**VOLUME 2**

**SECTION 3**

**SPECIAL CONDITIONS**

**CONTENTS**

These conditions amplify and supplement the general conditions governing the contract. Unless the special conditions provide otherwise, the general conditions remain fully applicable. The numbering of the articles of the special conditions is not consecutive but follows the numbering of the general conditions. Other special conditions should be indicated afterwards.

Article 2 Language of the contract

2.1 The language used shall be English.

**Article 4 Communication**

* 1. Contracting authority: Municipality of Bojnik, Trg slobode 2-4, 16205 Bojnik, Serbia, Project Office, Nebojsa Stankovic – Project Manager, [office@bojnik.rs](mailto:office@bojnik.rs)

4.2 An electronic system will be used by the contracting authority and the contractor for all stages of implementation including, inter alia, management of the contract (amendments and administrative orders), reporting (including reporting on results) and payments. The contractor will be required to register in and use the appropriate electronic exchange system to allow for the e-management of the contract.

The electronic management of the contract through the aforementioned system may commence on the date on which implementation of the contract starts, as described in Article 33 of the general conditions to the contract, or at a later date. In the latter case, the contracting authority will inform the contractor in writing that he will be required to use the electronic system for all communications within a maximum period of 3 months.

**Article 5 Supervisor and supervisor’s representative**

5.2 The power of the Supervisor and its representative is in compliance with Serbian legislation. The purpose of the service contract is the provision of Independent Construction Supervisor for the implementation of the construction works required by the project in compliance with Serbian legislation for Construction works (the provisions of the Law on planning and construction and all relevant Regulations). All representatives of supervisors will be appointed by Contracting Authority in compliance with Law on planning and construction. Written approval of Contracting Authority will be required whenever the Supervisor has to decide on quantity and/or quality of works, on any type of additional payment, and any extension of time or any other type of variation.

5.3 Any approval, inspection, certificate, examination, instruction, proposal, request, test or other similar action of the Supervisor shall not relieve the Contractor of any of his duties and responsibilities under this Contract, including responsibilities for any of his mistakes, faults or discrepancies. The Contractor must ensure that the Supervisor has free access to the facility and all the documentation relevant to the implementation of the current contract and the works herein. The Supervisor shall have access to all materials or items to be installed on the sites before they are actually fixed in place.

5.4 Instructions and/or orders issued by the Supervisor/ shall be by way of administrative orders and must be in compliance the Law on planning and construction. All administrative order by the Supervisor shall be issued in three copies, one for the Supervisor, one for the Contracting Authority and one for the Contractor.

**Article 7 Subcontracting**

7.3 The upper limit authorized for subcontracting is 30% of the Contract Price.

**Article 9 Access to the site**

9.1 The contractor is reminded that there is a head of delegation of the European Commission in the state of the contracting authority. The contractor is obliged to give the head of delegation free access to its sites, factories, workshops, etc., and generally assist the head of delegation, like the project supervisor, in the performance of his duties. The same provisions also apply to the appointed representatives of the head of delegation.

The Contracting Authority shall give access of the Contractor to the Site in compliance with the Serbian Law of planning and construction. The Contractor is obliged to give to representatives of the Contracting Authority, National Authority, Site supervisor, JS of the Interreg Bulgaria – Serbia CBC Programme 2014-2020, other EU, state, regional and local authorities, which are authorised by international agreements, Serbian law or other administrative act to inspect the site, free access to the site of construction, factories, workshops, etc. on the site, and generally assist them in the performance of their duties.

All correspondence between the contractor and the contracting authority or project supervisor must be copied, for information, to the head of delegation of the European Commission at the following official address:

Delegation of the European Commission

Avenija 19A, Vladimira Popovica 40/V

11070 Novi Beograd

Tel: +381.11.3083200

Fax: +381.11.3083201

E-mail: delegation-serbia@eeas.europa.eu

**Article 12 General obligations**

12.9 The visibility measures must comply with rules laid down in the Communication and Visibility Manual for EU External Actions published by the European Commission - http://ec.europa.eu/europeaid/work/visibility/index\_en.htm\_en. The contractor is obliged to place a temporary information board during the construction process and a permanent information board at the end of the construction process at the site of the construction. The two boards should comply with its minimum obligation toward visibility laid down in the Visibility Guidelines of the Interreg-IPA CBC Bulgaria-Serbia Programme, which are published on <http://www.ipacbc-bgrs.eu/>.

**After sub article 12.10 add sub article 12.11**

12.11.The Contractor shall be responsible for the safekeeping of any formal documents relating to the works, according to Serbian Law of Planning and Construction.

**Article 15 Performance guarantee**

15.1 The amount of the performance guarantee will be 5% of the amount of the contract and any addenda thereto.

The performance guarantee shоuld be provided in the form of a bank guarantee, or a duly signed and registered blank own promissory note, in favour of the Contracting authority, with authorization in the amount of 5% of the contracted value, with the clause unconditional and payable on the first call in the name of good performance of work, as well as a card deposited signatures.

**The performance guarantee shall be delivered within 7 days of the conclusion of the Contract**

**Article 16 Liabilities and insurance**

16.1 a) By way of derogation from Article 16.1, a) paragraph 2, of the general conditions, compensation for damage to the works resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to the contract value.

16.1 b) By way of derogation from Article 16.1, b), paragraph 2, of the general conditions, compensation for damage resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to the contract value.

16.1 c) Contractor has obligation to provide Insurance of liability related to the soundness of the works in accordance to Article 158 of Law on Planning and Construction of Serbia in terms of Warranty period.

**Article 17 Programme of implementation of tasks**

17.1 The contractor shall provide the supervisor with a simplified programme of implementation of the tasks. This programme shall include at least the order and time limits in which the contractor proposes to carry out the works, and shall be based on the tranches foreseen in Article 49.1 of the special conditions.

17.2. The supervisor shall return this document to the contractor with any relevant remarks within 10 days of receipt, save where the supervisor, within those 10 days, notifies the contractor of its wish for a meeting in order to discuss the documents submitted.

**Article 21 Exceptional risks**

21.4 N/A

**Article 34 Period of implementation of tasks**

34.1 12 (twelve) months

**Article 36 Delays in the implementation of tasks**

36.1 The rate of liquidated damages for delays in the completion of works shall be 0.1% of the contract price for every day or part thereof which elapses between the end of the period of implementation of tasks and the actual date of completion, up to a maximum amount of 10 % of the contract price or, if the contract is subdivided into phases, 10 % of the price of the phase concerned.

**Article 39 Work register**

39.1 A work register shall, be kept on the site by the Contractor. Work register at least will contain the following:

1. Construction Log (Građevinski dnevnik), according to Serbian Law of Planning and Construction;
2. Construction Book (Gradjevinska knjiga), according to Serbian Law of Planning and Construction.
3. Inspection Book (Knjiga inspekcije), according to Serbian Law of Planning and Construction;

39.2 Technical rules for drawing up statements should be in accordance with Serbian Law on Planning and Construction.

**Article 40 Origin and quality of works and materials**

## 40.1 All goods purchased under the contract must originate in any eligible source country as defined in Interreg IPA CBC Bulgaria-Serbia programme. However, the goods to be purchased may originate from any country, whenever the total price of the estimated quantity of those goods, as reflected in a separate item of the breakdown of the lump-sum price (Volume 4.2.3) is below EUR 100 000. A category of similar goods to be purchased shall not be broken down over more than 1 item of the breakdown of the lump-sum price (Volume 4.2.3).

## For these purposes, ‘origin’ means the place where the goods are mined, grown, produced or manufactured and/or from which services are provided. The origin of the goods must be determined according to the EU Customs Code or the applicable international agreement.

When importing goods, any change in the specified origin must be pointed out to the project supervisor and approved by him.

40.2 The works and the objects, appliances, equipment or materials used in their construction must comply with:

(\*) the following specifications: works and objects, equipment or materials used in their construction must comply as a minimum with the Technical Specifications, volume 3, part of the Contract.

(\*) the requirements of Serbian standards and codes according to Serbian Law of Planning and Construction.

40.3 Preliminary technical acceptance is not necessary.

**Article 43 Ownership of plant and materials**

43.2 The equipment, temporary structures, plant and materials on the site shall for the duration of the execution of the works, be vested in the contracting authority.

**Article 44: General principles for payments**

44.1 Payments shall be made in in Euro, in case the Contractor is registered in the country than Serbia, or in RSD, in case the Contractor is registered in Serbia - the currency exchange rate used shall be the currency exchange rate of the InforEuro at the month of launching the tender.

44.2 No derogation to General Conditions

**Article 46 Pre-financing**

46.1 Pre-financing is not possible

**Article 47 Retention monies**

N/A

**Article 48 Price revision**

48.1 Prices are fixed and shall not be revised.

**Article 49 Measurement**

49.1 This is a lump‑sum contract.

Under the conditions imposed by the special conditions and general conditions, the amounts due shall be calculated through the following tranches, expressed as percentage of the contract price:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Percentage** | **Nature** | **Timing** |
| 1. | Up to 30% | First Interim payment | Upon submission of necessary documents regarding First temporary situation (“prva privremena situacija”) with approval of Supervisor, as a proof of performed works - min. 1 month from the commencement day |
| 2. | Up to 30% | Second Interim payment | Upon submission of necessary documents regarding Second temporary situation (“druga privremena situacija”) with approval of Supervisor, as a proof of performed works - min. 3 months from the commencement day |
| 4. | Min 40% | Final payment | After the positive technical acceptance of works, supervisor approval and issuing of final acceptance – max. 12 months from the commencement day |

Payments will be authorised and made by the Municipality of Bojnik, which is represented by Nebojša Nenadović, the Mayor.

**Article 50 Interim payments**

50.7 The interim payments will be paid as determined in Article 49.1 of these special conditions.

**Article 61 Defects liability**

61.1 The defects liability period is defined as the period commencing on the date of acceptance, during which the contractor is required to make good any effect in, or damage to, any part of the work which may appear or occur during this period as notify by the supervisor or the contracting authority. The rights and obligations of the parties with regard to this defects liability period are laid down in Article 61 of the general conditions.

**Article 68 Dispute settlement**

68.4 Any dispute arising out of or relating to this Contract which cannot be settled otherwise shall be referred to the exclusive jurisdiction of the Court of Leskovac, Serbia in accordance with the national legislation of the state of the Contracting Authority.

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