**DRAFT CONTRACT**

**SERVICE CONTRACT**

**financed from the Serbian Inland Waterway Infrastructure finance Contract between the Republic of Serbia and the European Investment Bank (Official Gazette of the Republic of Serbia – International Contracts no 02/2019)**

Ministry of Construction, Transport and Infrastructure

Nemanjina 22-26, 11 000 Belgrade, Republic of Serbia

(‘the contracting authority’),

of the one part,

and

<Full official name of the contractor>

[<Legal status/title>][[1]](#footnote-1)

[<Official registration number>][[2]](#footnote-2)

<Full official address>

[<VAT number>],[[3]](#footnote-3)

(‘the contractor’)

of the other part,

have agreed as follows:

**CONTRACT TITLE: Technical Assistance for implementation of the Serbian Inland Waterway Infrastructure Project**

**Identification number**: **EIB-GtP/003276970/2025/14810 004 003 000 001**

(1) Subject

1.1 The subject of this contract is Technical Assistance for implementation of the Serbian Inland Waterway Infrastructure Project with identification number **EIB-GtP/003276970/2025/14810 004 003 000 001** (‘the services’).

1.2 The contractor shall execute the tasks assigned to him in accordance with the terms of reference annexed to the contract (Annex II)

(2) Contract value

This contract, established in Euro is a fee-based contract. Based on the maximum fees, incidental expenditure and provision made for expenditure verification set out in Annex V, the maximum contract value is Euro <amount>.

(3) Order of precedence of contract documents

The following documents shall be deemed to form and be read and construed as part of this contract, in the following order of precedence:

* the contract agreement;
* the Covenant of Integrity and Social and Environmental Covenant
* the special conditions
* the general conditions (Annex I);
* the terms of reference [including clarification before the deadline for submitting tenders and minutes of the information meeting/site visit] (Annex II)
* the organisation and methodology including clarification from the tenderer provided during tender evaluation (Annex III);
* Key experts (Annex IV);
* Budget breakdown (Annex V);
* specified forms and other relevant documents (Annex VI));

**The various documents making up the contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they shall prevail in the order in which they appear above. Addenda shall have the order of precedence of the document they are amending.**

(4) Language of the contract

The language of the contract and of all written communications between the contractor and the contracting authority and/or the project manager shall be English.

(5) Other specific conditions applying to the contract

For the purpose of Article 42 of the general conditions, the data protection notice is available at: <https://wikis.ec.europa.eu/display/ExactExternalWiki/Annexes#Annexes-AnnexesA(Ch.2):General>

Done in English in two originals, one original for the contracting authority, and one original for the contractor.

|  |  |  |  |
| --- | --- | --- | --- |
| **For the contractor** | | **For the contracting authority** | |
| Name: |  | Name: |  |
| Title: |  | Title: |  |
| Signature: |  | Signature: |  |
| Date: |  | Date: |  |

**SPECIAL CONDITIONS**

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. Exceptionally, and with the approval of the competent European Commission departments, other clauses can be indicated to cover particular situations.

**Article 2 Communications**

2.1 Any written communication relating to this Contract between Contracting Authority and/or the Project Manager, on the one hand, and the Contractor on the other must state the Contract title and identification number, and must be sent by post, fax, e-mail or by hand.

For the Contracting Authority:

|  |  |
| --- | --- |
| **Name:** | Ministry of Construction, Transport and Infrastructure |
| **Address:** | Nemanjina 22-26, 11000 Belgrade, Republic of Serbia |
| **Telephone and Fax:** | Tel: +381 11 2691 402, Fax: +381 11 3616521 |
| **e-mail:** | [aleksandar.banjac@mgsi.gov.rs](mailto:aleksandar.banjac@mgsi.gov.rs) |

For the Contractor

|  |  |
| --- | --- |
| **Name:** |  |
| **Address:** |  |
| **Telephone and Fax:** |  |
| **e-mail:** |  |

2.2 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. With regard to interim and final reports, if they are required according to Article 26 or to the terms of reference, the contractor will be expected to use the forms in the electronic system for encoding and submitting the reports.

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 19 below, 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 7 General obligations**

7.8 The Contractor shall ensure the highest visibility to the financial contribution of the European Investment Bank

**Article 8 Code of Conduct**

8.8 Guide to Procurement for projects financed by the European Investment Bank, September 2018 (available at <https://www.eib.org/attachments/strategies/guide_to_procurement_en.pdf>) is applicable to this contract, including the Section 1.4 (Ethical Conduct), Section 1.5 (Conflict of Interest), Section 1.7 (mandatory compliance with EIB's environmental and social safeguards), and Section 3.6 (Prohibited Conduct – Covenant of Integrity), as well as the Anti-fraud policy of the European Investment Bank (<http://www.eib.org/infocentre/publications/all/anti-fraud-policy.htm)>.

**Article 9 Conflict of Interest**

9.7 Guide to Procurement for projects financed by the European Investment Bank, edition 2024 (available at <https://www.eib.org/attachments/strategies/guide_to_procurement_en.pdf>) is applicable to this contract, including the Section 1.5 (Conflict of Interest).

**Article 10 Administrative Sanctions**

10.5 Guide to Procurement for projects financed by the European Investment Bank, edition 2024 (available at <https://www.eib.org/attachments/strategies/guide_to_procurement_en.pdf>) is applicable to this contract, including the Section 1.4 (Ethical Conduct), Section 1.5 (Conflict of Interest), Section 1.7 (mandatory compliance with EIB's environmental and social safeguards), and Section 3.6 (Prohibited Conduct – Covenant of Integrity), as well as the Anti-fraud policy of the European Investment Bank (<http://www.eib.org/infocentre/publications/all/anti-fraud-policy.htm)>. It should be noted that, in the Covenant of Integrity, the Contractor is requested to self-declare all sanctions and/or exclusions (including any similar decisions having the effect of imposing conditions on the tenderer or its subsidiaries or to exclude the said tenderer or its subsidiaries, such as temporary suspension, conditional non-exclusion, etc.) imposed by the European institutions or any multilateral development banks (including the World Bank Group, the African Development Bank, the Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank or Inter-American Development Bank), regardless of the date of issue and the expiration or not of such decisions and of the current status of any sanction and/or exclusion. In this regard, any omission or misrepresentation, made knowingly or recklessly, may be considered as fraud under the EIB Anti-Fraud Policy. Therefore, the Client reserves the right to cancel the Contract presenting an inaccurate or incomplete Covenant of Integrity, for prohibited conduct.

IMPOTANT: “*It should be noted that, in the Covenant of Integrity, the Contractor is requested to self-declare all sanctions and/or exclusions (including any similar decisions having the effect of imposing conditions on the tenderer or its subsidiaries or to exclude the said tenderer or its subsidiaries, such as temporary suspension, conditional non-exclusion, etc.) imposed by the European institutions or any multilateral development banks (including the World Bank Group, the African Development Bank, the Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank or Inter-American Development Bank), regardless of the date of issue and the expiration or not of such decisions and of the current status of any sanction and/or exclusion. In this regard, any omission or misrepresentation, made knowingly or recklessly, may be considered as fraud under the EIB Anti-Fraud Policy. Therefore, the Client reserves the right to cancel the Contract presenting an inaccurate or incomplete Covenant of Integrity, for prohibited conduct*.” should be replaced by: *“IMPORTANT: It should be noted that, in the Covenant of Integrity, the tenderer is requested to self-declare all sanctions and/or exclusions (including any similar decisions having the effect of imposing conditions on the tenderer or its subsidiaries or to exclude the said tenderer or its subsidiaries, such as temporary suspension, conditional non-exclusion, etc.) imposed by the European institutions or any multilateral development banks (including the World Bank Group, the African Development Bank, the Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank or Inter-American Development Bank), regardless of the date of issue and the expiration or not of such decisions and of the current status of any sanction and/or exclusion. In this regard, any omission or misrepresentation, made knowingly or recklessly, may be considered as fraud under the EIB Anti-Fraud Policy. Therefore, the Client reserves the right to reject any offer presenting an inaccurate or incomplete Covenant of Integrity and may cause the rejection of the offer for prohibited conduct.”*

*IMPORTANT: It should be noted that, in the Covenant of Integrity, the tenderer bidder is requested to self-declare on its behalf and on behalf of its joint venture partners, if any, that neither the tenderer nor anyone, including any of its directors, employees, agents or subcontractors for the Contract, acting on its behalf with due authority or with its knowledge or consent or facilitated by it, nor any of its parent, subsidiary or affiliate companies are subject to any of the instances detailed in the Covenant of Integrity:*

*(i) any Prohibited Conduct in connection with the tendering process and the commitment that neither the Bidder nor the Associated Entities and Persons will engage in such Prohibited Conduct during the execution of the Contract. Prohibited Conduct includes corruption, fraud, collusion, coercion, obstruction, theft at EIB Group premises, misuse of EIB Group resources or assets, money laundering or financing of terrorism, all as defined in the EIB Group Anti-Fraud Policy, available at https://www.eib.org/en/publications/anti-fraud-policy and as amended from time to time.*

*(ii) EU/United Nations sanctions: EU sanctions or restrictive measures pursuant to Chapter 2 of Title V of the EU Treaty and the objectives of the Common Foreign and Security Policy set out in Article 21 of the EU Treaty and Article 215 of the Treaty on the Functioning of the EU, either autonomously or pursuant to the sanctions decided by the United Nations Security Council on the basis of Article 41 of the United Nations Charter.*

*(iii) Any exclusion by the European Investment Bank;*

*(iv) Any conviction in any court or any sanction (including a fine or any other financial penalty, irrespective of whether paid yet or not) by any authority (irrespective of whether such conviction or sanction is still in force) of any offence on grounds comparable to Prohibited Conduct in connection with a tendering process or any provision of works, goods or services, during the 5 (five) years immediately preceding the date of this Covenant;*

*(v) Any exclusion or enforcement actions or sanction (including any decision having an effect similar to conditional non-exclusion, temporary suspension, letters of reprimand, or self-restraint) by the EU institutions or bodies, or any multilateral development bank, on grounds comparable to Prohibited Conduct, or have been under such exclusion, enforcement action or sanction the effectiveness of which ceased no more than 5 (five) years immediately preceding the date of this Covenant. Multilateral development bank includes the World Bank Group, the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank and the Inter-American Development Bank.*

*If applicable, the bidder shall provide the details of all convictions, exclusions or other sanctions, exclusion/sanctions proceedings, and/or enforcement actions, listed above under paragraphs (i) to (v), in respect of the bidder or any of its directors, employees, agents or subcontractors for the Contract, acting on its behalf with due authority or with its knowledge or consent or facilitated by it, together with details of the measures taken, or to be taken, to ensure that no Prohibited Conduct is committed in connection with the tendering process or with the execution of the Contract.*

*In this regard, any omission or misrepresentation, made knowingly or recklessly, may be considered as fraud under the EIB Anti-Fraud Policy. Therefore, the Client/Employer reserves the right to reject any offer presenting an inaccurate or incomplete Covenant of Integrity and may cause the rejection of the offer for prohibited conduct.”*

**Article 11 Specifications and Designs – Not applicable.**

**Article 19 Implementation of the tasks and delays**

19.1The date on which implementation starts shall be within 3 months of the signature of this contract by both parties and shall be set in an administrative notice issued by the project manager.

19.2 The period for implementing the tasks is 54 months from the start date.

**Article 25 Verifications, Checks and Audits by European Union Bodies**

25.6In accordance with the provisions of the EIB Guide to Procurement, the Contracting Authority, the Bank and auditors appointed by either of them, as well as any authority or European Union Institution or body having competence under European Union law, have the right to inspect and copy the books and records of the tenderer, contractor, supplier or consultant in connection with any Bank-financed contract.

**Article 26 Interim and final reports**

The contractor shall submit progress reports as specified in the terms of reference.

**Article 27 Approval of reports and documents**

27.5

The contracting authority shall, within 45 days of receipt, notify the contractor of its decision concerning the documents or reports received by it, giving reasons should it reject the reports or documents, or request amendments. If the contracting authority does not give any comments on the documents or reports within the time limit, the contractor may request written acceptance of them. The documents or reports shall in any case be deemed to have been approved by the contracting authority if it does not expressly inform the contractor of any comments within 45 days of the receipt of the documents or reports.

**Article 28 Expenditure verification**

28.2 Fee-based contract The expenditure verification(s) referred to in the general conditions shall be carried out by Aleksandar Banjac, [aleksandar.banjac@mgsi.gov.rs](mailto:aleksandar.banjac@mgsi.gov.rs)

**Article 29 Payment and interest on late payment**

29.1 Payments shall be made in accordance with the following the option:

|  |  |  |
| --- | --- | --- |
| **Month** |  | **EUR** |
| **1** | **Maximum pre-financing payment**[[4]](#footnote-4) | Maximum amount  20% of the contract value |
| **6-monthly** | **Interim payments** | Maximum amount 70% of the contract value |
| **54** | **Forecast balance** | 10 % of the maximum contract value |
|  | **Total** | Total contract value |

29.3 By derogation from Article 29.3 of the general conditions, once the deadline set in Article 29.1 has expired, the contractor shall, upon demand, be entitled to late-payment interest at the rate and for the period mentioned in the general conditions. The demand must be submitted within two months of receiving late payment.

29.5 Payments shall be made in the currency or currencies in which the selected financial proposal is expressed, in accordance with Articles 20.6 and 29.4 of the general conditions into the bank account notified by the contractor to the contracting authority.

(3) Any part of the remuneration that is paid in a currency different from the currency of the official index for salaries used in the adjustment formula, shall be adjusted by a correction factor *X0/X*. *X0* is the number of units of currency of the country of the official index, equivalent to one unit of the currency of payment on the date of the contract. *X* is the number of units of currency of the country of the official index, equivalent to one unit of the currency of payment on the first day of the first month for which the adjustment is supposed to have effect.

**Article 30 Financial guarantee**

30.1 The Contractor shall provide a financial guarantee for the full amount of the pre-financing payment. The financial guarantee shall be in the format provided for in the contract and may be provided in the form of a bank guarantee, a banker's draft, a certified cheque, a bond provided by an insurance and/or bonding company, an irrevocable letter of credit or a cash deposit made with the Contracting Authority. If the financial guarantee is to be provided in the form of a bank guarantee, a banker's draft, a certified cheque or a bond, it shall be issued by a bank or bonding and/or insurance company approved by the Contracting Authority. In case of Serbian Contractor, this financial guarantee shall be issued by a Serbian bank. For International Contractors this financial guarantee must be issued by a bank with a rating of at least BBB+ (Baa1) or equivalent. In case that bank has lower rating than required, it is required for International Contractor to provide an additional back-guarantee from a Serbian bank. The International Contractor will provide a financial guarantee via a correspondent bank in Republic of Serbia. The Contacting Authority withholds the right that in case of change of the Banks' rating during the Contract performance, the Contracting Authority may require the change of the financial guarantee or back-guarantee to the one that is acceptable to the Contracting Authority on the basis of this Article. This financial guarantee shall remain valid until it is released by the Contracting Authority in accordance with Article 30.5 or Article 30.6 of the General Conditions, as appropriate.

**Article 30 Revision of Prices**

30.1. Price adjustment on the remuneration applies. Payments for remuneration made in foreign and/or local currency shall be adjusted as follows:

1. Remuneration paid in foreign currency on the basis of the rates set forth in monthly rates for the Experts shall be adjusted every 12 months (and, the first time, with effect for the remuneration earned in the 13th calendar month after the date of the Contract Effectiveness date) by applying the following formula:

 {or }

where

*Rf* is the adjusted remuneration;

*Rfo* is the remuneration payable on the basis of the remuneration rates in foreign currency;

*If* is the official index for salaries in the country of the foreign currency for the first month for which the adjustment is supposed to have effect; and

*Ifo* is the official index for salaries in the country of the foreign currency for the month of the date of the Contract.

The Consultant shall state here the name, source institution, and any necessary identifying characteristics of the official index for salaries corresponding to *If* and *Ifo* in the adjustment formula for remuneration paid in foreign currency: [*Insert the name, source institution, and necessary identifying characteristics of the index for foreign currency, e.g. “Consumer Price Index for all Urban Consumers (CPI-U), not seasonally adjusted; U.S. Department of Labor, Bureau of Labor Statistics”*]

(2) Remuneration paid in local currency pursuant to the rates set fo shall be adjusted every *[insert number]* months (and, for the first time, with effect for the remuneration earned in the *[insert number]*the calendar month after the date of the Contract) by applying the following formula:

 {or }

where

*Rl* is the adjusted remuneration;

*Rlo* is the remuneration payable on the basis of the remuneration rates in local currency;

*Il* is the official index for salaries in the Client’s country for the first month for which the adjustment is to have effect; and

*Ilo* is the official index for salaries in the Client’s country for the month of the date of the Contract.

The Client shall state here the name, source institution, and any necessary identifying characteristics of the official index for salaries corresponding to *Il* and *Ilo* in the adjustment formula for remuneration paid in local currency:

Statistical Office of the Republic of Serbia

Monthly Indices of Earnings/Total <https://data.stat.gov.rs/Home/Result/24030602?languageCode=en-US>

**Article 40 Settlement of disputes**

40.3. In an absence of amicable settlement, dispuites shall be settled y arbitration in accordance with the following provisions:

1. Selection of Arbitrators: Each dispute submitted by a party to arbitration shall be heard by sole arbitrator or an arbitration panel composed of three (3) arbitrators, in accordance with the following provisions: (a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to the Federation **Internationale des Ingenieurs-Conseil (FIDIC) of Lausanne***,* Switzerland for a list of not fewer than five (5) nominees and, on receipt of such list, the Parties shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, **Internationale des Ingenieurs-Conseil (FIDIC) of Lausanne** shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute; (b) Where the Parties do not agree that the dispute concerns a technical matter, the Client and the Consultant shall each appoint one (1) arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two (2) arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by **the International Chamber of Commerce, Paris,** c) If, in a dispute subject to paragraph (b) above, one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to **the International Chamber of Commerce, Paris** to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.

2. Rules of Procedure: Except as otherwise stated herein, arbitration proceedings shall be conducted in accordance with the rules of procedure for arbitration of the United Nations Commission on International Trade Law (UNCITRAL) as in force on the date of this Contract.

3. Substitute Arbitrators. If for any reason an arbitrator is unable to perform his/her function, a substitute shall be appointed in the same manner as the original arbitrator.

4. Nationality and Qualifications of Arbitrators. The sole arbitrator or the third arbitrator appointed pursuant to paragraphs 1(a) through 1(c) above shall be an internationally recognized legal or technical expert with extensive experience in relation to the matter in dispute and shall not be a national of the Consultant’s home country or of the home country of any of their members or Parties or of the Government’s country. For the purposes of this Clause, “home country” means any of: (a) the country of incorporation of the Consultant or of any of their members or Parties; or (b) the country in which the Consultant’s or any of their members’ or Parties’ principal place of business is located; or (c) the country of nationality of a majority of the Consultant’s or of any members’ or Parties’ shareholders; or (d) the country of nationality of the Sub-consultants concerned, where the dispute involves a subcontract.

5. Miscellaneous: In any arbitration proceeding hereunder: (a) proceedings shall, unless otherwise agreed by the Parties, be held in\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[select a country which is neither the Client’s country nor the Consultant’s country]*; (b) the **English** language shall be the official language for all purposes; and (c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.

**Article 41 Applicable law**

Applicable law is the law of the Republic of Serbia

**Article 42 Data Protection**

1. Processing of personal data related to the implementation of the contract by the contracting authority takes place in accordance with the national legislation of the state of the contracting authority and with the provisions of the respective financing agreement.

2. To the extent that the contract covers an action financed by the European Union, the Contracting Authority may share communications related to the implementation of the contract, with the European Commission. These exchanges shall be made to the Commission, solely for the purpose of allowing the latter to exercise its rights and obligations under the applicable legislative framework and under the financing agreement with the Partner country – contracting authority. The exchanges may involve transfers of personal data (such as names, contact details, signatures and CVs) of natural persons involved in the implementation of the contract (such as contractors, staff, experts, trainees, subcontractors, insurers, guarantors, auditors and legal counsel). In cases where the contractor is processing personal data in the context of the implementation of the contract, he/she shall accordingly inform the data subjects of the possible transmission of their data to the Commission. When personal data is transmitted to the Commission, the latter processes them in accordance with Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC[[5]](#footnote-5) and as detailed in the specific privacy statement published at ePRAG.

\* \* \*

1. Where the contracting party is an individual. [↑](#footnote-ref-1)
2. Where applicable. For individuals, mention their ID card, passport or equivalent document number. [↑](#footnote-ref-2)
3. Except where the contracting party is not VAT registered. [↑](#footnote-ref-3)
4. The contractor is not obliged to ask for pre-financing. [↑](#footnote-ref-4)
5. OJ L 205 of 21.11.2018, p. 39 [↑](#footnote-ref-5)