

Pre-Qualification Notice

Title of the selection procedure:

PROJECT GENERATION FACILITY (based on the Framework Agreement on Economic and Technical Cooperation between the Government of Hungary and the Government of the Republic of Serbia in the field of infrastructure projects)

LOT 2

'ENERGY, TRANSPORT AND SUSTAINABLE MOBILITY'

Managing Authority:

Hungarian Export Promotion Agency (HEPA)

August 16, 2019.

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1. Background

The **Hungarian Export Promotion Agency (HEPA)** is assigned as the **Managing Authority (MA)** responsible for the implementation of the bilateral support programme for the preparation of infrastructure projects, which has been established based on the Framework Agreement on Economic and Technical Cooperation between the Government of Hungary and the Government of the Republic of Serbia in the field of infrastructure projects (promulgated by the *Government Decree 40/2018. (III. 13.)*, hereinafter referred to as the **Framework Agreement**).

In accordance with “*Government Resolution 1105/2019. (III. 11.) on the tasks and public expenditures in the year 2019 related to the implementation of the Framework Agreement on Economic and Technical Cooperation concluded between Hungary and the Republic of Serbia on the governmental summit on 9 February 2018, and on the possible extension of the cooperation to other countries of the Western-Balkan region*”, the MA is responsible for the setting up, management, coordination, monitoring and supervision of expert capacities for the delivery of services related to the preparation of infrastructure projects in Serbia, as well as any other consultancy services requested by the **Steering Committee** established by the Framework Agreement.

The present pre-qualification procedure is the first phase of the two-round procedure of selecting winning Tenderer(s) to implement the Project Generation Facility scheme. In the course of the pre-qualification procedure the MA will establish a list of potential Tenderers based on professional capacity presented. During the second phase the MA will invite the pre-qualified Tenderers to submit a detailed bid. Please note that alliance of pre-qualified Applicants to submit joint tender will be only allowed in the second phase.

Definitions under the present notice:

- a) **Applicant:** an economic operator who submits an application for the first phase (pre-qualification procedure).
- b) **(Pre-qualified) Tenderer:** an economic operator who submits a tender during the second phase (bidding).
- c) **Selected/winning Tenderer:** the tenderer who submits the most favourable tender (winner of the bidding)
- d) **Contractor:** the selected/winning Tenderer as the contracting party

2. Scope of work

2.1. General terms & conditions

- The following documents regulate the terms and conditions under which the Contractor shall fulfil the specific tasks as a result of the tender procedure (pre-qualification and bidding):
 - a) The Pre-Qualification Notice of the Project Generation Facility
 - b) The Request for Proposal of the Project Generation Facility (to be shared with pre-qualified Applicants)
 - c) The Contract to be signed with the selected Tenderer
 - d) Individual purchase orders, in which specific tasks to be performed by the Contractor are described in details.

The above mentioned documents are listed in reverse hierarchic order, i.e. the latter document may amend, overwrite or specify deviations from the preceding ones.

- The MA specifies in the above listed documents all the 3rd parties, with whom the Contractor shall cooperate while fulfilling its duties, i.e.
 - The Ministry of Foreign Affairs and Trade of Hungary,
 - Serbian authorities (i.e. the Intermediate Body, licensing / permission authorities),
 - Owners / operators of selected infrastructure projects and related properties and assets in Serbia,
 - A pool of Serbian engineers and other professionals, having the qualifications and licences necessary to perform authorisation and permitting tasks according to Serbian legislation.
- The MA is responsible for sharing all available, relevant information, existing documents and data necessary to perform the tasks assigned to the Contractor based on individual purchase orders. The MA is responsible for the validity and completeness of all such information.
- The working language for the performance of tasks is Hungarian. In case specific tasks require translation of any documents from Serbian to Hungarian or from Hungarian to Serbian, related responsibilities and costs have to be planned and agreed in individual purchase orders.
- The Contractor is responsible for ensuring that its own portion of tasks, as well as tasks completed by its sub-contractors are completed in harmony with the deadlines and professional requirements set for the completion in the individual purchase orders.
- The Contractor is responsible for ensuring that any errors and deficiencies in tasks specifically ordered in individual purchase orders are properly remedied, in cases where any part of the delivered tasks are damaged or any error or deficiency arises for any reason. The Contractor must not be held liable for any delays or deficiencies caused by any 3rd parties.
- The Contractor shall appoint persons in charge in general and technical areas, who shall ensure due fulfilment of the contract. During the full term of the contract, the Contractor shall ensure one-window communication, in terms of deliveries and invoicing alike.
- The Contractor shall maintain an electronic information management system that allows continuous monitoring of the services ordered and provide reports on the status of the performance.

2.2. Detailed work scope

2.2.1. Technical fields:

LOT 2: areas covered by Article 2.2 and 2.6. of the Framework Agreement

2.2.2. Scope of services:

- a) Setting-up and implementing the project generation facility programme
- b) Project generation
- c) Project-specific feasibility studies
- d) Detailed technical studies / system designs
- e) Preparatory works, planning and obtaining official permits
- f) Elaboration and compilation of the tender documentation
- g) Technical audits

- h) Coordinating funds for financing project implementation costs
- i) Other agreed tasks relevant for the preparation and implementation of infrastructure projects

The above mentioned tasks shall be performed within the following two areas: energy, and transport and sustainable mobility.

The contract may cover technical fields and service areas similar to the original scope.

3. Location and timing

3.1. Location

The scope of operation covers the full territory of the Republic of Serbia, and the premises of the Contractor. Any activity in Hungary will be performed in association with the performance by the Contractor, within its normal course of business.

The MA hereby notes that the contract concluded as the result of present procurement may be extended following subsequent agreements of economic and technical cooperation between the Government of Hungary and other States.

3.2. Start date & period of implementation

The contract will end on June 30, 2020.

Date of delivery for specific tasks will be set forth in the individual purchase orders.

Renewals: This contract is subject to renewals. The MA can renew the contract for an additional twelve-month period each time.

4. The current Pre-qualification procedure

The current **Pre-Qualification Notice (PQN)** is the first step of a supplier selection procedure to establish the above referred expert capacities.

4.1. Participation

Participation in pre-qualification procedure is open to single entities registered in Hungary and having a Hungarian majority ownership structure. Applicants may not form alliance to jointly submit Applications. All Applicants must sign a Letter of Interest in the form provided by MA, attached as annex 1 to the present Notice.

4.2. Indicative time schedule

| | DATE |
|---------------------------------------------------|------------|
| Publishing the PQN | 16/08/2019 |
| Deadline for requesting clarification from the MA | 22/08/2019 |
| Last date for the MA to issue clarification | 23/08/2019 |

| | |
|------------------------------------------------------------------------------------------------------|-------------------------|
| Deadline for submitting Letter of Interest | 27/08/2019 12:00 |
| Establishing pre-qualification list and sending of Request for Proposals to pre-qualified Applicants | 30/08/2019 |

4.3. Submission of Application

Applications must be submitted via e-mail, **in English by 27/08/2019 12:00 to the following address:**

Contact name: for the attention of Mr Gábor Jenei, Director of Western Balkans Projects

E-mail address: managing.authority@hepa.hu

Applications will be deemed timely submitted, if they are received by the MA by the submission deadline. All risks associated with the delay or loss of the proposal shall be borne by the Tenderer only. The MA will deem applications received after the submission deadline invalid.

4.4. Formal requirements

The Application shall include:

- a signed Letter of Interest (Annex 1), including the Applicant's data, as well as a presentation of the Applicant's relevant experience and in-house capacities (minimum 2 maximum 5 A4 pages¹), and the list of references complying with pre-qualification selection criteria described in Section 4.6.,
 - the list of references shall contain at least the following information: Contracting entity; Project / programme title; Total project / programme budget; Origin of funding; Contract start date; Contract end date; Detailed description of the project/programme and services provided:
 - the Applicant shall present its relevant expertise, including a description of the in-house capacities and availability of experts having specific professional experience in the field of
 - preparation and implementation of infrastructure projects and / or
 - preparation and management of the implementation of bi- or multilateral development programmes aimed at (partly or exclusively) financing infrastructure projects.
- Reference Letter(s) signed by the contracting authority(ies) of the reference(s) presented to comply with pre-qualification selection criteria described in Section 4.6. The Reference Letter(s) must include all necessary information that will allow the MA to fully assess compliance with the pre-qualification selection criteria. Please note that references listed but not, or only partially supported by Reference Letter, will not be considered.
- Specimen signature of the authorised signatory of the Applicant.

The Applicant must clearly indicate for which LOT it applies to. In case an entity wants to apply for both LOTs, separate applications for each LOT, in compliance with all the terms and conditions described in the present notice have to be submitted.

¹ Calibri 11 letter type

The Applicant must submit its Application signed by the authorised representative of the Applicant, in a legibly scanned and non-editable PDF format, which is accessible without entering a password to the e-mail address of the MA as per Section 4.3.

The procedure is conducted in English language. The MA does not allow using any other language in the procedure.

Application may not be submitted by joint Applicants.

4.5. Requests for clarifications

The Pre-qualification Notice should be clear enough to avoid applicants having to request additional information during the procedure. In case the applicants are in need of additional information, please address it to the address below.

Contact name: for the attention of Mr Gábor Jenei, Director of Western Balkans Projects

E-mail: managing.authority@hepa.hu

The MA has no obligation to provide clarification if decides.

4.6. Pre-qualification selection criteria

The pre-qualification will be based on the professional capacity of the Applicant. The following selection criteria will apply:

LOT 2:

The Applicant shall be considered unsuitable if the Applicant cannot provide at least two, maximum six contracts as references which altogether comply with the following criteria during the period of July 2012 to July 2019:

- the contracts included services related to development project(s) and/or bi- or multilateral development programmes covering (partly or exclusively) one of the fields of LOT 2 as defined above;
- the Applicant has performed the following tasks:
 - a) preparation of projects being financed by European (EU / EEA / Switzerland) donors, and/or
 - b) preparation and/or management of the implementation of bi- or multilateral development programmes being financed by European (EU / EEA / Switzerland) donors,
- overall value of the above-mentioned development project(s) / programme(s) budget²: at least 15 million EUR

The following definitions apply:

Project: a specific intervention to be implemented by a beneficiary/service provider/supplier/constructor in order to provide services/supply goods/create infrastructure.

Bi- or multilateral development programmes: a complex set of interventions, designed along a strategy, in bi- or multilateral cooperation between various authorities or organizations, in order to allocate funding to a set of projects designed and implemented to achieve strategic policy objectives and programme-level indicators. The programme budget is the financial allocation defined in the document establishing the specific programme.

Applicants are allowed to refer to contracts completed within the reference period even if started earlier

The references must be supported by Reference Letters issued and signed by the contracting entity (client). Reference Letters must contain all relevant data allowing the MA to fully assess the compliance

² The reference value should be based on the cumulative value of the reference project(s) or programme(s) and not on the value of the related service contracts.

of the Applicant, otherwise the experience will not be considered. Reference letters issued in any other language than English must be accompanied by responsible Hungarian translation.

In case more than 8 Applicants per LOT meet the above pre-qualification criteria, the MA reserves the right to create a shortlist by comparing the relative strengths and weaknesses of the applications to identify the eight best candidates, based on the presentation of the Tenderer's relevant experience and in-house capacities (see Annex 1 - Letter of Interest: Experience, point 1.)

If the value of the reference project or programme is denominated in HUF, the official daily exchange rate of the Hungarian Central Bank of August 14, 2019 shall be taken into account for the conversion to euro.

4.7. Cancellation of the pre-qualification procedure

In the event of cancellation of the pre-qualification procedure, the MA will notify Applicants on the cancellation. In no event shall MA be liable for any damages in any way connected with the cancellation of the procedure.

4.8. Appeals/complaints

Applicants believing that they have been harmed by an error or irregularity during the award process may file a complaint. Appeals should be addressed to the MA. The Applicants have 3 days to file their complaints from the receipt of the letter of notification of award.

4.9. Ethics clauses / Corruptive practices

The MA reserves the right to suspend or cancel the procedure, where the selection procedure proves to have been subject to substantial errors, irregularities, fraud or any other procedural obstacles. Please note that the MA can declare the selection procedure ineffective if the Ministry of Foreign Affairs and Trade shall not conclude the grant agreement with the MA or the financial resources of the grant agreement shall be considered insufficient.

If substantial errors, irregularities or fraud are discovered after the award of the Contract, the MA may refrain from concluding the Contract.

The Applicant shall take all measures to prevent any situation where the impartial and objective implementation of the contract is compromised for reasons involving economic interest, political affiliations, family or emotional ties or any other shared interest ('conflict of interests'). He should inform the MA immediately if there is any change in the above circumstances at any stage during the implementation of the tasks.

5. Annex 1: Letter of Interest Form

**PRE-QUALIFICATION APPLICATION FOR
the PROJECT GENERATION FACILITY**

In response to the Pre-qualification Notice published on 16/08/2019 for implementing the Project Generation Facility contract, we _____ (hereby referred as Applicant) would like to express our interest to undertake the activities as mentioned in the notification. As instructed, we have enclosed all the necessary documents for your information and records.

LOT addressed (please select): **LOT 1 / LOT 2**

Application submitted by

| | |
|--------------------------------|--|
| Name of legal entity | |
| Official address | |
| Tax registration number | |

Contact person

| | |
|------------------|--|
| Name | |
| Address | |
| Telephone | |
| E-mail | |

EXPERIENCE

1. Please present the relevant expertise of the company, including a description of the in-house capacities and availability of experts having specific professional experience in the field of
 - preparation and implementation of infrastructure projects and / or
 - preparation and management of the implementation of bi- or multilateral development programmes aimed at (partly or exclusively) financing infrastructure projects.

The description shall be minimum 2 A/4 pages and maximum 5 A/4 pages.

2. Please fill in the table below to summarise the references in compliance with the Pre-qualification selection criteria.

| Ref 1 | Project / programme title: | | | |
|-----------------------------------------------------------------------------|-----------------------------------|-------------------|---------------------|-------------------|
| Contracting entity | Total project / programme budget | Origin of funding | Contract start date | Contract end date |
| ... | ... | ... | ... | ... |
| Detailed description of the project/programme and services provided: | | | | |
| ... | | | | |

| Ref 2 | Project / programme title: | | | |
|-----------------------------------------------------------------------------|-----------------------------------|-------------------|---------------------|-------------------|
| Contracting entity | Total project / programme budget | Origin of funding | Contract start date | Contract end date |
| ... | ... | ... | ... | ... |
| Detailed description of the project/programme and services provided: | | | | |
| ... | | | | |

...

Signed on behalf of the Applicant

| | |
|------------------|--|
| Name | |
| Signature | |
| Date | |

Specimen signature