

Annex II: Detail conditions and requirements of significance for execution of construction works

Performance guarantee

Performance guarantee shall be provided by the successful participant of up to 30 % of the total contractual amount. The performance guarantee will be of equal amount with the advance payment and will serve as security for the Participant's satisfactory compliance with its obligations under the Contract and should be valid for 40 days from expected date of issuing of a certificate of satisfactory performance and full completion of construction works.

If the successful participant does not submit the performance guarantee within 7 days after the signature of the Contract, then the payment will be done in 1 installment representing 100% of contract value upon Written Acceptance of Performed construction works.

Comprehensive General Liability insurance (CGL)

In accordance with the Montenegrin Law of construction of objects and respective bylaws, the participant is required to submit, before the commencement day of the construction works, to GWP-Med an appropriate Comprehensive general liability insurance of 100.000,00 EUR. The Comprehensive general liability insurance must be valid from the beginning of the construction works until the full completion of the construction works. This insurance is against any damage to GWP-Med or third parties which may occur during construction works. The insurance should clearly indicate that it solely concerns the Contract for construction of the shed at the National Park Skadar lake and its coverage extends to possible damage to persons, objects and financial loss.

If the participant does not provide a Comprehensive general liability insurance proof in compliance with the above stated details before the commencement day the contract will be terminated by GWP.

Other obligations of the Successful Participant

The Participant is required to:

- i) Submit the dynamic plan of realization of activities that is in accordance with the delivery of the work services deadline as set from the RFQ, before signing the contract.
- ii) Submit the decision letter appointing the certified engineers who will engage at the construction works in accordance with Montenegrin legislation before the commencement day (in case of noncompliance, the contract will be terminated by GWP).
- iii) Maintain the construction logbooks in accordance with Montenegrin legislation during construction.

- iv) Empty and thoroughly clean completely the construction site by removing all debris, waste, equipment and machinery resulting from the construction works performed after the finalization of the construction works.
- v) Proof from competent state authority that taxes and social security contributions are fully paid in accordance with the Montenegrin law (issued maximum 90 days before RFQ end date for submission)
- vi) Will be liable to a deduction of €200 per day, for every day of delay, including Sundays and public holidays, up to a maximum of 10% of the contracted amount in case the work is not completed, delivered and Written Acceptance of Performed construction Works by GWP-Med within 40 days of the signing of the contract.

Supervision of the construction works

Supervision of the construction works will be done through appointed independent construction supervisory entity (hereinafter: Supervisor) announced by GWP-Med to the participant before the commencement day. The Supervisor of the construction works will be mandated to monitor and facilitate the implementation of the contract and the compliance with the relevant Montenegrin laws. The Supervisor will have the power, among other things, to order the participant to remove already performed construction works or to temporarily ban construction works performed which are not going to be in accordance with the contract and the technical documentation. The Supervisor of the construction works will act in accordance with relevant Montenegrin legislation.

Installation Requirements and warranty period

All Equipment needs to be installed and tested as per project documentation and instructions given by technical supervision. Warranty service should be of minimum 2 years for equipment and construction works. Provision of all legal required technical documentation, warranty list(s) as well as certificates for material/equipment on delivery day is mandatory.

In that respect, the participant will provide a valid Warranty on Labor and Materials and Equipment for a minimum period of 24 months.

The Final payment will be executed only after the provision of a duly notarized letter of guarantee for all construction works, materials and equipment by the Participant.

Payment terms

Advance payment will be up to 30 % of the of contract value after the contract signing and providing all necessary documentation for commencement of construction works and the presentation of equal amount performance guarantee.

Payoff of up to 70 % of contract value will be paid the latest 30 days upon Written Acceptance of Performed construction Works by GWP-Med appointed Supervisor and beneficiary's representatives, based on full compliance with the Contractual requirements.

The selected participant has the option not to present a performance guarantee and the payment will be made in 1 installment representing 100% of contract value upon Written Acceptance of Performed construction Works by GWP-Med appointed Supervisor and beneficiary's representatives based on full compliance with the Contractual requirements.

The Final payment will be executed only after the provision of a duly notarized letter of guarantee for all construction works, materials and equipment by the Participant.
