, and EU standards.

RSWMP will include a financial and capital investment analysis and preparation of the RSWMP implementation plan. Moreover, it will define **the priority part of RSWMP implementation** – hereinafter "the Project" - specifying not only its capital investment and financing sources but also annual operation and maintenance costs and tariffs, in order to ensure the Project sustainability. The priority part of the RSWMP (the "Project") will include new waste treatment facilities, recycling center construction, collection equipment improving, etc. Other programs (medical waste, hazardous waste) will be implemented later on and are not included in the Project.

The Project can also be used as the basis to solicit PPPs (e.g., selection of a private partner on the basis of a public tender procedure).

UI is soliciting proposals from qualified firms to develop a RSWMP covering Programs for management of different types of waste, SWM alternatives, disposal/treatment facilities and investment needs, PPP establishing of the "Project", and resulting in a preliminary and final RSWMP. This activity is described in the enclosed Scope of Work (SoW).

This solicitation includes the following:

- | | | |
|------|---|-------------|
| i. | Instructions to Offerors | (Annex I) |
| ii. | Scope of Work (SoW) | (Annex II) |
| iii. | Subcontract Template including General Conditions | (Annex III) |
| iv. | Proposal Submission Form | (Annex IV) |

UI intends to award a FFP (firm-fixed price) agreement to one or more firms to do the work as described below. All directions for work will be received by the Subcontractor from the Urban Institute.

An optional information meeting for Bidders will be held on October 15, 2009 from 13:00 to 14:00 p.m. at the premises of Public Utility Company "Mediana", City of Nis, Ivana Milutinovica bb, 18000 Nis, Serbia. Visit to the location of the new regional landfill site in Doljevac will be organized from 14:00 to 15:00 p.m. on the same date.

Interested parties can obtain the Bidding Documents free of charge at the following MEGA Program web site: www.mega.ui-serbia.org/ (see web-page: tenders).

Proposals should be submitted electronically to Mrs. Maja Todorovic (maja_todorovic@ui-serbia.org) or Jelena Kanostrevac (jelena_kanostrevac@ui-serbia.org) by October 30th, 16:00 Belgrade time. The proposal should be accompanied by a cover letter signed by an authorized official of the company.

You are kindly requested to indicate in case you intent to submit your proposal at the following e-mail: **jelena_kanostrevac@ui-serbia.org** by October 20, 2009.

Yours sincerely,

Olga Popovic, The Urban Institute
MEGA Program Deputy Chief of Party

Annex I

Instructions to Offerors

1. General

The objective of the RFP is to identify a firm capable of providing Regional Strategic Waste Management Plan for the Region of Nis including additional elements of a Feasibility Study.

All individuals and legal entities will have the right to participate in the RFP procedure providing they fulfill requirements set forth in the RFP, with the following exceptions:

a) Individuals or legal entities referenced in the Excluded Parties List (<http://www.epls.gov/>), from Libya, Syria, Cuba, Iran, Sudan and North Korea or from the countries with which commercial relations are prohibited by any law or standard act of Serbia are not eligible to take part in the tender procedures;

b) No employee of the Urban Institute, or anyone who participated in the preparation of solicitation documents, Statement of Work or other documents related to this procurement may have participated in any activity with the Offeror in which the employee or consultant:

- Has any interest, financial or otherwise, direct or indirect;
- Participated in any business, transaction or professional activity; or
- Incurred any obligation of any nature, which is, or appears to be, or may be, perceived to be in substantial conflict with the proper discharge of the person's professional duties and execution by a person of an objective and independent professional judgment, and/or according to widely recognized professional norms of conduct.

Examples of conflict of interest may include: using confidential information for private advantage, participating in any action in which this person has a financial interest or to which they have a significant relationship, employment of a spouse or other relative of the Offeror, or holding a substantial portion of the shares of the Offeror; using the person's position to gain an advantage or benefit that a person is not otherwise entitled to; and bribery (including giving bribes to somebody and accepting bribes).

Firms wishing to submit proposals must disclose any potential or explicit conflict of interest to UI prior to submitting a proposal.

2. Cost of proposal

The Offeror shall bear all costs associated with the preparation and submission of the Proposal, and the Urban Institute will under no circumstances be responsible or liable for those costs, regardless of the outcome of the solicitation.

3. Contents of solicitation documents

Proposals must comply with all requirements of this RFP. Proposals partially complying with the requirements may be rejected. The Offeror is expected to examine all corresponding instructions, forms, terms and specifications contained in the solicitation documents. Failure to comply with these documents will be at the Offeror's risk and may affect the evaluation of the Proposal.

4. Clarification of solicitation documents

A prospective Offeror may request clarifications or ask questions in writing through e-mail or fax number +381 11 2071 - 900. Please send technical questions to Mirjana Stankovic (mirjana_stankovic@ui-serbia.org) and all administrative questions – to Jelena Kanostrevac (jelena_kanostrevac@ui-serbia.org). Phone or other verbal enquiries shall not be entertained. All requests for clarifications and/or questions must be received by UI **no later than close of business on October 21, 2009**. UI will provide responses to all questions **in writing and will make them available to all parties that confirmed submission of proposal and/or submitted questions by October 23, 2008**.

An optional information meeting for Bidders will be held on October 15, 2009 from 13:00 to 14:00 p.m. at the premises of Public Utility Company "Mediana", City of Nis, Ivana Milutinovica bb, 18000 Nis, Serbia. Visit to the location of the new regional landfill site in Doljevac will be organized from 14:00 to 15:00 p.m. on the same date.

5. Amendments of Solicitation Documents

Modifications may be made at any time prior to Proposal submission deadline. Deadline for submission may be extended depending on the scope of a modification. Proposal validity extension may be requested. In special circumstances, a modification may take place after the proposals are received and opened, such as when USAID cancels the the Urban Institute's MEGA project or there is a stop-work order issued to UI under the MEGA project. Modifications after the receipt of Proposals will be communicated only to those Offerors who submitted Proposals. UI will post amendments on MEGA Program web site www.mega.ui-serbia.org. All prospective Offerors are encouraged to visit the MEGA web site regularly, and UI will not have any responsibility if an Offeror is not aware of a posted modification or an update.

6. Language of the proposal

The Proposals prepared by the Offeror and all correspondence and documents relating to the Proposal exchanged by the Offeror and UI shall be written in English and Serbian language. Documents required to be submitted as part of the Proposal:

- Registration documents - Agency registration, and tax registration if applicable, as well as documents issued by the respective competent authorities certifying that the Offeror:
 - has not declared bankruptcy nor is the subject of pending bankruptcy proceedings;
 - is not in liquidation;
 - does not have any outstanding financial obligations to the relevant Tax Department if applicable; and
 - the head of the entity/Offeror has not been convicted by a court during the last 3 years and that he/she is not currently under criminal investigation or charges for malfeasance committed in relation with his/her job activities.

The Proposal should contain the following sections:

A. Technical Proposal

- Methodology (Not more than 5 pages)

A clear, brief description of how each of the issues listed in the Scope of Work will be approached, which studies and methods used.

- Qualifications of the Company, including:
 - Experience of the entity in Serbia (**Not more than 2 pages**)
 - Descriptions of a minimum 3 similar projects conducted in Serbia in the past five years (**not more than 1 page per project**). The description should include:
 - project title,
 - client and client's contact information,
 - approximate project value (optional),
 - what exactly your company did at this project (task and product / result), and
 - names and titles of key personnel on the project.

The Offeror should demonstrate good knowledge of institutional and regulatory framework of municipal services, e-government processes on a local level and proven experience on the similar assignments.

- o Period of performance

#	Description of Services	Period in Weeks												
		1	2	3	4	5	6	7	8		
1.	Preparation of Methodology													
2.	Data collection and analysis (technical/financial/environmental/institutional data)													
3.	Analysis of current SWM situation, locations of existing dumps													
4.	Analysis of the projected SWM status, propose programs on waste management, propose location for regional landfill according to spatial plans, propose closure methods for existing dumps													
5.	Propose SWM alternatives, including disposal/treatment facilities and investment needs													
6.	Preparation of RSWMP implementation plan, including required investments; Preparation of Project implementation and procurement plan, including required investments													
7.	Analysis of the Project's Impact to both the environment and the social environment													
8.	Financial analysis and assessment													
9.	Social-economic analysis and assessment													
10.	Sensitivity analysis and analysis of investment risks													
11.	Institutional analysis and private sector participation													
12.	Propose model contract for PPP project													
13.	Preparation of Preliminary RSWMP (submittal and presentation)													
14.	Preparation of Final RSWMP													

- Key Personnel proposed for this Assignment (Not more than 6 pages)

Identify key professional personnel who will be working in the assignment and their respective roles. Provide resumes of the suggested personnel. (*Note:* The proposed personnel must commit to work on the project, and the proposal should state that the personnel included in the proposal will be working on the project.)

Name of key professional personnel	LOE per Service (in days)			
	1	2	3	4.....

B. Cost Proposal

The cost of performing this assignment should be presented in the following formats:

- Cost Proposal Format

Cost category	Rate	Quantity	Cost (in dinars-RSD)
SALARIES AND WAGES			
Name / position at the project	RSD /day	# of days	
Name / position at the project			
Social costs/tax loading for employer/employee.....			
Subtotal			
DIRECT COSTS			
<List each item in a separate row, such as travel, accommodation, telecommunications, printing materials, translation, data, etc. >			
.....			
TOTAL			

- Cost Proposal narrative (Not more than one page)

The Cost Proposal narrative shall provide sufficient detail so that the reasonableness of the proposed costs can be assessed as part of the evaluation of the proposal (e.g. employee compensation, firm-specific loading, including statutory loadings; brief explanation of how the other cost items were determined). All local taxes and benefits to be paid by the Offeror related to this assignment should be included in the cost proposal.

C. Proposal Submission Form (Please see Annex 4)

A proposal that does not contain all of the documentation required above may be rejected.

7. Proposal pricing

The Offeror shall use the format of the cost proposal included in this RFP to provide a budget for the services it proposes to supply in accordance with the Scope of Work.

All prices should be net of VAT since UI is exempted from paying VAT in Serbia.

8. Proposal currencies

All proposed prices shall be quoted in Dinars (RSD).

9. Period of validity of proposals

Proposals shall remain valid for 60 (sixty) days after the proposals' opening. A Proposal valid for a shorter period may be rejected by the Program as non-responsive.

In exceptional circumstances, UI may solicit the Offeror's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. An Offeror will not be required nor permitted to modify its Proposal.

10. Format and signing of proposals

Each Offeror may only submit one Proposal. The Offeror must include a list of documents they submit and indicate number of pages of the whole package.

The Offeror shall submit an electronic version of the Proposal at the following e-mail address: Jelena Kanostrevac (jelena_kanostrevac@ui-serbia.org)

The Offeror shall also prepare one hard copy of the Proposal, clearly marked as "Original Proposal RFP No. XX (Offeror's number if applicable) and mail it at the address: The Urban Institute, 11000 Belgrade, Osmana Djikica 3.

The Proposal shall be signed by the Offeror or a person or persons duly authorized to bind the Offeror to the Subcontract.

A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Offeror, in which case such corrections shall be initialed by the person or persons signing the Proposal. In case of revisions, a hard copy version will be in effect.

11. Payment

Payment to the selected Offeror will be in accordance with the Terms and Conditions of the Subcontract. Template of the Subcontract is included for Offerors' convenience in this RFP.

It is expected that payment shall be executed in four installments, based on submission and acceptance of the following deliverables:

1. **20%** - Deliverable No 1: - Proposed Methodology
2. **30%** - Deliverables No 2, 3, 4 - Proposed Programs on management of different types of waste; SWM alternatives, including disposal/treatment facilities and investments; Analysis of the Project's Impact to both the environment and the social environment;
3. **20%** - Deliverables No 5, 6, 7, 8 - RSWMP implementation plan; Project implementation and procurement plan; Financial-social-economic analysis and assessment; Institutional analysis, PPP options, contract model for optimal PPP model; Preliminary RSWMP
4. **30%**. - Deliverable No. 9: Final RSWMP

Payment schedule is subject to negotiation.

12. Deadline for submission of proposals

Proposals must be received by UI/MEGA Program at the e-mail address specified under section 10 (*Format and signing of proposal*) **no later than 16:00 PM. Belgrade time, on October 30th 2009.**

UI may, at its own discretion, extend Proposal Submission deadline, in which case all rights and obligations of UI and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

13. Late Proposals

Any Proposal received by UI after the deadline for submission of proposals will be rejected.

14. Modification and withdrawal of Proposals

The Offeror may withdraw its Proposal after the Proposal's submission, provided that written notice of the withdrawal is received by the Urban Institute prior to the deadline prescribed for submission of Proposals.

15. Opening of Proposals

Proposals shall be opened at 16:15, Belgrade time, on October 30th at MEGA Program Belgrade Office, Osmana Djikica 3, 11000 Belgrade.

At the opening, UI staff shall declare the names of the Offerors. Proposals that have not been opened and declared during the opening procedure will not be admitted for further evaluation regardless of any circumstances.

After the opening of Proposals, UI shall determine and announce dates for selection and evaluation of proposals.

16. Clarification of proposals

To assist in the examination, evaluation and comparison of Proposals, UI may at its discretion, ask the Offeror for clarification of its Proposal. The request for clarification and the response

shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

Unless contacted by UI, Offerors shall not contact UI on their own on any matter relating to their proposals, from the time of the Opening of Proposals until the time the Subcontract is awarded. Any effort by the Offeror to influence UI in its decisions on evaluation or Subcontract award will result in the rejection of the Offeror's proposal.

17. Preliminary examination

UI will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are in compliance with the requirements of this RFP.

Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Offeror does not accept the correction of errors, its Proposal will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

UI's determination of a Proposal's responsiveness is based only on the materials included in the Proposal and their applicability and relevance to the proposed work, and responsiveness to the RFP requirements.

In addition to the considerations above, UI reserves the right to reject any Proposal if:

- The Offeror's qualification or Proposal data are proven to be false;
- The selected Offeror refuses to enter into a subcontract; or
- The Offeror commits a proven unfair or dishonest act in order to acquire rights for the award.

18. Evaluation of Proposals

Evaluation of complete proposals will be based on both technical merit and cost. The contract will be awarded to a bidder with the highest overall score.

Technical Evaluation

The technical proposal score constitutes 70% of the overall score. The technical proposal will be evaluated on the basis of its responsiveness to the Scope of Work (SoW) using the following:

A. Technical Evaluation Criteria

Criteria	Weight	Min Acceptable Threshold (% of max)
1. Specific experience and capability of the consultant firm(s) related to the assignment: <ul style="list-style-type: none"> • experience in similar assignments [50%] • experience in similar locations [30%] • structure, organization, capacity of firm [20%] 	10	-
2. Adequacy of the proposed work plan and methodology in responding to the TOR: <ul style="list-style-type: none"> • understanding of assignment [20%] • approach and methodology [20%] • work plan and team assignments [60%] 	30	70%
3. Qualifications and competence of the key personnel for the assignment: <ul style="list-style-type: none"> • Team leader/project coordinator [25%] • Key experts for technical analysis [25%] • Key experts for legal/institutional/PPP analysis [20%] • Key experts for economic/financial analysis [20%] • Other short term experts [10%] <p>Each of the key personnel listed above will be evaluated as follows:</p> <ul style="list-style-type: none"> • general qualifications [15%] • specific experience and expertise related to their task [70%] • experience in region [15%] 	55	70%
4. Other factors <ul style="list-style-type: none"> • local participation/local presence/back-up capacity/quality assurance/training and transfer of know how 	5	
TOTAL	100	

B. Cost Evaluation

The cost score constitutes 30% of the overall score. The maximum number of points obtainable for cost proposal is 30.

19. Award criteria, award of Subcontract

UI reserves the right to accept or reject any Proposal, and to terminate the solicitation process at any time prior to award of the Subcontract, if:

- a. Funding is not available for this activity;
- b. No proposals have been submitted in response to the RFP within the specified date;
- c. The number of proposals is less than 3 (three);
- d. None of the Offerors' proposals meets the requirements of the RFP; and
- e. Other urgent and unforeseen reasons.

In case of termination, UI shall notify all Offerors as soon as practicable of the decision to terminate UI is not obligated to provide the Offerors with detailed information or specific reasons for terminating the RFP.

Annex II

SCOPE OF WORK

TITLE

Development Of The Regional Strategic Waste Management Plan, Including Additional Elements of a Feasibility Study For The Niš Region

BACKGROUND

The City of Niš Parliament at the session held on December 17, 2007 made a decision on the participation of the City of Niš in the regional waste management and construction of the regional landfill for the Nišava district municipalities, in accordance to the National Strategy of Waste Management with the goal of meeting EU standards (hereinafter referred to as National Strategy) and the Law on Waste Management.

At the session held on December 30, 2008, the City Council confirmed readiness to actualize, review and finally start solving this problem through the development of the Regional Strategic Waste Management Plan (RSWMP).

Participating municipalities are the City of Niš (250,518 inhabitants, census 2002) and the surrounding municipalities: Doljevac (19,561), Gadžin Han, (10,464), Merošina (14,812), Aleksinac (57,749), Svrljig (17,284), and Sokobanja (18,571). These municipalities, according to the National Strategy, makeup Region No. 24 - the Niš Region (except Sokobanja, which belongs to Region No. 21, but is included in the Project). The total population of the region is approximately 390,000. Recognizing its role as a regional leader, the City of Niš with its organizational, technical capacities and human resources has determined that it can and must initiate a RSWMP, that promotes sustainable development and meets EU Standards for waste management and environmental protection. A MOU was signed by all participating municipalities in July 2009. The MOU established the above mentioned Niš Region for joint waste management, formed a joint Working Group and a Regional Council, and committed to developing the RSWMP and construction of a new regional landfill. The selected location of the new landfill is south-west of Niš, 7.6 km from the Niš City Center, on two connected sites "Postojeća lokacija" and "Keleš".

The City has previously prepared the following documents:

- Plan of Municipal Solid Waste Management for the City of Niš and surrounding municipalities of the Niš Region – Project of the German Technical Cooperation in Modernization of Communal Services GTZ and Fideco, 2003. (Volume 1 – Communal solid waste management in the City of Niš and Volume 2 – Communal solid waste in Niš and municipalities of Niška Banja, Aleksinac, Gadžin Han, Doljevac, Merošina and Svrljig);
- Support to the modernization of the communal systems in the Nišavski region – GTZ, 2004;
- Preliminary study on the regional landfill location (site) selection, PU Urban Planning Institute, City of Niš, 2007.

CD with copies of these documents will be made available to Bidders upon request, during their organized visit to the proposed landfill site.

The current system of waste management in the Niš region is managed by a public utility company ("PUC") Mediana, sector "Čistoća". The PUC is wholly-owned by the City of Niš,

which also provides sanitation services in the City. Since 1965, the City's solid waste has been disposed at the Bubanj landfill, which is non-compliant and near capacity. The Bubanj landfill occupied one part of the "Postojeća lokacija" site. In 2005, the Design on Remediation, Closing and Reclamation of Bubanj landfill was prepared by the Institute „Kirilo Savić”. The City of Niš began the closing the landfill in 2009, using its own funds and funds from the Fund for Environment Protection of the Republic of Serbia.

Each of the other municipalities participating in the RSWMP operates its own PUC for waste collection, and disposes solid waste on its own dumps, managed by its own PUCs, except municipality of Doljevac which disposes its solid waste on the Bubanj landfill.

Solid waste collection services are available mostly in urban areas of each participating municipality (60-70% coverage), with only 10% coverage in rural areas. Overall, SWM coverage is 50% in the Niš Region.

The City of Niš Development Strategy defined the problem of addressing inadequate solid waste management as a priority and a prerequisite for the improving the quality of the environment. As such, improved solid waste management is included in Strategic Direction I: Territorial development oriented to a sustainable environment. The objective of this Strategic Direction is to transform the City of Niš into an urban regional center that has a high quality environment, well-operated communal utilities and good traffic connections, in accordance with advanced development policies and European good practices.

GOALS, OBJECTIVES, AND STRUCTURE OF THE RSWMP

The RSWMP will include additional elements of a feasibility study (e.g., detailed financial assessment, and institutional and PPP analysis of the priority part of the RSWMP - the Project) and will be the strategic document that will present the current status and define the approach to solving the problem of waste management in the Nis Region.

The ultimate goal of the RSWMP is the long-term establishment of a sustainable regional waste management system in a manner that has minimal harmful impact on the environment and health of current and future generations using modern principles of waste management.

The overall objective of the RSWMP is to specify the priorities, direction and management for handling and treatment of the waste in the Niš Region that is in compliance with all national and EU regulations for waste management and environment protection. The RSWMP will also include a capital investment analysis and financing sources of the RSWMP, financial analysis of the Project that specifies its capital investment and annual operation and maintenance costs, to ensure project sustainability. The RSWMP can also be used as the basis to solicit PPP (e.g., selection of a private partner on the basis of a public tender procedure). The RSWMP will answer many open questions that determine the establishment of a new system of waste management based on the guidelines from the National Strategy for Waste Management, the Law on Waste Management, EU standards and legislation that define this area, and are comprised in the following table:

<u>Overall objectives:</u>	Develop and enhance the regional strategy, cooperation and joint actions in research and realization of sustainable regional strategy and plan of the waste management. Improve waste collection, transportation, treatment and disposal services and improve environmental and health conditions in the Nis Region.
<u>Specific objectives:</u> <i>Municipal solid waste (MSW)</i>	Establish a regional system of municipal waste management and construction of the regional sanitary landfill for disposal of municipal solid waste for all the inhabitants in the region. Expansion of waste collection to 100% in urban areas and to 80% in rural areas. With greater collection coverage (especially in rural areas), the incidence of illegal dumping should be reduced.
<i>Source reduction</i>	Reduce the quantity of the waste per inhabitant that is to be disposed of in the landfill, via promotion of reduced waste generation, reuse, and recycling.
<i>Collection, selection, re-use, recycling</i>	Develop a program and projects for: treatment of waste (e.g., composting, incineration), household waste collection and recycling ¹ , commercial waste collection, collection of hazardous waste from households, industrial waste management, municipal waste re-use, reduced waste generation at the source (e.g., packaging guidelines), biodegradable waste management.
<i>Supervision and control</i>	Establish and develop continuous review of waste origins (quantity and content of waste), collection and treatment of waste and provision of a functional and updated waste database on the regional level.
<i>Impact on the environment and social background</i>	Indirectly significantly improve the quality of life of inhabitants by rehabilitation, closure and reclamation of dumps and reduction in health hazards. Prevent environmental pollution and pollution of groundwater, surface waters, air and soil.
<i>Assets and equipment</i>	Purchase appropriate equipment (containers, vehicles) for waste collection that should correspond to the regional solutions for waste collection and transport.
<i>Rehabilitation and works:</i>	Establish a procedure to prepare project documentation and implement projects for closing, and rehabilitation of existing municipal landfills/dumps that are a significant danger to the environment.
<i>Financial tools:</i>	Establish a full cost tariff for waste management and propose a waste management tariff that provides for necessary funding for a sustainable system of waste collection, treatment and disposal services, considering the economic and market mechanisms as well as the affordability for the population. Develop a billing and collection system that assures fees for service are readily

¹ Participation of residents in a curbside recycling program, where MSW is sorted at the home. Separation of specific materials from the waste stream (e.g., PET, paper, glass, metals) can reduce MSW up to a minimum of 25% by volume.

<i>Legal tools:</i>	collected and accounted for. Local and regional applications of the Law on Waste Management and the Law on Packaging and Packaging Waste. Insure implementation of the priority Project which must be in compliance with the National Strategy for Waste Management for the Republic of Serbia 2003, National Strategy of Environment Protection (NES) 2005, and National Ecological Plan (NEAP) for 2005-2014. Assure compliance with short-term objectives of NEAP for 2005-2009, as well as mid-term objectives of NEAP for 2009-2014.
<i>Training:</i>	Establish and develop special training programs and capacity building of managers, employees, and others PUC staff.
<i>Development of public awareness:</i>	Establish and develop a program and system of information, education and increasing public awareness.
<i>Public-Private Partnership</i>	Identify PPP opportunities, according to activities on the national level that promote restructuring and ownership transformation of PUCs into profit-oriented waste management companies. Create conditions for the development of micro and small enterprises in this area.

In meeting these objectives, the RSWMP combining features of a plan and a feasibility study will:

- Propose solutions for integrated waste management in the Niš Region;
- Respect the hierarchy of waste treatment;
- Give priority to waste minimization, re-use and recycling before other kinds of treatment and disposal are considered;
- Propose measures and dynamics for the establishment of economic relations;
- Analyze possible options for organizational management and include a proposal for the optimal organization;
- Estimate the options according to the criteria that cover all the strategic aspects;
- Make a list of selected best options from all strategic aspects;
- Analyze the sub-systems for: temporary storage, primary and secondary collection and separation, transportation, recycling, treatment and disposal of all types of waste generated in the Nis Region: communal, commercial and industrial (including inert waste, non hazardous and hazardous waste). Particularly attention will be given to a detailed analysis of solid waste from: households, companies, shops, public institutions, public areas (including street cleaning, maintenance of parks and greenery, maintenance of green markets, cemeteries, disposal of dead animals, etc), as well as non-hazardous industrial and medical solid waste, agricultural and construction waste;
- Focus on increased efficiency;
- Identify, evaluate, and propose the best available option for each sub-system;
- Integrate the existing strategic documents and serve as a basis for the further development of the required documents;
- Identify the ecological and social impacts of the proposed regional plan; and
- Propose implementation plan and financing option to implement the RSWMP, with particular emphasis on the Project (that will likely be financed via a PPP).

The above mentioned results of the RSWMP will help the City of Niš and its regional partners to:

- Fully assess the current situation with regard to waste management in the region;

- Define the requirements and joint aims of the waste management in the region, in accordance with national regulations;
- Define the optimal system for waste management in the region and the method and optimal timing of implementation of the RSWMP;
- Define a Priority part of the RSWMP, called the Project, for meeting the immediate requirements of the RSWMP, including new waste treatment facilities, recycling center construction, collection equipment improving, etc.
- Determine the financial and economic viability of the Project, including the affordability for their citizens and commercial enterprises and the level of financial support, if any, required by the partners in order to implement the Project;
- Determine the optimal mode and organisational structure for operating the waste management system;
- Determine whether private sector participation (PSP) in the waste management system is optimal and if so, the parameters of such participation;
- Implement the RSWMP based on the proposed RSWMP Implementation Plan; and
- Implement the Project, based on the proposed Project Implementation and Procurement Plan.

Ultimately, the RSWMP will specify clear financial indicators, adequate technology, legal requirements, building codes and existing and improved urban conditions, and will serve as a basis for the City of Niš and its partners to make decisions regarding waste management at the regional level.

REQUIRED CONTENTS OF THE RSWMP INCLUDING ADDITIONAL ELEMENTS OF A FEASIBILITY STUDY

The Contractor, in addition to an Executive Summary (5-10 pages), shall include in the RSWMP the following components. Sections 1 through 7 define the basic outline of an RSWMP, which fulfils the requirements of Serbian law and EU practices for strategy plans. Sections 8 through 12 describe certain initial feasibility analyses that the Contractor will prepare for an initial investment “Project” to be defined in Section 5 of the RSWMP.

1. General data to be included in the RSWMP

- 1.1 RSWMP objectives (social, economic, other objectives). Basic data about Nis region and its development opportunities (territory, demographic environment, macro economic environment, regional development, economic and trade activity and employment rate, health and education, traffic and infrastructure, basic indicators of social-economic development – present demographic projection, economic growth, unemployed vs. employed population, GDP in the projected region).
- 1.2 Planning period and information base (min. 10 years for plan, min. 20 years operation period of the regional sanitary landfill, plans, strategies and laws on local, national and international level),
- 1.3 Methodological approach (description of the applied software tools), if applicable.

2. Analysis of the Current Situation

- 2.1 Spatial location – service area of the regional system of waste management (macro location, area covered by the RSWMP), basic data about each participating municipality (e.g., position, territory, area, population density, population, economy, health care, education, traffic, infrastructure, environment status and development directions).

- 2.2 Function of the system for waste management (description of the existing system for waste collection in each participating municipality), status of the technical operative division, vehicles, garbage trucks, containers, collection frequency, work organization, labour, percentage of population included in the waste collection in rural and urban areas, waste collection billing, payment levels.
 - 2.3 Quantities and content of the produced MSW, quantities of collected MSW, and MSW treatment and disposal.
 - 2.4 Review of the primary selection status, review of recycling and waste treatment in the region for all types of recyclable waste, review of the existing recycling techniques (BAT), analysis of the secondary raw material market, review of the companies dealing with purchase and/or processing and/or sale of secondary raw materials, analysis of repurchase price and the price of the secondary raw material sale in the raw state, in pressed and baled form, PET assorted by colours and without caps and labels, etc., quantity and type of the material to be recycled, etc.
 - 2.5 Generators of all waste types flows in Niš region, as well as all flows of all waste types – review of each large waste generator according to the type, content, quantity and treatment as well as the review of each type of the waste according to the quantity and treatment like as, special waste, industrial waste, commercial waste, hazardous waste, medical, etc. applied in the region.
 - 2.6 List of all existing landfills/dumps with photos and maps of accurate macro and micro locations, status review and operation of these landfills, area, percentage of capacity fulfilling inventory, equipment on the landfill, existing infrastructure, location of the existing dumps and their harmful impact to the environment, applied measures of protection of underground and surface waters, protection of air, people, environment.
 - 2.7 Significance of the current system of waste management in the system of communal services provision (in relation to the environment, underground and surface waters, health care of people and animals, society, etc).
 - 2.8 Basic problems in functioning of the system of waste management (e.g., lack of trucks, containers, special vehicles, equipment for waste treatment, as well as inadequate road network). Specify all causes of insufficient number of inhabitants included in waste collection services, insufficient financial resources for new equipment and for maintenance of the existing one, obsolete car park, low maintenance levels, problems in billing/cash and accounting. Service billing of waste, regulation of price by the state, relation to the ownership on the equipment and financial resources, location of the existing dumps and their harmful impact to the environment, etc.).
3. **Analysis of the projected status of quantity, collection, recycling, treatment and disposal of the waste**
 - 3.1 Forecasted types, generators and quantities of all municipal waste to be generated in Niš region. Forecasted waste volume in proposed service area, collection and disposal – total, per capita/business, etc. Estimation of the waste quantity growth and change in the content, considering forecasted population growth during the project, expansion of collection services coverage area (100% of urban areas, 80% of rural areas), economic growth factors, and introduction of successful waste recycling practices. Quantity, type origin and mode of transportation of the waste which will be collected and recycled/treated/re/disposed within the region. Quantity, type, origin, and mode of transportation for the waste which will be accepted in Niš region from other municipalities, or which will be delivered from Niš region to other municipalities, for the purpose of further recycling/treatment/disposing.

- 3.2 The goals which have to be achieved in waste reuse and waste recycling in the Niš region. Quantity, type, origin, and mode of transportation for the projected recyclable waste. Review of the proposed collection and treatment/recycling/reuse of recyclable MSW, collection and treatment of special, industrial and other waste, etc, Plan of waste recycling/re-use with estimated costs.
- 3.3 Preparation of the following Programs and associated costs: Program on solid waste collection from households; Program on hazardous waste collection from households; Program on commercial waste collection; Program on industrial waste management; Program on medical waste management (to be in compliance with Program prepared by hospitals and health institutions in Niš region); Program on construction and bulky waste collection. Defining of responsibilities and duties of all waste management participants. Cooperation between participating municipalities. Review of all measures forecasted to prevent or reduce waste generation, to separate secondary raw materials, to support waste reuse/recycling, to use waste as energy, review of medical waste treatment prior waste disposal at regional landfill. Plans of waste collection for all waste types, including defining of service area, estimation of waste quantity, required types and number of collection vehicle and containers with estimated costs, collection frequency.
- 3.4 Preparation of a Program for biodegradable waste reduction with a plan for biodegradable waste separate collection and treatment (e.g., composting) and with estimated costs.
- 3.5 Preparation of a Program on packaging waste reduction with plan of packaging waste collection and treatment and with estimated costs.
- 3.6 Preparation of and estimated costs for a Program for raising public awareness of waste management. Review of projected measures, trainings, education of inhabitants, marketing activities, schools involvement in waste management, etc.
- 3.7 Review of the projected measures and estimated costs for the prevention of illegal waste flow (not included in regional plans above) as well as review of the measures and costs for management of waste generated accidentally (contingency plan).
- 3.8 Preparation of monitoring plan and associated costs for monitoring of delivered services, i.e., implementation of planned programs, activities and measures. Review of projected reporting on the level, quality and problems of delivered services to customers (e.g., republic, regional and local authorities, public, non governmental and other organizations related to waste management and environmental protection).

4. Analysis of waste treatment alternatives, as well as location for the plant for waste treatment and disposal, including estimated costs

- 4.1 Review of MSW treatment alternatives (different ways of thermal waste treatment, landfilling, etc.), and a discussion of pros and cons for each alternative, including: their representation in European countries, economic and ecologic justification of each alternative and the selection of the best alternative for the given region according to the parameters of technical feasibility and total required investments. The analysis should include review and null alternative (the “do nothing” alternative) and demonstration that the proposed solution is the best option in terms of investments and long-term problem solution of municipal solid waste in the Niš region according to technical, economical-financial, ecological and social aspects. The selected alternative requires a detailed review of the treatment technology with all the required calculations and investments.
- 4.2 Proposed regional landfill location [position and territory, location characteristics, climate characteristics, description of the executed research works, geological analysis of location, environment status, status of technical documentation, urban-

technical conditions, status of adopted decisions, approvals and permits, list of the missing documentation and decisions necessary for the building permits, land (property) ownership status.

- 4.3 Considering the approved procedure for landfill location selection, evaluation according to the criteria of National and EU legislation.
- 4.4 Calculation of the landfill, i.e., required area for the disposal of MSW for a period of a minimum of 20 years in accordance with the chosen treatment alternative, division of the required area in construction stages at the identified location.
- 4.5 Planned useful life of the landfill. Calculation of the life span of the landfill in accordance with the estimated MSW quantity and calculated waste density that will be disposed of at the landfill during and in relation to designed landfill capacity in accordance with chosen treatment alternative, total and in construction stages-cells, i.e., work phases).
- 4.6 Description and cost estimate of the proposed regional waste disposal facility with recycling centre and treatment facilities (e.g. description and investments for all proposed buildings including receiving booth, truck scale, workshop, vehicle washing service, wastewater treatment plant, system for collection and drainage of the waste waters, administration building, laboratory with the necessary equipment, transmission station with internal electricity distribution, internal water supply distribution and sewage waters drainage, fire protection, access road, streets inside the complex, plateaus, parking lots, connection to the external electricity network and external water supply and sewage systems, fence, gate, protection green belt inside the complex); layout of the proposed complex.
- 4.7 Description and cost estimate of the construction of the landfill in stages, description of the proposed landfill bottom liner layers, calculation of the quantities of wastewater and leachate, review of the system for collection, transport and treatment of the wastewater and leachate, and with description of the selected technology, explanation and comparison of selected technology with other existing technologies, review of proposed top covering. The analysis shall include proposed phasing for the construction and the effect on current and overall costs of the proposed solution.
- 4.8 Calculation of the quantity of the landfill gas, review of the selected system of extraction and utilisation of the landfill gas for energy purposes with required investments and explanation of selection, and review of projected profits. Impact of the project on carbon emissions and the potential for benefiting from Clean Development Mechanism credits or other carbon emissions financial grants.
- 4.9 Review of various disposal technologies choice of the optimal cells formation technology, with review of necessary mechanization for disposal and compacting of the waste, and required investments.
- 4.10 Review of the recycling centre with buildings, proposed selection and recyclable material processing, required equipment and mechanization, with economic justifiability estimation of investments.
- 4.11 Review of equipment, containers and transportation means for separate collection of waste for the needs of operation of regional landfill and recycling centre (not included in programs above mentioned) and required investments.
- 4.12 Review of the proposed transfer stations and recycling yards/centres, their economic-financial feasibility, selection of the locations for their arrangement, review of access road construction to the transfer station and/or recycling yard and plateaus, parking lots and streets inside the transfer station, with investments, review of connection of transfer station and/or recycling yard to the existing external electricity network and to the existing external water and sewage system (if any), with investments, review of construction of fence, gate and protection green belt inside transfer station and/or recycling yard, with investments, review of construction

of buildings and plants inside the transfer station (recycling yard), including receiving booth, vehicle scale, load/unload ramp, hydraulic press, administration building, transformer station with internal electricity distribution network, internal water supply and sewage waters drainage, fire protection, etc. with investments, review of the procurement of required equipment and machines, transportation means for the remote waste transport for the functioning requirements of transfer station, with investments.

- 4.13 Review of the closing, reclamation, rehabilitation and monitoring measures of the existing dumps according to National and EU legislation; review of protection measures for ground and surface waters from leachate, with required investments; review of air protection measures from the impact of landfill gas, with investments; review of the closing measures and landscaping on the dumps, with investments.
- 4.14 Description of and cost estimate for the Monitoring plan, and Contingency plan for the proposed regional waste disposal facility complex, for the period of construction, operation and after-care period. Preparation of and costs for a Monitoring Plan for the monitoring of closed dumps for a period of 30 years. Review of proposed monitoring locations, monitoring equipment and measurements, and reporting requirements (e.g., methods and frequency for the specified parameters, with data reports to the republic, regional, local authorities, interested public consumers, non governmental and other organizations related to waste management and environmental protection).

5 Structure of required investments for the RSWMP implementation plan

- 5.1 Provide a review of total investments as per all key items and RSWMP implementation stages (i.e., procurement of necessary waste collection and recycling equipment, construction of waste recycling/treatment disposal facilities, taking into account exploitation and maintenance costs; costs of development of all required technical documentation for building permits; supervision costs; contingency expenses; trial works; land acquisition; technical assistance, public education on recycling; VAT (if applicable); public awareness campaign; tender costs; rehabilitation and closure of the existing dumps and maintenance and monitoring after closure, etc.). This should include identification of those RSWMP components that are high priority (e.g., to be implemented within 1-3 years, Phase I implementation) and those with medium priority. The analysis of overall costs should allow decision-makers to increase or decrease the size of the priority investments for Phase I implementation, depending on availability of funds. In this respect, the Contractor should include recommendations for the phasing of investments (e.g., landfill construction, introduction of biodegradable waste composting, introduction of primary selection for recycling) and reflect this in the costs of the priority investment program. Based on this analysis, the Contractor should identify those investments which must be included in the priority part of RSWMP implementation, called the “Project”, which will serve as the subject of further detailed financial analysis. Based on this, Contractor shall prepare a proposal for sources and uses of funding for the Project.
- 5.2 Provide the Project implementation and procurement plan. It must contain detailed plan of execution of all planned activities in Priority part of RSWMP implementation, plans/documents, works and goods procurement and division into lots for tender announcement, tender conditions, plan of institutional development plans, and plan for technical assistance. Provide a Gantt chart for the Phase I implementation schedule.

6 Land Use Consideration

- 6.1 Compliance of the adopted waste treatment alternative, "Project", with the spatial and urban plans of the municipality/city on where the SWM facilities will be located.
- 6.2 Spatial consequences of land occupation and division of entities.
- 6.3 Impact to the spatial development of area.
- 6.4 Assessment of the spatial eligibility – on the basis of the previously developed study on the site selection for the regional landfill, which included a review of the selection methodology, location evaluation according to current criteria, analysis of the selected location for the regional landfill in relation to adjacent buildings and road layout, distance to available cover materials, necessity of moving inhabitants living close by.
- 6.5 Analysis of the location availability – review of the land parcels comprised by the selected location, review of ownership, manner and cost of repurchase, etc., based on the previous site selection assessment.

7 Analysis of the Project's Impact to both the environment and the social environment

- 7.1 Review and comparison of regulations in Serbia and the EU (e.g., needs to satisfy criteria of National and EU, EBRD, EIB legislations) related to Environmental Impact Assessment (EIA).
- 7.2 Review of the legislation in Serbia and comparison to EU legislation, regarding requirements to include public opinion into the EIA process.
- 7.3 Brief review of the most significant impacts of the current waste management practices to both the environment and social environment – review of the impacts of the existing dumps to ground and surface waters, springs and surrounding water supply systems, air, noise, soil, flora, fauna, health and safety of people, as well as to persons involved in the collection of secondary raw materials, etc.
- 7.4 Review of the most significant impacts of the projected waste management alternative, "Project", to the environment and the social environment – review of potential impacts of the Project (during construction and operation phase) to ground and surface waters, springs and surrounding water supply systems, air, climate, noise, soil, flora and fauna, natural and cultural-historic goods, resettlements, public health, safety of workers, secondary raw materials collectors, landscape, etc.
- 7.5. Review of measures proposed to mitigate and remove Project's impacts on the environment and social environment (during the construction and operation phase).
- 7.6. Brief review of the required plans during Project's life period: Plan for management of environmental impacts and public health protection; Monitoring Plan; Work Place Protection Plan; Workers Health and Safety Plan; Contingency and Emergency Management Plan; Management and operation plan for the regional waste disposal facility (regional landfill), transfer station, recycling centre, recycling yards, compost plant; Plan for raising public awareness, etc.
- 7.7. Assessment of the environmental compliance of the proposed Project, including conclusions and recommendations.
- 7.8. Assessment of social eligibility – review of public participation in planning and implementation of the Project, assessment of the impact of the Project on the new job creation, increase of tariffs for waste collection and disposal, etc.

8 Financial analysis and assessment

The Contractor shall prepare a financial analysis of the Project, including a cash flow model that can be used by the authorities in the Nis region. The aim of the financial analysis is to determine the financial and economic viability and sustainability of the Project. In particular, the financial analysis will establish full cost tariffs for the Project, identify the impact of the Project on waste management fees charged to the public, and determine what support will be needed to be provided by Nis and other local governments involved in the Project. The analysis should include the following:

- 8.1. Analysis of finances of all municipal public utility companies (PUCs) involved in SWM services in the Nis region for 3 years and the budget for the current year. .Financial performances of the PUCs (profit and loss account analysis) including breakdown of revenues and expenses, as well as cash flow statement reflecting changes in receivables and payables. State of general solvency and indebtedness (balance sheet analysis) of PUCs. Conclusion on financial position of PUCs and their ability to finance their operations and maintenance and potentially contribute to the Project costs.
- 8.2. Analysis of the municipal budgets and assessment of their creditworthiness. Review and analysis of budget execution in previous 3 years and the current year's budget. Projection of income and expenditures in the budget during the project analysis period (min. next 20 years). Assessment of the creditworthiness (according to the Law on Public Debt and on the net current budget surplus) and possible financial contribution to the Project and its financial ability to serve as a creditworthy counterparty in a PPP contract.
- 8.3. Analysis of demand for service.
- 8.4. Financial analysis of the Project, including a cash flow model which includes the items listed below. The model should be usable by the implementing authorities and should clearly identify assumptions used in the model and be sufficiently flexible to adjust those assumptions as necessary. The analysis shall include a base case, as well as best and worse case, with clear explanation of the assumptions behind each of the cases. As indicated in Section 11.4, the analysis should also include options utilising private sector funding and options only using public sector funds.
 - 8.4.1. Definition of the total expenditures (investment expenditures, initial project expenditures, change in the current assets, closing expenses), based on the components identified in Section 5.
 - 8.4.2. Projection of the operation expenditures for the Project, including staffing requirements identified in Section 11.
 - 8.4.3. Calculation of the required fees necessary to cover the costs of waste collection; expected sale price of the secondary/recycled raw materials, based on current and reasonably expected market prices; proposed tariffs for the waste disposal at the regional landfill (including the separation line operation); calculation of fees for reloading of waste at the transfer station. Proposed fee levels should cover costs of operation, construction of other stages/cells of the landfill body, closing of each cell of landfill body, final landfill cover, monitoring and maintenance costs of closed landfill, etc., and repayment of loans, as well as required depreciation and profit. The Contractor should recommend a fee/tariff model based on best practice, existing legislation governing such fees, and the affordability limits identified in 8.4.5.2.
 - 8.4.4. Analysis of SWM service costs before implementation and after implementation of the Project.
 - 8.4.5. Projection of revenues. Include a review of the existing billing system and an analysis of payment capability (affordability). Recommend an approach to tipping

fees - should waste collection companies, households and legal entities pay waste disposal fees. According to Serbian law, the polluter is obliged to pay the fee. The affordability analysis should use standard benchmarks for the determining ability to pay SWM fees. Based on the affordability analysis, the Contractor shall identify required additional resources, if any, needed to implement and operate the Project (and the SWM system in the region).

- 8.4.6. Sources of funding for the Project. Determination of available financial resources for Project investments (e.g., city assets, capital transfer, foreign donation, credits and private capital) and if necessary for subsidy of operating and maintenance costs. Definition of fees of identified financial resources, e.g. expected loan terms, interest rates, etc. Projection of the cash flow (e.g., withdrawal and repayment) of financial resources, with payment of the associated fees (e.g., interest, bank fees), including a debt service schedule as appropriate.
- 8.4.7. Determination of a discount rate for analysis (based on the structure and funding source cost).
- 8.4.8. Projection of the cash flow for the Project.
- 8.4.9. Assessment of the financial viability of the Project, including cumulative cash flow, FNPV and FRR of the project expenditures, FNPV and FRR of financial sources, period of investments payback, and breakeven point of viability.
- 8.5. Development of the profit account and profit and loss statement of the Project.
- 8.6. Proposal of possible models of PPPs, based on the financial viability of the Project and financial strength of the city/municipality and recommendation of an optimal PPP model.

9 Social-economic analysis and assessment

- 9.1 Definition of investment costs, considering transition from market to economic prices.
- 9.2 Definition and evaluation of external social-economic effects, including environmental impacts and benefits.
- 9.3 Calculation of property value in public ownership.
- 9.4 Projection of the social-economic costs and benefits.
- 9.5 Calculation of economic viability of the Project: ENPV, ERR, BCR.
- 9.6 Assessment of the social-economic feasibility of proposed PPP optimal model.

10 Analysis of sensitivity and investment risk

- 10.1 Definition of the key project parameters (e.g., social, institutional, financial, technical, operational, ecological).
- 10.2 Scenario analysis using at least three key variables identified in 10.1.
- 10.3 Assessment and risk analysis (for preparation stage of the project, investment stage in construction and procurement, operation stage, and closing stage).

11 Analysis of institutional, organizational and personnel capacity, including a proposal for private sector participation

- 11.1 Description of the Regulatory framework governing waste management and the impact that this will have on the organizational management of the Project.
 - 11.1.1 Legal regulation – short review of the laws and rules for waste management.
 - 11.1.2 Strategic and planning documents – short review of planning documents for waste management.

- 11.2 Institutional framework – review of responsible institutions and relevant participants for waste management on the republic, regional and municipal level (e.g., ministries, agencies, PUCs, local administration, directorates, private sector, PPPs, waste producers, waste processors).
- 11.3 Organization and management – the Contractor shall propose an organizational structure for waste management in the region, including management of the Project. The proposal shall include the items identified below and should clearly recommend whether collection and disposal should be managed by separate entities or a single entity.
 - 11.3.1 Review of existing scope of PUC operations and capacity of personnel, possibility of cooperation between Local Self-Governments in the region.
 - 11.3.2 Proposal for the future organisational structure of the Project. Options could include: the potential transformation of PUC “Mediana”, Niš, seclusion of sector "Čistoća", and creation of an independent PUC or joint stock company for regional waste management.
 - 11.3.3 Proposal for all systems necessary for successful operation of a regional waste management company: accounting system, planning system (e.g., work plan for the landfill, recycling centre, transfer station, and treatment facilities; environment protection plan; monitoring plan; occupational safety plan and sanitary protection; service payment plan; waste transportation plan; waste flow monitoring plan; building and equipment maintenance plan; workers training plan; information plan), management information system (e.g., system of data collection and generation of technical and financial reports). The proposal should also identify staffing requirements for implementation and management of the Project, clearly identifying the additional staffing that will be required (provides a basis for an estimate of costs to be included in Section 8 - Financial Analysis).
 - 11.3.4 Required activities and schedule for implementing the organizational changes and measures that will need to be implemented.
 - 11.3.5 Proposal for an Inter-municipality agreement that will be needed under the RSWMP and for implementation and management of the Project.
 - 11.3.6 Parliament decisions on inter-municipal cooperation issued by all participating municipalities.
- 11.4 Private Sector Participation - Public Private Partnership (PPP).
 - 11.4.1 The Contractor shall describe the potential methods of involving the private sector in the SWM system, including the proposed Project (e.g., concession, joint-venture, BOT).
 - 11.4.2 The Contractor shall propose the optimal structure for PPPs in the region’s SWM, including a scope of services (e.g., collection, collection and disposal, operation of the regional landfill).
 - 11.4.3 The Contractor shall describe the organizational, ownership and management structure of the proposed private sector enterprises. Based on the proposal, the Contractor shall describe the share of capital investments to be provided by the private sector to the Project, based on experience in the market and expected return on investment of the private sector participant.
 - 11.4.4 Based on the proposal, the Contractor shall include a financial model that incorporates proposed private sector participation options and make a comparison to scenarios which do not involve the private sector. This comparison shall include impact on fees payable by customers, required capital investment and/or budgetary support from the Municipalities, and risks in Project implementation.

12 Proposed contract model for PPP project

The Contractor shall, based on its proposed model for a PPP in Section 11.4, prepare a draft contract between the parties that may serve as a basis for a tender for a private sector partner. The contract should conform to best practices, and include, *at the minimum*, the following:

- 12.1 Data about contractual parties.
- 12.2 Manner of contract assignment.
- 12.3 Definition of the contract subject (e.g., description of infrastructure, basic activity of local authority, scope of PPP activity)
- 12.4 Definition of contract duration (e.g., reparatory period/investments, period of infrastructure use/operations) with the conditions of contract term prolongation.
- 12.5 Definition of the financial plan (i.e., profit structure, expenditures, funding sources and investment dynamics).
- 12.6 Responsibilities of the contractual parties (private partner and municipality) including risk allocation to the respective parties.
- 12.7 Conditions of existing infrastructure use by PPP and conditions of PPP operation.
- 12.8 Quality Standards of SWM services within PPP operations.
- 12.9 Method of securing performance of private partners commitments.
- 12.10 Criteria for establishing PPP SWM customer services fees.
- 12.11 Amount, terms, and manner of payment to municipality (e.g., for public property use; when the municipality participates in PPP project profit; concession fees).
- 12.12 Amount, terms and manner of payment of subsidies to the private partner (if the municipality subsidizes operations in the PPP project).
- 12.13 Jurisdiction, procedure, and terms of provision of foreign donation (when Donors participate in PPP project funding).
- 12.14 Methods of monitoring the contract within the duration of the PPP contract.
- 12.15 Insurance requirements
- 12.16 Terms of property use and ownership within the duration of the PPP contract.
- 12.17 Ability to transfer of contractual liabilities to another legal subject within the duration of the PPP contract.
- 12.18 Possibility of contract cancellation due to default (by municipality or private partner).
- 12.19 Method monitoring service quality within the duration of the PPP contract.
- 12.20 Terms of modifications and breach of contract.
- 12.21 Dispute methodology.

13 Conclusion of RSWMP including additional elements of a feasibility study

- 13.1 Conclusions – include description of the subject of the project (e.g., overall and specific objectives plus short summary of each plan chapter, technical analysis, economic analysis, financial analysis, institutional and organizational analysis, optimal PPP model analysis, analysis of the impact to the environment and social environment and protection measures, spatial analysis, sensitivity and risk analysis).
- 13.2 Summary of RSWMP **including additional elements of a feasibility study** – provide project logical framework and assessment of investment feasibility, with an explanation of assessment reliability.

LEGAL BASIS

Development of the RSWMP should be based on at least the laws, rulebooks and decrees mentioned below:

1. Law on Planning and Construction („Official Gazette of the Republic of Serbia” No. 47/03 and 34/06)
2. Law on waste management („Official Gazette of the Republic of Serbia” No 36/09)
3. Law on packaging and packaging waste („Official Gazette of the Republic of Serbia” No 36/09)
4. Law on Environment Protection („Official Gazette of the Republic of Serbia” No 135/04)
5. Law on changes and addendums of the Law on Environment Protection („Official Gazette of the Republic of Serbia” No 36/09)
6. Law on Waste Material Treatment („Official Gazette of the Republic of Serbia” No 25/96, 26/96)
7. Law on Environmental Impact Assessment („Official Gazette of the Republic of Serbia” No 135/04)
8. Law on changes and addendums of the Law on Environmental Impact Assessment („Official Gazette of the Republic of Serbia” No 36/09)
9. Law on protection of noise („Official Gazette of the Republic of Serbia” No 36/09)
10. Law on air protection („Official Gazette of the Republic of Serbia” No 36/09)
11. Law on nature protection („Official Gazette of the Republic of Serbia” No 36/09)
12. Law on Strategic Environment Impact Assessment („Official Gazette of the Republic of Serbia” No 135/04)
13. Law on Integrated Prevention and Control of Environmental Pollution („Official Gazette of the Republic of Serbia” No 135/04)
14. Law on Animal Health Care („Official Gazette of the Republic of Serbia” No 37/91, 50/92, 33/93, 52/93, 53/93, 67/93, 48/94, 53/95, 52/96 and 25/00)
15. Law on Local Administration („Official Gazette of the Republic of Serbia” No 129-07)
16. Law on Communal Affairs („Official Gazette of the Republic of Serbia” No 16/97 and 42/98)
17. Rulebook on Content, Scope and Way of Development of the Previous Feasibility Study and Building Construction Feasibility Study („Official Gazette of the Republic of Serbia” No 80/05)
18. Rulebook on Criteria to Determine locations and Waste Materials Landfill development („Official Gazette of the Republic of Serbia” No 54/92)
19. Rulebook on Harmless Removal and Usage of Animal Cadavers („Official Gazette of the Republic of Serbia” No 7/81)
20. Rulebook on Conditions to be fulfilled by the buildings for harmless removal and processing of the animal cadavers, slaughter confiscates and blood („Official Gazette of the Republic of Serbia” No 7/81)
21. Law on concession („Official Gazette of the Republic of Serbia” No 55/03)
22. Law on Privatization („Official Gazette of the Republic of Serbia” No 38/01 and 18/03)
23. By-law on manner of treatment of waste that have a nature of hazardous substances („Official Gazette of the Republic of Serbia” No 12/95)
24. Rulebook on limit values, emission measuring methods, criteria for establishment of measuring sites and data record keeping („Official Gazette of the Republic of Serbia” No 30/97, 35/97)
25. Rulebook on limit values of emission, emission measuring methods, criteria for establishment of measuring sites and data record keeping („Official Gazette of the Republic of Serbia” No 54/92, and 30/99)
26. Rulebook on conditions and manner of sorting, packing and storing the secondary raw materials („Official Gazette of the Republic of Serbia” No 55/01)

27. Act on transportation of hazardous materials in road and railway traffic („Official Gazette of the Republic of Serbia” No 53/02)
28. Law on Geological Investigations („Official Gazette of the Republic of Serbia” No 44/95)
29. Law on Agricultural Land („Official Gazette of the Republic of Serbia” No 49/92, 53/93, 67/93, 48/94, 46/95, 54/96 and 14/00)
30. Law on Waters („Official Gazette of the Republic of Serbia” No 46/91, 53/93, 67/93, 48/94 and 54/96,101/05)
31. Rulebook on hazardous substances in water („Official Gazette of the Republic of Serbia” No31/82)
32. Rulebook on manner and minimum number of testing of waste water quality („Official Gazette of the Republic of Serbia” No 47/83 and 13/84)
33. Law on Sanitary Supervision („Official Gazette of the Republic of Serbia” No 34/94 and 25/96)
34. Law on Health Protection of Animals („Official Gazette of the Republic of Serbia” No 37/91, 50/92, 33/93, 52/93, 53/93, 67/93, 48/94, 53/95, 52/96 and 25/00)
35. Law on Private entrepreneurs („Official Gazette of the Republic of Serbia” No 46/91, 53/93, 67/93, 48/94, 53/95 and 35/02)
36. Law on Mining („Official Gazette of the Republic of Serbia” No 44/95 and 34/06)
37. Law on Public Procurement („Official Gazette of the Republic of Serbia” No 116/08)
38. Law on Spatial Planning („Official Gazette of the Republic of Serbia” No 13/96)
39. Rulebook on content, way of development, manner of experts control of urban plan, as well as on conditions and manner of putting plan on public insight („Official Gazette of the Republic of Serbia” No 12/96 and 12/04)
40. Act on water flow categorization („Official Gazette of the Republic of Serbia” No 47/83 and 13/84)
41. Act on water flow classification („Official Gazette of the Republic of Serbia” No 6/78)
42. Law on Health Protection („Official Gazette of the Republic of Serbia” No 17/92, 26/92, 50/92, 52/93, 53/93, 67/93, 48/94, 25/96)
43. Law on Occupational Safety („Official Gazette of the Republic of Serbia” No 42/91, 53/93, 67/93, 48/94, 42/98)
44. Law on Public Debt („Official Gazette of the Republic of Serbia” No 61/05)

Development of the RSWMP should be based on the set of EU Laws in the waste management sector including a/o:

1. EU Directive on waste 75/442/EEC
2. EU Directive on hazardous waste 91/689/EEC
3. EU Directive on the supervision and control within the EC of the transfrontier shipment of hazardous waste 84/631/EEC
4. EU Directive on batteries accumulators containing certain dangerous substances 91/157/EEC
5. EU Directive on packaging and packaging waste 94/62/EC with amending EU Directive 2005/20/EC
6. EU Directive on the landfill of waste 99/31/EEC
7. EU Directive on the incineratiof waste 2000/76/EC

DOCUMENTATION BASE

The documentation base for the development of the RSWMP consists of:

- National Strategy on Waste Management

- Law on Waste Management
- Law on Packaging and Packaging waste

FRAMEWORK

The methodological framework for the development of the Regional strategic plan for waste management including additional elements of a feasibility study is an integral part of the Law on Waste Management and the National Strategy on Waste Management, as well as of the Law on Planning and Construction, and Rulebook on content, scope and way to develop the pre-feasibility and feasibility study for construction.

REQUIRED RESEARCH

- Estimate of the quantity and composition of waste
- Investigation of the type of waste generated in the region, including communal waste, commercial waste, hazardous waste, medical waste, industrial waste, construction waste etc., who are generators of that waste and in what quantity, as well as the type of the applied treatment.
- Investigation of recycling programs in the region - which companies are conducting collection and recycling and what is the scope of the programs.
- Investigation of currently used and available SWM equipment, covered service areas and quality of existing SWM services.
- Record the locations and investigate the technical equipment and quality of work of all the existing landfills – garbage dumps in region that are used or were used by PUCs, etc.
- Investigation of business operations of potentially participating municipalities and communal enterprises from these municipalities that deal with waste collection and disposal, including fees for communal services and degree of payment by the citizens.
- Investigation of the ownership of the proposed site for the new regional landfill.

DELIVERY AND PRESENTATION OF THE REGIONAL STRATEGIC MANAGEMENT PLAN INCLUDING ADDITIONAL ELEMENTS OF A FEASIBILITY STUDY

The preliminary version of the RSWMP including additional elements of a feasibility study must be submitted in analogue (6 hard copies) and digital form (6 CDs) in both Serbian and English. The presentations of the RSWMP including additional elements of a FS must also to be delivered in analogue and digital form in both Serbian and English. The final version of the RSWMP including additional elements of a feasibility study must be submitted in analogue (6 copies) and digital form (6 CDs), in both Serbian and English.

RESULTS TESTING PROCEDURE

This procedure comprises:

- Monitoring of implementation of the current legislation;
- Monitoring of the standards and norms applied in the RSWMP with national and EU legislation related to waste management;
- Comparison of results with the results achieved during the development of the planning documents and their realization in similar projects in Serbia and in other countries;
- Acquiring approval of the Commission – working team;
- Adoption by the Parliaments of the participating municipalities;
- Adoption by the Ministry of Environmental Protection and Spatial Planning.

TERMS

The term for the development of the Preliminary Regional Strategic Waste Management Plan is maximum 4.5 months from the signing of the Subcontract; the term for delivery of Final RSWMP reviewed by the Commission and approved by the Ministry of Environmental Protection and Spatial Planning, is 6.5 months from the signing of the Contract. The Commission, consisting of members of the Working Group and the Regional Council, will review the Preliminary RSWMP including additional elements of a FS and send their remarks to the Contractor two weeks after receiving the RSWMP including additional elements of a feasibility study. The Contractor shall be responsible for addressing remarks of the Commission and for delivering a revised version of RSWMP two weeks after receiving the remarks. The City of Nis will send this revised version to the Serbian Ministry of Environmental Protection and Spatial Planning for approval. The Contractor shall incorporate and address remarks of the Ministry of Environmental Protection and Spatial Planning in the document and deliver a final revised version of the RSWMP to the Ministry two weeks after receiving the remarks. The version of RSWMP approved by the Ministry of Environmental Protection and Spatial Planning is the Final RSWMP. The final payment under the contract will be made after obtaining approval of the RSWMP by the Ministry of Environmental Protection and Spatial Planning.

SELECTION OF SOFTWARE TOOLS AND OTHER CONDITIONS FOR DEVELOPMENT

During the development of the RSWMP the following software tools are to be used:

- MS Office tools, text in WORD, tables in Excel and graphics in AutoCAD/PDF/JPG format.

DELIVERABLES

1. Proposed Methodology
2. Proposed Programs on management of different types of waste with investments
3. SWM alternatives, including disposal/treatment facilities and investments
4. Analysis of the Project's Impact to both the environment and the social environment
5. RSWMP implementation plan, Project implementation and procurement plan
6. Financial-social-economic analysis and assessment
7. Institutional analysis, PPP options, contract model for optimal PPP mode
8. Preliminary RSWM
9. Final RSWMP

Annex III

**THE URBAN INSTITUTE
SUBCONTRACT FOR SERVICES**

Subcontract Number: UI Project Number: UI Project Title: Under Prime Award No.	Contract Fixed Amount: \$ <hr/> Subcontract Key Personnel:
CONTRACTOR: The Urban Institute 2100 M Street, NW Washington, D.C. 20037	SUBCONTRACTOR:

1. General Terms and Conditions

The general terms and conditions of this Subcontract are set forth in Part II of this Agreement, attached hereto and made a part of this agreement.

2. Scope of Work

Subcontractor shall provide the services set forth in Appendix A - Scope of Work (SOW) and made part of this agreement.

3. Deliverables

Subcontractor shall furnish all reports and deliverables as set forth in Appendix B and in accordance with the terms set forth therein (Deliverables).

4. Fixed Amount of Subcontract and Payment Installments

In consideration for the Services performed under this Subcontract, Contractor shall pay Subcontractor a fixed amount of _____ [insert amount] in accordance with the payment installments set forth in Appendix C (Payment Schedule). Payments, unless otherwise stated herein, shall be made in local currency at the official rate of exchange.

5. Effective Date and Period of Performance

This Subcontract shall come into effect on the date and year entered above the signatures of the Parties' duly authorized representatives.

The period of performance shall be as follows unless earlier altered or terminated as provided for in this Subcontract: From _____ to _____.

6. Incorporation of the Prime Award

Subcontractor assumes toward Contractor all of the obligations and responsibilities that Contractor assumes toward its Client (Prime Award) as it relates to the Services. Applicable portions of the Prime Award are set forth in Appendix D and made part of this agreement.

7. Notice

All notifications or correspondence involving contractual or financial matters, other than invoice submittal shall be addressed to the following:

<u>Contractor:</u>	<u>Subcontractor:</u>
Name:	Name:
Title:	Title:
Company: The Urban Institute	Company:
Address:	Address:
Telephone:	Telephone:
Fax	Fax:
E-mail	E-mail:

All correspondence regarding technical matters shall be address to the following:

<u>Contractor:</u>	<u>Subcontractor:</u>
Name:	Name:
Title:	Title:
Company	Company:
Address:	Address:
Telephone:	Telephone:
Fax	Fax
E-mail	E-mail:

All notices shall be sent by the most expeditious means available that enables independent verification of receipt including but not limited to facsimile, overnight courier or certified or registered mail to the addresses set forth herein. Any such notice shall be deemed delivered when received.

IN WITNESS WHEREOF, Contractor and Subcontractor have caused this Subcontract to be signed by their duly authorized representatives this _____[insert day] of _____ [insert month], _____ [insert year].

<p>For and on behalf of CONTRACTOR</p> <hr/> <p>Name Title</p> <p>Date signed: _____</p>	<p>For and on behalf of SUBCONTRACTOR</p> <hr/> <p>Name Title</p> <p>Date signed: _____</p>
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PART II - GENERAL TERMS AND CONDITIONS

1. AGREEMENT. This Subcontract becomes the exclusive agreement between the Contractor and Subcontractor for the services (Services) to be provided, subject to the General Terms and Conditions contained herein. For purposes of this Subcontract, "Contractor" shall mean The Urban Institute, a nonprofit organization organized and existing under the laws of Delaware, having its principal place of business at 2100 M Street, NW, Washington, DC 20037-1297 and "Subcontractor" shall mean _____, a company organized and existing under the laws of _____, having its principal place of business at _____. "Client" shall mean _____.

2. PRIVACY OF CONTRACT. It is understood and agreed by the Parties that no contractual relationship is established between the Client and Subcontractor by reason of this Subcontract. All authorizations required from the Client shall be obtained through Contractor and all communications intended for the Client shall be handled through Contractor.

3. INDEPENDENT CONTRACTOR. Subcontractor shall perform the Services as an independent contractor with the general guidance of the Contractor. The Subcontractor's employees shall not act as agents or employees of the Contractor.

4. ORDER OF PRECEDENCE. In the event of any inconsistency between the terms and conditions of this specific Subcontract and these General Terms and Conditions, the specific terms and conditions of the Subcontract shall take precedence.

5. SUBCONTRACT NUMBER. The Subcontract number must appear on all invoices and correspondence.

6. PERIOD OF PERFORMANCE AND DELIVERABLES. The Period of

performance under this Subcontract shall be as set forth on the front of the Subcontract. The schedule for submitting deliverables (Deliverables) shall be as stated either in the Statement of Work (SOW) attached to the Subcontract or on the front of the Subcontract. Deliverables must be completed within the term stated on this Subcontract or SOW. Otherwise, the Contractor reserves the right to cancel this Subcontract without liability and to charge Subcontractor with any loss incurred as a result of Subcontractor's failure to submit Deliverables within the term specified.

7. STANDARD OF PERFORMANCE. Subcontractor agrees to provide the services required hereunder in accordance with the requirements set forth in the Subcontract documents. Subcontractor undertakes to perform the Services hereunder in accordance with the highest standards of professional and ethical competence and integrity in Subcontractor's industry and to ensure that employees assigned to perform any Services under this Subcontract will conduct themselves in a manner consistent therewith. The Services will be rendered by the Subcontractor in 1) in an efficient, safe, courteous and businesslike manner, 2) in accordance with any specific instructions issued from time to time by the Subcontractor's Project Manager, and 3) to the extent consistent with item 1) and 2), as economically as sound business judgment warrants. Subcontractor shall provide the services of qualified personnel through all stages of this Subcontract, including those stated on the front of the Subcontract or of the SOW. Subcontractor represents and warrants that it is in compliance with all the applicable laws of the United States and any other Jurisdiction in which the Services shall be performed. Subcontractor will promptly replace any member of the Subcontractor's project team that the Contractor considers unfit or otherwise.

8. INSPECTION. Contractor may inspect and otherwise evaluate the Services at any reasonable time and place but such review or approval is for Contractor's sole benefit and shall not relieve Subcontractor from its representations and obligations set forth in this Subcontract. If any of the Services fails to meet the requirements hereof, Contractor shall notify Subcontractor of such fact, stating the nature of the defect or deficiency. Subcontractor shall promptly correct any such defect or deficiency at no additional cost to Contractor. When defects in Services cannot be corrected by reperformance, Contractor may (1) require Subcontractor to take the necessary action to ensure that future performance conforms to Subcontract requirements and (2) reduce the Subcontract price to reflect the reduced value of the Services performed.

If Subcontractor fails to promptly perform the Services again or to take the necessary action to ensure future performance in conformity with Subcontract requirements, Contractor may (1) perform the Services and charge the Subcontractor any cost incurred by the Contractor that is directly related to the performance of such Service or (2) terminate the Subcontract for cause.

Subcontractor shall maintain complete and accurate working files, including but not limited to, calculations, interpretations, assumptions, estimates, logs, drawings, equipment calibrations and other records pertaining to the Services. Subcontractor shall provide Contractor with unrestricted access to such items and dispose of them only as directed by contractor. Subcontractor shall comply with all protocols, procedures, specifications, and other guidelines or requirements for performing the Services.

9. ACCEPTANCE. Acceptance of any Services is conditional upon final acceptance of Contractor's Client under the Prime Award. Payments, including final payment, shall not constitute acceptance, nor does any payment or final acceptance

release Subcontractor from any representations made under this Subcontract.

10. CHANGES. Contractor may make to this Subcontract at any time, and Subcontractor shall accept such changes. If a change causes an increase or decrease in cost and/or time required for performance, an equitable adjustment shall be made and this Subcontract shall be modified accordingly.

11. INVOICES. To request payment, Subcontractor shall submit three-ink signed copies of a proper invoice to the following address: **The Urban Institute, Attn: Accounting Department, 2100 M Street, NW, Suite 500, Washington, DC 20037.** To constitute a proper invoice, each invoice shall contain the following information: (1) name and address of Subcontractor; (2) Subcontract ID number; (3) UI Project Number and UI Project Manager name; (4) Invoice date; (5) installment covered by the invoice [description of services and expenses]; (6) remittance information; (7) Appropriate documents as specified by this Subcontract shall accompany all invoices.

12. PAYMENT. Unless otherwise stated on the Subcontract, Contractor shall pay all undisputed portions of Subcontractor's proper invoices upon submission and acceptance of all required deliverables as set forth in Appendix B.

13. CONFIDENTIALITY. Subcontractor shall keep all work and services carried out hereunder for the Contractor entirely confidential and not use, publish or make known without the Contractor's written approval, any information developed by the Subcontractor or furnished by the Contractor to any persons other than personnel of the parties assigned to this Subcontract. However, the foregoing obligations of confidentiality, secrecy and non-use shall not apply to any information that was in Subcontractor's possession prior to commencement of work under this Subcontract, or which is or shall

become available to the general public in a printed publication, but not by Subcontractor, and provided further that this obligation shall in no way limit Subcontractor's internal use of such work.

Any public representation regarding the Contractor shall be made by the Contractor and any requests for information made to the Subcontractor by the news media, or others, shall be referred to the Contractor. Additionally, the Subcontractor shall not reference the Contractor nor the work performed for the Contractor without prior written approval. Information Subcontractor considers as proprietary or confidential and has indicated/marked as proprietary or confidential will be treated by the Contractor in the same manner as the Contractor treat its own proprietary or confidential information. Subcontractor further agrees to include the contents of this Article in all subcontracts and consulting agreements entered into by Subcontractor for the performance of work under this Subcontract.

14. **RIGHTS IN DATA.** The deliverable report(s) and other creative work of Subcontractor called for by this Subcontract including all written, graphic, audio, visual and any other materials, contributions, applicable work product and production elements contained therein, whether on paper, disk, tape, digital file or any other media, (the Deliverable Work) is being specifically commissioned as work made for hire in accordance with the copyright laws of the United States. The Contractor is the proprietor of the Deliverable Work from time of its creation and owns all right, title and interest therein throughout the world including, without limitation, the copyright and all related rights. To the extent that it is determined that the Deliverable Work does not qualify as a work made for hire within the meaning of the copyright laws of the United State, then Subcontractor hereby irrevocably transfers and assigns to the Contractor all of its right, title and interest throughout the world and in perpetuity, in and to the Deliverable Work, including

without limitation all of its rights, title and interest in copyright and related rights free of any claim by Subcontractor or any other person or entity.

15. **TAX.** Except as otherwise specified in the Subcontract, the prices for all Services shall include all applicable taxes as mandated in the country of _____.

16. **WARRANTIES.** The Subcontractor warrants that the Services provided under this Subcontract will conform to the specifications, or other descriptions furnished or specified by Contractor. Subcontractor further warrants that all Services hereunder shall: be fit for the purposes intended herein, that prices charged hereunder are not in violation of law or regulation; and that Subcontractor's assigned technical and management personnel are completely qualified to perform the Services. Subcontractor warranties shall run to Contractor, its successors, assigns, customers, and users of Subcontractor's services. Subcontractor shall promptly correct Services not conforming to the foregoing warranties, when notified of such nonconformity by Contractor, or Contractor may, at its option, make such corrections or replace the Services and charge Subcontractor for the cost incurred by Contractor to do so. Subcontractor shall hold Contractor harmless from any breach of these warranties. These warranties are in addition to all warranties contained under law.

17. **INDEMNIFICATION.** Subcontractor shall defend, indemnify and hold Contractor, Contractor's subsidiaries, affiliates, directors, officers and employees, and each of them, and Contractor's Client harmless against and from any claim, liability, loss, damage, expense, and legal fees arising in connection with any defect in the Services purchased hereunder or from any act, omission, operation, product, or service of Subcontractor, its employees, agents, representatives, suppliers, and subcontractors. Subcontractor agrees to

indemnify and hold harmless the Contractor, its officers, employees and agents against all claims, suits and losses, including reasonable attorneys' fees, that arise from patent, trademark and/or copyright infringement by Subcontractor. Subcontractor further agrees to hold harmless and indemnify the Contractor in any action brought against the Contractor by Subcontractor's employees seeking further compensation for claims covered by Subcontractor's Workers' Compensation insurance. The obligation set out in this Article shall survive the expiration or termination of this Subcontract. This obligation shall be in addition to the warranty obligations of Subcontractor.

18. CONTRACTOR NAME. Subcontractor may not use the Contractor's name in any manner other than as identified below without first obtaining written permission from Contractor's Contracting Officer. Subcontractor further agrees to include the contents of this Article into all subcontracts and consulting agreements entered into by Subcontractor for the performance of work under this Subcontract. Subcontractor may use the Contractor's name only, with no discussion of the Work performed by the Subcontractor for the Contractor, among its references, in its customer list or resumes without prior approval of the Contractor.

19. TERMINATION BY PURCHASER. Termination for Cause. Contractor may terminate this Subcontract or any part hereof for cause if Subcontractor defaults, fails to comply with any terms and conditions of this Subcontract, becomes insolvent, or files for bankruptcy or protection under applicable laws. Late performance of Services or performance of Services which are defective or do not conform to this Subcontract and failure to provide Contractor, upon request, with reasonable assurance of future performance shall, without limitation, be causes allowing Contractor to terminate this Subcontract for cause. In the event of termination for cause,

Contractor shall not be liable to Subcontractor, its employees, representatives, agents, suppliers, or subcontractors for any amounts; but Subcontractor shall be liable to Contractor for all losses, damages, and expenses resulting from the default which caused the termination.

Termination for Convenience. Contractor may terminate this Subcontract or any part hereof for its sole convenience. The notice of such a termination shall state that termination is for Contractor's convenience, the extent of which performance under the Subcontract is terminated, and the effective termination date. Upon notice of such termination, Subcontractor shall immediately stop all work hereunder and cause its suppliers and/or subcontractors to cease their work against this Subcontract. Subcontractor shall be paid a reasonable termination charge, not to exceed the total Subcontract price, consisting or a pro-rata percentage of the Subcontract price reflecting the percentage of work performed prior to notice of termination, plus actual direct cost resulting from termination. Subcontractor shall not be paid for work performed or costs incurred after receipt of notice of termination, nor for costs incurred by Subcontractor's suppliers or subcontractors which Subcontractor could reasonably have avoided.

20. TERMINATION BY SUBCONTRACTOR. Subcontractor may terminate this Subcontract upon 30 days written notice to Contractor pursuant to a material breach of this Subcontract by Contractor such as non-payment of undisputed invoice(s).

21. EXCUSABLE DELAY. Contractor may delay delivery, performance, or acceptance of the Services ordered hereunder in the event of causes beyond its control. Subcontractor shall refrain from furnishing such Services at the direction of Contractor, and Subcontractor shall furnish the Services when the cause effecting the

delay is eliminated. Contractor shall be responsible only for Subcontractor's direct additional costs incurred by delaying performance of this agreement at Contractor request. Causes beyond Contractor's control shall include, without limitation, government action or failure to act where required, strike or other labor trouble, fire or similar catastrophe, and severe weather or other acts of God.

22. **DELIVERY.** Time is of the essence of this Subcontract. If delivery of Services by Subcontractor is not completed within the times specified in the Subcontract or SOW, Contractor may, without liability and in addition to its other rights and remedies, terminate this Subcontract, by notice effective when received by Subcontractor, as to Services not yet rendered; and Contractor may purchase substitute Services elsewhere and charge Subcontractor for any loss or additional expense incurred.

23. **SAFETY** Subcontractor shall ensure that all Subcontractor personnel observe and comply with all applicable safety rules including those specified by Subcontractor and Contractor. Vendor shall ensure that any work area assigned by Contractor to Subcontractor are cleaned daily, and remain free of hazards.

24. **ASSIGNMENT.** Subcontractor shall not assign, subcontract or transfer this Subcontract or any part of its parts or any moneys due or to become due to it hereunder, without the prior written consent of the Contractor. However, Subcontractor agrees and consents to Contractor's assignment of this Subcontract to any agent or affiliate Contractor may designate, at any time, provided, that Contractor gives written notice to the Subcontractor.

25. **DISPUTES.** Any dispute or difference arising out of, or in connection with this Subcontract or the breach thereof which cannot be amicably settled by mutual consent between the Parties shall be decided

by procedures jointly agreed upon by Contractor and Subcontractor.

26. **RISK OF LOSS.** Subcontractor assumes all risk of loss or damage to all work in progress, materials, and other items related to this Subcontract until the same are finally accepted by Contractor.

27. **SETOFF.** Any claim by Subcontractor for money due or to become due from Contractor shall be subject to deduction or setoff by Contractor against any counterclaim of Contractor arising out of this or any other transaction with Subcontractor.

28. **COMPLIANCE.** Subcontractor certifies that all Services furnished hereunder, including materials and work incidental thereto, shall comply with all applicable laws and regulations concerning health, safety, and environmental standards and requirements.

29. **INSURANCE.** Subcontractor shall maintain at its own expense adequate insurance in any and all forms necessary to protect both Subcontractor and Contractor against all liabilities, losses, damages, claims, settlements, expenses, and legal fees arising out of or resulting from performance of this Subcontract. Although evidence of certain minimum insurance coverage may be required of Subcontractor, nothing contained herein shall abridge, diminish, or effect Subcontractor's responsibility for the consequences of any accidents, occurrences, damages, losses, and associated cost arising out of or resulting from performance of this Subcontract.

30. **SEVERABILITY.** Any provision of this Subcontract prohibited by the laws of any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, without invalidating the remaining provisions of this Subcontract.

31. **KEY PERSONNEL.** The key personnel (Key Personnel) shall be as stated

either in the SOW attached to this Subcontract or on the front of the Subcontract. Substitution in whole or in part of Key Personnel that will affect contract performance will not be made without the prior written approval of Contractor.

32. **APPLICABLE LAW.** The validity, enforceability and interpretation of this Subcontract shall be determined and governed by the laws of the District of Columbia and, where applicable by virtue of preemption, under the laws of the United States of America. Each Party, unless prohibited by law, hereby consents to personal jurisdiction and venue in the courts of the District of Columbia or in any federal court located in the District of Columbia if any suit is brought under the terms of or relating to this Subcontract

33. **EXECUTIVE ORDER ON TERRORISM FINANCING.** Subcontractor is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the

provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the subcontractor to ensure compliance with these Executive Orders and laws. The provision must be included in all lower-tier subcontracts issued under this Agreement.

34. **ANTI-TRAFFICKING ACTIVITIES**

The U.S. Government is opposed to prostitution and related activities which are inherently harmful and dehumanizing and which contribute to the phenomenon of trafficking in persons. Nothing in the preceding sentence shall be construed to preclude assistance designed to ameliorate the suffering of, or health risks to, victims while they are being trafficked or they are out of the situation that resulted from such victims being trafficked. Subcontractor agrees that in its activities outside the United States and its possessions, it does not promote, support or advocate the legalization or practice of prostitution.

APPENDIX A – SCOPE OF WORK

APPENDIX B – DELIVERABLES

APPENDIX C - PAYMENT SCHEDULE

Contractor will pay Subcontractor upon completion and acceptance of certain deliverables and upon receipt of acceptable invoice from Subcontractor and receipt of payment from the Client for Services provided by Subcontractor. Subcontractor’s request for payment shall be in accordance with the installments set forth below:

Payment #	To be invoiced upon:	Date	Amount
1	Submission and acceptance of Deliverable #1 as specified in Annex II. above		RSD
2	Submission and acceptance of Deliverables #2, #3 and #4, as specified in AnnexII above		RSD
3.	Submission and acceptance of Deliverables #5 , #6 , #7 and #8 specified in Annex 1I above		RSD
4.	Submission and acceptance of Deliverable #9 specified in Annex II above		RSD
Total			RSD

APPENDIX D – PROVISIONS INCORPORATED FROM PRIME AWARD

[Insert applicable flow-down clauses from Prime Award (commercial contract/grant/Cooperative Agreement)]

Mandatory FAR clauses

Clause #	Title and Year	Applicability
52.209-6	Protecting the Government Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (7/95)	Shall be inserted when the first tier Subcontract value exceeds \$25,000
52.225-13	Restrictions on Certain Foreign Purchasers (7/2000)	Shall be included in all subcontracts.
52.247-63	Preference for U.S. Flag Carriers (1/97)	Shall be inserted whenever it is possible that U.S. Government financed international air transportation of personnel or property will occur in the performance of the subcontract.

Non-Mandatory but Essential AIDAR clauses

Clause #	Title	Applicability
752.7016	Family Planning and Population Assistance Activities	Applicable to all contracts involving any aspect of family planning or population activities.

Non-Mandatory but Essential AIDAR clauses

752.211-70	Language and Measurement [especially provision in (a)]	Shall be used in all USAID-direct contracts.
752.225-70	Source, Origin and Nationality Requirements	Shall be inserted in all USAID program-funded solicitations and in all program-funded contracts under which the contractor may procure goods.
752.225-71	Local Procurement	Shall be inserted in all contracts involving performance overseas.
752.245-70	Government Property-USAID Reporting Requirements.	
752.7005	Submission Requirements for Development Experience Documents	Shall be included in all USAID professional/technical contracts in which development experiences documents are likely to be produced.
752.7009	Marking	Shall be used in all USAID contracts performed in whole or in part overseas.
752.7010	Conversion of U.S. Dollars to Local Currency	Shall be used in all USAID non-commercial contracts involving performance overseas.
752.7012	Protection of the Individual as a Research Subject	Shall be used in any USAID contract, which involves research using human subjects.
752.7027	Personnel	Shall be used in all USAID services contracts involving performance overseas. Note that paragraph (f) and (g) are for use only in <u>cost-reimbursement contracts</u> .
752.7032	International Travel Approval and Notification	For use in any USAID contract requiring international travel.
752.7034	Acknowledgement and disclaimer	For use in any USAID contract which funds or partially funds publications, videos, or other information/media products.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

(1) The Vendor certifies to the best of its knowledge and belief, that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any U.S. Federal department or agency.
- (b) Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (U.S. Federal, State or local) transaction or contract under a public transaction; violation of U.S. Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a U.S. governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
- (d) Have not within a three-year period preceding this Agreement had one or more public transactions (U.S. Federal, State or local) terminated for cause of default.

Where the Vendor is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this certification.

Dated: month /day/year

(In the capacity of)

Duly authorized to sign Proposal for and on behalf of

Annex IV

PROPOSAL SUBMISSION FORM

Dear Sir / Madam,

Having examined the Solicitation Documents, we, the undersigned, offer to provide Professional Consulting Services for the Program, for the sum as may be ascertained in accordance with the Cost Proposal Format attached herewith and made part of this Proposal.

We undertake, if our Proposal is accepted, to commence and complete delivery of all services specified in the Subcontract within the time frame stipulated.

We agree to abide by this Proposal for a period of 60 days from the date fixed for opening of Proposals in the Request for Proposal, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any Proposal you may receive.

Dated: month /day/year

(In the capacity of)

Duly authorized to sign Proposal for and on behalf of