



Bosnia and Herzegovina
Federation of Bosnia and Herzegovina

CANTON SARAJEVO
Ministry of Traffic

CONTRACT FOR WORKS

Project Name:

**Sarajevo Tram Track Extension:
Extension Of Tram Track Between Iliča And Hrasnica**

Loan No. 53118

Contract No. 04-11-4856

between

Ministry of Traffic of Sarajevo Canton on behalf of the Government of Sarajevo Canton

and

Joint Venture: Yapı Merkezi Insaat ve Sanayi A.S. – Turkey and Yapıray Demiryolu Insaat
Sistemleri Sanayi ve Ticaret A.S. – Turkey

Date: 12.05.2023.



Adresa: Reisa Džemaludina Čauševića 1, 71 000 Sarajevo
Tel: + 387 (0) 33 562-058, + 387 (0) 33 562-059
Web: <http://ms.ks.gov.ba>, E-mail: ms@ms.ks.gov.ba

CONTRACT AGREEMENT

Contract Agreement

THIS CONTRACT AGREEMENT is made on the 12 day of May, 2023.

BETWEEN

(1) **Ministry of Traffic of Sarajevo Canton on behalf of the Government of Sarajevo Canton, Bosnia and Herzegovina** having its principal place of business at Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina (hereinafter called “the Employer”), and

(2) **Joint Venture: Yapı Merkezi Insaat ve Sanayi A.S. and Yapıray Demiryolu Insaat Sistemleri Sanayi ve Ticaret A.S.** consisting of the following entities, each member of which will be jointly and severally liable to the Employer for all the Contractor’s obligations under this Contract, namely, **Yapı Merkezi Insaat ve Sanayi A.S.** (lead member), a corporation incorporated under the laws of Turkey and having its principal place of business at Burhaniye Mahallesi, Haci Resit Pasa Sokak, no: 4A, 34676 Üsküdar, İstanbul, Turkey and **Yapıray Demiryolu Insaat Sistemleri Sanayi ve Ticaret A.S.** (member), a corporation incorporated under the laws of Turkey and having its principal place of business at Kısıklı Mah. Alemdağ Cad. Masaldan İş Merkezi No: 60, E Blok no: 5, Üsküdar, İstanbul, Turkey (hereinafter called “the Contractor”).

WHEREAS the Employer invited tenders for the execution of the Works, described as *Extension Of Tram Track Between Iliča And Hrasnica* and has accepted a Tender by the Contractor for the execution and completion of these Works and the remedying of any defects therein, and the Employer agrees to pay the Contractor the Contract Price in the amount of **EUR 30.655.237,67 (thirty million six hundred fifty-five thousand two hundred thirty-seven and 67/100 EUR) including VAT**, or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
2. The following documents, in order of precedence, shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract document
 - (a) the Contract Agreement, sole act without connected documents,
 - (b) the Tender Clarifications,
 - (c) the Letter of Acceptance, sole act without connected documents,
 - (d) the Letter of Tender, sole act without connected documents,
 - (e) the Appendix to Tender,
 - (f) these Particular Conditions of Contract,
 - (g) the General Conditions of Contract,

- (h) the Specification,
- (i) the Drawings,
- (j) the Bill of Quantities,
- (k) the Contractor's additional information from Tender and all other documents forming an integral part of the Contract.

3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. Payment of the amounts due to the Contractor under the Contract may only be made to the following bank account(s):

Yapi Merkezi insaat ve Sanayi A.Ş.

Payee's Bank's Correspondent details: N/A

Correspondent Bank Name: Ziraat Bankası A.Ş. - Anadolu Kurumsal Branch

Address: Sahrayi Cedit Mahallesi, Ataturk Caddesi, No:48, 34734 Kadikoy / istanbul, Turkiye

Account Name (IBAN): TR04 0001 0019 4102 6435 4950 25

Account Number: 1941-2643549-5025

SWIFT CODE: TCZBTR2AXXX

Ziraat Bank's EUR Correspondent Bank Details:

Bank Name : UniCredit Bank Austria AG

Address : Vienna, Austria

Acc. No :12618093900

Swift code : BKAUATWW

5. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Agreement to be executed in accordance with the laws of Bosnia and Herzegovina on the day, month and year indicated above.

Signed by:

Mr. Adem
Sarajevo

State Minister of Traffic of

05.05.2023

Signed by:

Mr. Samo Ivančić, Branch Manager


DEMİRYOLU İNŞAAT SİSTEMLERİ SANAYİ ve TİCARET A.Ş.

Date: 12.05.2023

19th of April, 2023

Canton Sarajevo, Ministry of Traffic,
street Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina.

By this letter, we as Yapı Merkezi authorize Mr. Samo Ivančić (passport No. PB1469826) as a Contract signer on behalf of Yapı Merkezi & Yapıray for "Extension of Tram Track between Iliča and Hrasnica", Client name and address: Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina.

Aykut Dincer
Chief Legal & Compliance Officer



YAPI
merkezi
İNŞAAT VE SANAYİ MERKEZİ

Yapı Merkezi İnşaat ve Sanayi A.Ş.
Yapı Merkezi Construction and Industry Inc.

Burhaniye Mh. Hacı Reşit Paşa Sk. No: 4A 34676
Üsküdar-İstanbul, Türkiye
T: +90 (216) 321 90 00
Ticaret Sicil No / Trade Register Nr: 90374
www.ym.com.tr



LETTER OF ACCEPTANCE



Our ref: 04-11-4856/22

Date: 31.03.2023.

LETTER OF ACCEPTANCE

TO: Joint Venture: Yapı Merkezi Insaat ve Sanayi A.S. – Turkey (leader) and Yapıray Demiryolu Insaat Sistemleri Sanayi ve Ticaret A.S. – Turkey (member)
Burhaniye Mahallesi, Haci Resit Pasa Sokak, no. 4A, 34676 Uskudar, İstanbul - Turkey
Tel: +90 216 321 90 00
Fax: +90 216 321 90 13
e-mail: tender@vm.com.tr ; erkut.karagoz@vm.com.tr
Attn. / Mr. Erkut Karagoz – Tendering Director

ASSIGNMENT: Extension of Tram Track between Ilič and Hrasnica

SUBJECT: Notification of Award Contract

Dear Sir,

This is to notify you that your Tender dated 30th May 2022 for execution of the Sarajevo Tram Track Extension - Extension of Tram Track between Ilič and Hrasnica for the amount of EUR 30.655.237,67 (thirty million six hundred fifty-five thousand two hundred thirty-seven and 67/100 EUR) including VAT as corrected and modified in accordance with the Instructions to Participants is hereby accepted by us.

1. In accordance with Instructions to Participants of the Tender Document, within seven (7) calendar days of receipt of this notification of award, the Contractor is required to acknowledge receipt of the notification of award in writing and to furnish the Employer with details of the bank



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account(s) that the Contractor proposes to use for the purpose of receiving payments due under the Contract, in the following format:

Payee's Account Name:

Payee's Account No. (IBAN):

Payee's Bank Name:

Payee's Bank Address:

SWIFT CODE:

In the event that payments are to be made in a currency which is not the currency of the country of the Contractor, the correspondent bank details shall be furnished in the following format:

Payee's Bank's Correspondent details:

Correspondent Bank Name:

Address:

Account Name (IBAN):

Account Number:

SWIFT CODE:

2. In accordance with ITP 37.1, upon receipt of the Contractor's acknowledgement of the notification of award and bank account details, the Employer shall sign and send to the Contractor the Contract Agreement. In accordance with ITP 37.2, within fourteen (14) calendar days of Contractor's receipt of the Contract Agreement, the Contractor shall sign, date and return the Contract Agreement to the Employer.

3. Within the period specified in the Contract the Contractor shall furnish the Employer with a Performance Security in the amount of EUR 3.065.523,76 (three million sixty-five thousand five hundred twenty-three and 76/100 EUR) in accordance with the Conditions of Contract, using for that purpose the Performance Security Form included in Section VII, Contract Terms and Conditions.

4. In addition you are requested to provide a cash flow forecast estimating the payments under the contract which you expect to come due during each month starting from the Contract signing date.

Yours Sincerely,



Copy:

- Title
- EBRD through ECEPP
- File



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The discounts offered and the methodology for their application are:

Not Applicable :

- (d) Our Tender shall be valid for a period of 120 calendar days from the tender opening, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (e) We acknowledge that the Appendix to Tender and Attachment 1 to the Letter of Tender – Covenant of Integrity, form part of this Letter of Tender;
- (f) If our Tender is accepted, we commit to obtain a performance security in accordance with the Contract;
- (g) We, any subcontractors or suppliers and sub-suppliers for any part of the Contract, are eligible for award of the Bank's financed contracts and receiving the payments from the Bank's finance;
- (h) We, including any subcontractors or suppliers and sub-suppliers for any part of the contract do not have any conflict of interest in accordance with ITP;
- (i) We, including any of our subcontractors or suppliers and sub-suppliers for any part of the Contract, have not been declared ineligible by the Bank, due to conviction of an intentional crime (and any such criminal conviction is final in the relevant national jurisdiction, with no more than ten years having lapsed between the date on which the criminal conviction became final and the date of submission of tender); under relevant national law from entering into commercial relations with the Client, provided the prohibition relates to a Prohibited Practice, which had been determined through judicial or administrative proceedings with adequate due process; or by an act of compliance with a decision of the United Nations Security Council;
- (j) We are not participating as a Participant or as a partner in a JVCA in more than one Tender in this Tendering process;
- (k) We are *not* a government owned entity;
- (l) We have paid, or will pay the following commissions, gratuities, or fees with respect to the Tendering process or execution of the Contract [*If none has been paid or is to be paid, state "N/A"*]:

Name of Recipient	Address	Reason	Amount
N/A			

- (m) We understand that this Tender, together with your written acceptance thereof included in your notification of award, shall constitute a binding Contract between us, until a formal Contract is prepared and executed;
- (n) We understand that you are not bound to accept the most economically advantageous tender or any other Tender that you may receive; and

YAPI MERKEZİ – YAPIRAY JOINT VENTURE

Address: Burhaniye Mahallesi, Hacı Reşit Paşa Sokak, No: 4A, 34676, Üsküdar, İstanbul, Turkey

Tel: +90 216 321 90 00

Fax: +90 216 321 90 13

Email: tender@ym.com.tr; erkut.karagoz@ym.com.tr

(o) If awarded the Contract, the person named below shall act as Contractor's Representative:

Name:	Erkut KARAGÖZ
In the capacity of:	Tendering Director
Signed:	  YAPI MERKEZİ – YAPIRAY JOINT VENTURE
Duly authorised to sign the Tender for and on behalf of:	YAPI MERKEZİ – YAPIRAY JOINT VENTURE
Date:	30.05.2022

YAPI MERKEZİ – YAPIRAY JOINT VENTURE

Address: Burhaniye Mahallesi, Hacı Reşit Paşa Sokak, No: 4A, 34676, Üsküdar, İstanbul, Turkey

Tel: +90 216 321 90 00

Fax: +90 216 321 90 13

Email: tender@ym.com.tr; erkut.karagoz@ym.com.tr

Covenant of Integrity

(Attachment 1 to Letter of Tender)

To: Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina

We declare and covenant that neither we nor anyone, including any of our subsidiaries and affiliates, and all of our directors, employees, agents or joint venture partners, as well as any subcontractors, suppliers, sub-suppliers, concessionaires, consultants or sub-consultants, where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any Prohibited Practice (as defined below) in connection with the procurement process or in the execution or supply of any works, goods or services for *Extension of Tram Track between Ildža and Hrasnica* (the "Contract") and covenant to so inform you if any instance of any such Prohibited Practice shall come to the attention of any person in our organisation having responsibility for ensuring compliance with this Covenant.

We declare that we have paid, or will pay, the following commissions, gratuities, or fees with respect to the procurement process or execution of the Contract:

Name of Recipient	Address	Reason	Amount
None	None	None	None

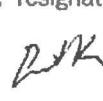
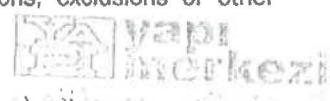
We declare that no affiliate of the Client is participating in our submission in any capacity whatsoever.

We shall, for the duration of the procurement process and, if we are successful in our tender, for the duration of the Contract, appoint and maintain in office an officer, who shall be a person reasonably satisfactory to you and to whom you shall have full and immediate access, having the duty, and the necessary powers, to ensure compliance with this Covenant.

We declare and covenant that, except for the matters disclosed in this Covenant of Integrity:

- (i) we, our subsidiaries and affiliates, and all of our directors, employees, agents or joint venture partners, where these exist, have not been convicted in any court of any offence involving a Prohibited Practice in connection with any procurement process or provision of works, goods or services during the ten years immediately preceding the date of this Covenant;
- (ii) none of our directors, employees, agents or a representatives of a joint venture partner, where these exist, has been dismissed or has resigned from any employment on the grounds of being implicated in any Prohibited Practice, during the ten years preceding the date of this Covenant;
- (iii) we, our subsidiaries and affiliates and our directors, employees, agents or joint venture partners, where these exist, have not been excluded by any major Multilateral Development Bank or International Financial Institution (including World Bank Group, African Development Bank Group, Asian Development Bank, EBRD, European Investment Bank or Inter-American Development Bank) from participation in a procurement procedure or entering into a contract with any of such institutions on the grounds of engaging in a Prohibited Practice;
- (iv) we, our directors, subsidiaries and affiliates, as well as any subcontractors, or suppliers or affiliates of the subcontracts or supplier are not subject to any sanction imposed by resolution of the United Nations Security Council; and
- (v) we further undertake to immediately inform the Client and the Bank if this situation were to occur at a later stage.

If applicable, provide full disclosure of any convictions, dismissal, resignations, exclusions or other information relevant to Articles (i), (ii), (iii) or (iv) in the box below.

 
VADİ
Merkezi

OFFICIAL USE

Name of Entity Required to be Disclosed	Reason Disclosure is Required ¹
Not Applicable	Not Applicable

We understand that a misrepresentation in relation to or an omission to provide full disclosure of the information as required by this Covenant may result in the rejection of the tender and it may also lead to Enforcement Actions and Disclosure Actions as set out in the Bank's Enforcement Policy and Procedures.

For the purpose of this Covenant, the terms set forth below define Prohibited Practices as:

- (i) a **Coercive Practice** which means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party to influence improperly the actions of a party;
- (ii) a **Collusive Practice** which means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iii) a **Corrupt Practice** which means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- (iv) a **Fraudulent Practice** which means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (v) a **Misuse of Bank's Resources or Bank Assets** which means Improper use of the Bank's Resources or Bank Assets, committed either knowingly or recklessly;
- (vi) an **Obstructive Practice** which means any of (1) destroying, falsifying, altering or concealing of evidence material to a Bank investigation, which impedes the Bank's investigation; (2) making false statements to investigators in order to materially impede a Bank investigation into allegations of a Prohibited Practice; (3) failing to comply with requests to provide information, documents or records in connection with a Bank investigation; (4) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Bank investigation or from pursuing the investigation; or (5) materially impeding the exercise of the Bank's contractual rights of audit or inspection or access to information; and
- (vii) a **Theft** which means the misappropriation of property belonging to another party.

At any time following the submission of our tender, we shall permit, and shall cause our JVCA partners, as well as our directors, employees, agents, Subcontractors and any other third parties engaged or involved for any part of the Contract to permit the Bank and/or persons appointed by them, the right to inspect and copy all accounts, books, records, and other documents (on any media or in any format) relating to the Procurement Process and execution of the Contract and to have any such accounts, books, records, and documents audited the Bank and by auditors appointed by the Bank. We accept to preserve these records generally in accordance with applicable law but in any case for at least six years from the date of substantial completion of the Contract.

Name:	Erkut KARAGÖZ
In the capacity of:	Tendering Director
Signed:	 Yapı Merkezi <small>İNŞAAT VE SANAYİ ANONİM ŞİRKETİ</small>
Duly authorised to sign for and on behalf of:	Yapı Merkezi İnşaat ve Sanayi A.Ş.
Date:	30.05.2022

¹ For each matter disclosed, provide details of the measures that were taken, or shall be taken, to ensure that neither the disclosed entity nor any of its directors, employees or agents commits any Prohibited Conduct in connection with the procurement process for the Contract.

Covenant of Integrity

(Attachment 1 to Letter of Tender)

To: Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina

We declare and covenant that neither we nor anyone, including any of our subsidiaries and affiliates, and all of our directors, employees, agents or joint venture partners, as well as any subcontractors, suppliers, sub-suppliers, concessionaires, consultants or sub-consultants, where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any Prohibited Practice (as defined below) in connection with the procurement process or in the execution or supply of any works, goods or services for *Extension of Tram Track between Ildža and Hrasnica* (the "Contract") and covenant to so inform you if any instance of any such Prohibited Practice shall come to the attention of any person in our organisation having responsibility for ensuring compliance with this Covenant.

We declare that we have paid, or will pay, the following commissions, gratuities, or fees with respect to the procurement process or execution of the Contract:

Name of Recipient	Address	Reason	Amount
None	None	None	None

We declare that no affiliate of the Client is participating in our submission in any capacity whatsoever.

We shall, for the duration of the procurement process and, if we are successful in our tender, for the duration of the Contract, appoint and maintain in office an officer, who shall be a person reasonably satisfactory to you and to whom you shall have full and immediate access, having the duty, and the necessary powers, to ensure compliance with this Covenant.

We declare and covenant that, except for the matters disclosed in this Covenant of Integrity:

- (i) we, our subsidiaries and affiliates, and all of our directors, employees, agents or joint venture partners, where these exist, have not been convicted in any court of any offence involving a Prohibited Practice in connection with any procurement process or provision of works, goods or services during the ten years immediately preceding the date of this Covenant;
- (ii) none of our directors, employees, agents or a representatives of a joint venture partner, where these exist, has been dismissed or has resigned from any employment on the grounds of being implicated in any Prohibited Practice, during the ten years preceding the date of this Covenant;
- (iii) we, our subsidiaries and affiliates and our directors, employees, agents or joint venture partners, where these exist, have not been excluded by any major Multilateral Development Bank or International Financial Institution (including World Bank Group, African Development Bank Group, Asian Development Bank, EBRD, European Investment Bank or Inter-American Development Bank) from participation in a procurement procedure or entering into a contract with any of such institutions on the grounds of engaging in a Prohibited Practice;
- (iv) we, our directors, subsidiaries and affiliates, as well as any subcontractors, or suppliers or affiliates of the subcontracts or supplier are not subject to any sanction imposed by resolution of the United Nations Security Council; and
- (v) we further undertake to immediately inform the Client and the Bank if this situation were to occur at a later stage.

If applicable, provide full disclosure of any convictions, dismissal, resignations, exclusions or other information relevant to Articles (i), (ii), (iii) or (iv) in the box below.

OFFICIAL USE

Name of Entity Required to be Disclosed	Reason Disclosure is Required ¹
Not Applicable	Not Applicable

We understand that a misrepresentation in relation to or an omission to provide full disclosure of the information as required by this Covenant may result in the rejection of the tender and it may also lead to Enforcement Actions and Disclosure Actions as set out in the Bank's Enforcement Policy and Procedures.

For the purpose of this Covenant, the terms set forth below define Prohibited Practices as:

- (i) a **Coercive Practice** which means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party to influence improperly the actions of a party;
- (ii) a **Collusive Practice** which means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- (iii) a **Corrupt Practice** which means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- (iv) a **Fraudulent Practice** which means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (v) a **Misuse of Bank's Resources or Bank Assets** which means improper use of the Bank's Resources or Bank Assets, committed either knowingly or recklessly;
- (vi) an **Obstructive Practice** which means any of (1) destroying, falsifying, altering or concealing of evidence material to a Bank investigation, which impedes the Bank's investigation; (2) making false statements to investigators in order to materially impede a Bank investigation into allegations of a Prohibited Practice; (3) failing to comply with requests to provide information, documents or records in connection with a Bank investigation; (4) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Bank investigation or from pursuing the investigation; or (5) materially impeding the exercise of the Bank's contractual rights of audit or inspection or access to information; and
- (vii) a **Theft** which means the misappropriation of property belonging to another party.

At any time following the submission of our tender, we shall permit, and shall cause our JVCA partners, as well as our directors, employees, agents, Subcontractors and any other third parties engaged or involved for any part of the Contract to permit the Bank and/or persons appointed by them, the right to inspect and copy all accounts, books, records, and other documents (on any media or in any format) relating to the Procurement Process and execution of the Contract and to have any such accounts, books, records, and documents audited the Bank and by auditors appointed by the Bank. We accept to preserve these records generally in accordance with applicable law but in any case for at least six years from the date of substantial completion of the Contract.

Name:	Levent GÜNVER
In the capacity of:	Tendering Manager
Signed:	 Yapıray DEMİRYOLU İNŞAAT SİSTEMLERİ SAN. VE TİC. A.Ş. BUILDING CONSTRUCTION SYSTEMS INDUSTRY AND TRADE
Duly authorised to sign for and on behalf of:	Yapıray Demiryolu İnşaat Sistemleri San. Ve Tic. A.Ş.
Date:	30.05.2022

¹ For each matter disclosed, provide details of the measures that were taken, or shall be taken, to ensure that neither the disclosed entity nor any of its directors, employees or agents commits any Prohibited Conduct in connection with the procurement process for the Contract.



Our ref: 04-11-4856/22

Date: 26.07.2022. godine

TO:

**Joint Venture: Yapı Merkezi Insaat ve Sanayi A.S. – Turkey (leader) and
Yapiray Demiryolu Insaat Sistemleri Sanayi ve Ticaret A.S. – Turkey (member)**

Burhaniye Mahallesi, Haci Resit Pasa Sokak, no. 4A, 34676 Uskudar, Istanbul - Turkey

Tel: +90 216 321 90 00

Fax: +90 216 321 90 13

e-mail: tender@ym.com.tr ; erkut.karagoz@ym.com.tr

Attn. / Mr. Erkut Karagoz – Tendering Director

ASSIGNMENT: Extension of Tram Track between Ilič and Hrasnica

SUBJECT: Request for Confirmation of correction of arithmetical errors

Dear Sirs,

Please be informed that we have completed mandatory check-up of priced Bill of Quantities provided in your Tender and we have discovered certain arithmetical errors. After correction of these errors, in accordance with the Tender document, Section I: Instructions to Participants, Clause 30.1. Corrections of Arithmetical Errors, corrected price of your Tender is:

Grand Total including VAT: 30.655.237,67 EUR

Attached you may find PDF file of Priced Bill of Quantities with corrected prices marked in yellow. We kindly ask you to provide us with your written confirmation of the corrected amount.



Your submission shall be received through ECEPP Message Centre not later than Tuesday, 1st August 2022, 16:00 hrs local time.

Respectfully,



~~Affiliates of Sarajevo Canton~~

Adnan Šteta

Copy:

- Participant through ECEPP
- EBRD through ECEPP
- File

Date: 28.07.2022

To: Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina

Project: Sarajevo Tram Track Extension - Extension of Tram Track between Ilič and Hrasnica

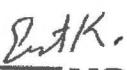
The identification number of the Tender: 04-11-4856/22

Dear Sir or Madam,

Following your letter dated 26.07.2022, reference no 04-11-4856/22, regarding the Request for Confirmation of correction of arithmetical errors, as YAPI MERKEZİ – YAPIRAY JOINT VENTURE, we hereby confirm the corrected amount stated in your above referenced letter, which is:

Grand Total Including VAT: 30.655.237,67 EUR

Best Regards.



İNŞAAT VE SANAYİ ANONİM ŞİRKETİ

Erkut KARAGÖZ
Tendering Director

YAPI MERKEZİ – YAPIRAY JOINT VENTURE

Address: Burhaniye Mahallesi, Hacı Reşit Paşa Sokak, No: 4A, 34676, Üsküdar, İstanbul, Turkey

Tel: +90 216 321 90 00

Fax: +90 216 321 90 13

Email: tender@ym.com.tr; erkut.karagoz@ym.com.tr

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APPENDIX TO TENDER

OFFICIAL USE
Revised Final Appendix to Tender

With the exception of those requirements for which the Client's requirements have been inserted, the following information must be completed and enclosed to the Letter of Tender.

All reference Clauses and Sub-clauses provided in the Appendix to Letter of Tender shall be construed as reference Clauses and Sub-clauses in Section VII, General Conditions of Contract.

Conditions	GCC Sub-Clauses	Date
Employer's name and address	1.1.2.2 & 1.3	<p>Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1, 71000 Sarajevo, Bosnia and Herzegovina</p> <p>Tel: +387(0)33 562-058 ,+387(0)33 562-059</p> <p>Email: ms@ms.ks.gov.ba</p>
Contractor's name and address	1.1.2.3 & 1.3	<p>YAPI MERKEZİ – YAPIRAY JOINT VENTURE</p> <p>Address: Burhanlye Mahallesi, Hacı Reşit Paşa Sokak, No: 4A, 34676, Üsküdar, İstanbul, Turkey</p> <p>Tel: +90 216 321 90 00</p> <p>Fax: +90 216 321 90 13</p> <p>Email: tender@ym.com.tr; erkut.karagoz@ym.com.tr</p>
Engineer's name and address	1.1.2.4 & 1.3	<div style="border: 1px solid black; padding: 5px;"> <p>Enter the name, address, phone number and email address of the Engineer</p> </div>
Bank's name	1.1.2.11	European Bank for Reconstruction and Development
Borrower's name	1.1.2.12	Bosnia and Herzegovina
Time for Completion	1.1.3.3	540 days
Defects Notification Period	1.1.3.7	730 days
Sections	1.1.5.6	Not applicable
Electronic systems transmission	1.3	ECEPP
Governing Law	1.4	Law of Bosnia and Herzegovina, Law of Federation of Bosnia and Herzegovina, Law of Canton Sarajevo
Ruling language	1.4	English
Language communications	1.4	English and official languages in Bosnia and Herzegovina (Bosnian, Croatian and Serbian)

OFFICIAL USE		
Time for access to the Site	2.1	28 days after Commencement Date
Engineer's Duties and Authority	3.1	Any increase of the Contract Price of more than 0,1 % of the Accepted Contract Amount and/or any Extension of Time for Completion shall be agreed in an amendment to the Contract. Variations with amount exceeding EUR 0,1% of the Accepted Contract Amount shall require approval of the Employer.
Performance Security	4.2	The performance security will be in the form of a demand guarantee in the amount(s) of 10 per cent of the Accepted Contract Amount and in the same currency(ies) of the Accepted Contract Amount
Normal working hours	6.5	08:00 to 18:00 hours, Monday to Saturday
Delay damages for the Works	8.7 & 14.15(b)	0,5% of the Contract Price per day, in the currencies and proportions in which the Contract Price is payable
Maximum amount of delay damages	8.7	10 % of the Accepted Contract Amount.
<i>If there are Provisional Sums:</i> Percentage adjustment of Provisional Sums	13.5(b)	6%
<i>If Sub-Clause 13.8 applies:</i> Adjustments for Changes in Cost	13.8	<u>See table below for Euro Currency</u>
Total advance payment	14.2	10 % Percentage of the Accepted Contract Amount payable in the currencies and proportions in which the Accepted Contract Amount is payable
Number and timing of instalments	14.2	One, upon submission of the Advance Payment Security and related Interim Payment Certificate
Currencies and proportions	14.2	The advance payment shall be paid in the currency or currencies and proportions in which the Accepted Contract Amount is payable to the Contractor according to Sub-clause 14.15.
Start repayment of Advance payment	14.2 (a)	Starting with the first Interim Payment Certificate (excluding the advance payment) submitted by the Contractor
Repayment amortization rate of advance payment	14.2(b)	15 %

OFFICIAL USE			
Percentage of Retention	14.3	5 %	
Limit of Retention Money	14.3	5 % of the Accepted Contract Amount	
Plant and Materials	14.5 (b)	Plant and Materials for payment when shipped en route to the Site: Steel products (tram rails with installation accessories)	
	14.5 (c)	N/A	
Minimum Amount of Interim Payment Certificates	14.6	Euro 200.000	
Currency/Currencies of Payment	14.15	The Contract Price shall be paid in <i>Euro</i> .	
Periods for submission of Insurance:	18.1		
(a) evidence of insurance.		14 days	
(b) relevant policies		28 days	
Maximum amount of deductibles for Insurance of the Employer's risks	18.2(d)	Euro 10.000	
Minimum amount of third party insurance	18.3	Euro 200.000 Euro per accident with number of occurrences unlimited	
The DAB shall be comprised of	20.2	One sole Member	
Appointment (if not agreed) to be made by	20.3	The President of FIDIC or a person appointed by the President	
Rules of arbitration	20.6(a)	Rules of International Chamber of Commerce, ICC Paris Language of arbitration shall be English	
Rules of arbitration	20.6(b)	Place of arbitration shall be Vienna	



Erkut KARAGÖZ
Tendering Director

Yapı Merkezi İnşaat ve Sanayi A.Ş.

OFFICIAL USE

Table B-Foreign Currency**Schedule of Adjustment Data****Currency(ies)**

Name of Currency: EURO

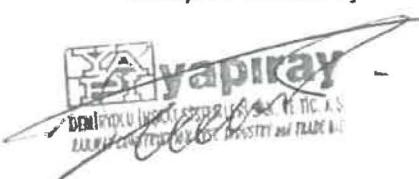
Weighting value for any Index from "b" to "h" shall not exceed 0,25.

Index Code	Index Description	Source of Index	Base Date	Tenderer's Proposed Weighting
a	Nonadjustable (fixed)			a: 0,10
b	Average gross wages in civil engineering			b: 0,10
c	Crushed stone			c: 0,10
d	Diesel	Statistics of Federation of BiH	Sub-Clause 1.1.3.1 GCC	d: 0,10
e	Cement			e: 0,10
f	Steel (hot rods for reinforcing concrete)			f: 0,20
g	Steel products for tram rails			g: 0,20
h	Electric cables and wires			h: 0,10
TOTAL				1,00

Erkut KARAGÖZ
Tendering Director
Yapı Merkezi İnşaat ve Sanayi A.Ş.

Erk.K.
 **yapı
merkezi**
İNŞAAT VE SANAYİ ANONİM ŞİRKETİ

Levent GÜNVER
Tendering Manager
Yapıray Demiryolu İnşaat Sistemleri
Sanayi ve Ticaret A.Ş.



PARTICULAR CONDITIONS OF CONTRACT

Particular Conditions of Contract (PCC)

The following Particular Conditions of Contract (PCC) shall supplement the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

GCC 1 General Provisions

GCC 1.1 Definitions

GCC 1.1.1 The Contract

Delete the wording of Sub-clause 1.1.1.4 and substitute:

1.1.1.4 "Letter of Tender" means the document entitled Letter of Tender, which was completed by the Contractor and includes the offer to the Employer.

Delete the wording of Sub-clause 1.1.1.8 and substitute:

1.1.1.8 "Tender" means the completed and signed "Letter of Tender" and all other documents submitted by the Contractor as required in the Tender Document, i.e. electronic tender submission which the Contractor submitted through ECEPP, as referred to in the Contract.

After Sub-clause 1.1.1.10, add additional Sub-clauses 1.1.1.11 and 1.1.1.12:

1.1.1.11 "As Built Drawings" are drawings prepared by the Contractor and verified by the Engineer indicating exactly completed works. Final measurement of quantities shall be determined from dimensions and numbers indicated on "as built drawings".

1.1.1.12 "ECEPP" means the EBRD Client E-Procurement Portal.

GCC 1.1.2 Parties and Persons

Sub-clause 1.1.2.2 is amended as follows:

1.1.2.2 "Employer" (which shall be signatory to the Contract) is:

Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1,
71000 Sarajevo, Bosnia and Herzegovina

Delete the wording of Sub-clause 1.1.2.4 and substitute:

1.1.2.4 "Engineer" means the person appointed by the Employer to act as the Engineer and as the supervisor in the sense of the regulations of Canton Sarajevo and FBiH for the purpose of the Contract and notified to the Contractor at the time of signing of the Contract Agreement, or other person appointed from time to time by the Employer and notified to the Contractor under Sub-Clause 3.4 (Replacement of the Engineer).

After Sub-clause 1.1.2.10, add additional Sub-clauses 1.1.2.11, 1.1.2.12 and 1.1.2.13:

- 1.1.2.11 "Bank" means the financing institution (if any) named in the Appendix To Tender
- 1.1.2.12 "Borrower" means the person (if any) named as the borrower in the Appendix To Tender

GCC Money and Payments
1.1.4

Delete the wording of Sub-clause 1.1.4.6 and substitute:

- 1.1.4.6 "Foreign Currency" means any convertible currency or currencies or combination of these indicated by Contractor in the Tender Form and Price Schedule.

Delete the wording of Sub-clause 1.1.4.8 and substitute:

- 1.1.4.8 "Local Currency" means currency of Bosnia and Herzegovina, BAM (Bosnian mark).

- 1.1.4.11 Sub-clause 1.1.4.11 is inapplicable.

GCC Other definitions
1.1.6

Delete the wording of Sub-clause 1.1.6.2 and substitute:

- 1.1.6.2 "Country" is Bosnia and Herzegovina, Federation of BiH; Canton Sarajevo where the site is located and where the Permanent Works are to be executed.

Add additional Sub-clauses 1.1.6.10 and 1.1.6.11, after Sub-clause 1.1.6.9:

- 1.1.6.10 "Notice of Dissatisfaction" means the notice given by either Party to the other under Sub-Clause 20.4 [Obtaining Dispute Adjudication Board's Decision] indicating its dissatisfaction and intention to commence arbitration.
- 1.1.6.11 "Tender Clarifications" mean Communications during the evaluation of the Tenders between the Tenderer and the Employer for clarifying tender aspects which have been inconsistent, ambiguous or unclear.
- 1.1.6.11 "Enforcement Policy and Procedures" means the EBRD's Enforcement Policy and Procedures, as amended from time to time, and any policy or procedures adopted by EBRD, as a successor to or replacement of such policy and procedures".
- 1.1.6.12 "Prohibited Practices" has the meaning as defined in the Enforcement Policy and Procedures *October, 2017*
- 1.1.6.13 "Enforcement Actions" means such action as defined in the Bank's Enforcement Policy and Procedures.
- 1.1.6.14 "Disclosure Actions" means such action as defined in the Bank's Enforcement Policy and Procedures.
- 1.1.6.15 "Third Party Finding" means a final judgment of a judicial process in a member country of the Bank or a finding by the enforcement (or similar) mechanism of an international organisation, which is not a Mutual Enforcement Institution, that an individual or entity has engaged in a Prohibited Practice or equivalent act of that member country or international organisation.
- 1.1.6.16 "Project Complaint Mechanism" means the accountability mechanism of the Bank as set forth under the Project Complaint Mechanism (PCM) Rules of Procedure dated May 2014, as such rules may be amended, supplemented or replaced from time to time.
- 1.1.6.17 "Mutual Enforcement Institution" means an international organisation that has entered into an agreement with the Bank, pursuant to which such institution and the Bank agree to the mutual enforcement of debarment decisions made by each other, provided that such other institution has given notice to the Bank that it has fulfilled all

requirements for the implementation of such agreement and has not subsequently withdrawn from such agreement.

GCC 1.3 Communications

At the end of Sub-Clause 1.3, add:

Communications in writing should have a cover letter with the date, reference number and reference to previous communication (if any). The cover letter is to be stamped and signed by responsible person on behalf of the Contractor or the Engineer. All communications related to contractual obligations must be copied to the Employer. The original document shall be delivered by mail or personally handed, with acknowledgment of receipt.

The Contractor must ensure appropriate DMS (Document Management System) with online access, preferable in cloud, for all parties (Employer, Engineer and Contractor).

This system should secure enough space for all letters, letter attachments, designs and other Contract and site documents. DMS must have options for different access assignment, depending of position of the person on project. Proposed DMS is to be approved by Engineer and Employer. After the Employer establishes its own DMS the Contractor is required to migrate all data to the Employer's DMS with no extra cost.

GCC 1.4 Law and Language

Delete the wording of Sub-Clause 1.4 and substitute:

The national law of Bosnia and Herzegovina and complementary legislation - entity and cantonal laws of Bosnia and Herzegovina shall apply in all matters not covered by the provision of the Contract.

The language of communication shall be English and official languages in Bosnia and Herzegovina (Bosnian, Croatian and Serbian). In case of discrepancy between English and official languages in Bosnia and Herzegovina, English language shall be the ruling language.

GCC 1.5 Priority of Documents

Delete the wording of Sub-Clause 1.5 and substitute:

It is considered that the documents constituting the Contract are complementary. For the purpose of clarifications of the document their order of priority is as follows:

- (a) the Contract Agreement, sole act without connected documents,
- (b) the Tender Clarifications,
- (c) the Letter of Acceptance, sole act without connected documents,
- (d) the Letter of Tender, sole act without connected documents,
- (e) the Appendix to Tender,
- (f) these Particular Conditions of Contract,
- (g) the General Conditions of Contract,
- (h) the Specification,
- (i) the Drawings,
- (j) the Bill of Quantities,
- (k) the Contractor's additional information from Tender and all other documents forming an integral part of the Contract.

If documents are unclear or some contradictions are observed, the Engineer will give the necessary explanations and instructions.

GCC 1.8 Care and Supply of Documents

At the end of Sub-Clause 1.8, add:

In case deviation is established from approved contract drawings the Contractor shall prepare and submit for verification by the Engineer "As built drawings". If case there is no deviation and no "As built drawings" issued by the Contractor the original contract drawings will be signed and stamped by the Engineer as "As built drawings". Upon final completion and prior to the submission of the final payment certificate original "As built drawings" signed by the Engineer shall be handed over to the Employer. Final measurement of quantities and payment shall be derived from

dimensions and numbers of items indicated on "As built drawings".

GCC 1.11 Contractor's Use of Employer's Documents

Delete the wording of Sub-Clause 1.11 and substitute:

As between the Parties, the Employer shall retain the copyright and other intellectual property rights in the Specification, the Drawings and other documents made by (or on behalf of) the Employer. The Contractor may, at his cost, copy, use and obtain communication of these documents for the purposes of the Contract. They shall not, without the Employer's consent, be copied, used or communicated to a third party by the Contractor. If there is a need to publish or disclose any part of the Contract or other documents made by (or on behalf of) the Employer, the Contractor will refer to the Employer whose decision shall be final.

GCC 1.12 Confidential Details

Replace Sub-clause:

The Contractor's and the Employer's Personnel shall disclose all such confidential and other information as may be reasonably required in order to verify the Contractor's compliance with the Contract and allow its proper implementation.

Each of them shall treat the details of the Contract as private and confidential, except to the extent necessary to carry out their respective obligations under the Contract or to comply with applicable Laws. Each of them shall not publish or disclose any particulars of the Works prepared by the other Party without the previous agreement of the other Party. However, the Contractor shall be permitted to disclose any publicly available information, or information otherwise required to establish his qualifications to compete for other projects.

The Contractor shall not publish, permit to be published, or disclose any particulars of the Works in any trade or technical paper or elsewhere without the previous agreement of the Employer. No photographs of the Site or Works or any part thereof shall be taken, published, or circulated without the prior written permission of the Employer and no such permission shall exempt the Contractor from complying with the laws and regulations regarding taking and publishing photographs

GCC 1.13 Compliance with Laws

Delete the first sentence of Sub-Clause 1.13 and substitute with the following wording:

The Contractor shall, in performing the Contract, comply with applicable national law of Bosnia and Herzegovina and complementary legislation - entity and cantonal laws of Bosnia and Herzegovina. Employer shall provide to Contractor the following Permits: Construction Permit, Urban Planning Permit and Environmental Permit.

GCC 1.14 Joint and Several Liability

Add the following sub-paragraph at the end of Sub-Clause 1.14:

(d) the leader shall be authorized to act on behalf of each and all partners. The authorization shall be provided in writing before the Commencement Date. The whole of the execution of the Contract, including payments, shall be carried into effect only with the leader.

Add the following Sub-clause:

**GCC
1.15**

Inspections and Audit by the Bank

The Contractor shall permit the Bank and/or persons appointed by the Bank to inspect the Site and/or the Contractor's assets, books, accounts and records relating to the performance of the Contract and to have such assets, books, accounts and records audited by auditors appointed by the Bank if required by the Bank.

The Contractor shall require its officers, directors, employees or agents with knowledge of the Contract to respond to questions from the Bank and to provide to the Bank any information or documents necessary for (i) the investigation of allegations of Prohibited Practices, or (ii) the Bank's monitoring and evaluation of the Contract and to enable the Bank to examine and address any project-related complaints made under the Bank's Project Complaint Mechanism.

The Contractor shall maintain all books, documents and records related to the Contract in accordance with applicable law but in any case, for at least six years from the date of substantial performance of the Contract.

The Contractor shall ensure that in any agreements with suppliers, sub-suppliers, sub-contractors, concessionaires, consultants, or sub-consultants concerning the execution of the Contract provisions to the effect of this Sub-clause are included.

The Contractor shall provide any documents necessary for the investigation of allegations of Prohibited Practices and require its employees or agents with knowledge of the Contract to respond to questions from the Bank.

**GCC
1.16**

Local Taxes and Duties

In performing the Contract, the Contractor, Subcontractors and Personnel shall comply with applicable Laws and are subject for payment of taxes, duties, and other levies, as may be levied under the tax legislation of Bosnia and Herzegovina.

The Contractor, Subcontractors and Personnel, and their eligible dependents, shall comply with applicable Laws and follow the usual customs procedures and formalities in importing property into Bosnia and Herzegovina.

This Contract is subject of following main laws (among others):

- Law on Value Added Tax (VAT) (Official Gazette of the B&H No. 9/05, Official Gazette 35/05 and 100/08...)
- Law on Customs Policy of Bosnia and Herzegovina (Official Gazette of the B&H No. 57/04, No. 51/06, 76/06, etc.)
- Law on Profit Tax (Official Gazette of the Federation of B&H No. 15/16, Bylaws on Application of Profit tax, Official Gazette of FB&H 88/16 and 11/17)

The Contractor, if foreigner, is obliged in accordance with the VAT Law and Rulebook on Registration of VAT Taxpayers (Official Gazette B&H No. 35/05) to name Tax Representative, which will perform on behalf of Contractor all tax obligations stemming from the Law on Value Added Tax and relating to this Contract.

The Employer cannot act as a Tax representative. The Employer shall pay VAT from its own Funds, through the Tax Representative appointed by the Contractor.

The Contractor has to familiarize himself with provisions of Law on Profit Tax

and Bylaws on Application on Profit Tax, in terms of applying the Agreement on avoidance of double taxation, signed between its country of origin and Bosnia and Herzegovina and to determine what is its obligation regarding registration of a Business Unit in the Country.

The Contractor should have registered Business Unit in the Country, it is necessary, prior to issue of Statement, to submit to the Employer the following documentation:

- (i) Statement that the Contractor does have registered Business Unit in the Country;
- (ii) The decision on registration of business units at the Tax Administration of the FBiH

In case that the Contractor has a business unit in the Country, then that business unit is responsible for calculation and payment of the eventual liabilities stemming from profit tax (corporate income tax).

GCC The Employer
2

GCC 2.4 Employer's Financial Arrangements

Add the words:

In addition, if the Bank has notified to the Borrower that the Bank has suspended disbursements under its loan, which finances in whole or in part the execution of the Works, the Employer shall give notice of such suspension to the Contractor with detailed particulars, including the date of such notification, with a copy to the Engineer, within 7 days of the Borrower having received the suspension notification from the Bank. If alternative funds will be available in appropriate currencies to the Employer to continue making payments to the Contractor beyond a date 60 days after the date of Bank notification of the suspension, the Employer shall provide reasonable evidence in his notice of the extent to which such funds will be available

GCC The Engineer
3

GCC 3.1 Engineer's Duties and Authority

Add the words:

At the end of Sub-Clause 3.1, add:

(d) any act by the Engineer in response to a Contractor's request except as otherwise expressly specified shall be notified in writing to the Contractor within 28 days of receipt

The Engineer shall obtain the specific approval of the Employer before taking action under the following Sub-Clauses of these Conditions:

- (a) Sub-Clause 4.12: Agreeing on or determining an extension of time and/or additional cost
- (b) Sub-Clause 8.4: Agreeing on or determining an extension of time
- (c) Sub-Clause 8.8: Suspension of Work
- (d) Sub-Clause 13.1: Instructing a Variation, except:
 - (i) in an emergency situation as determined by the Engineer, or
 - (ii) if such a Variation would increase the Accepted Contract Amount by not

more than any percentage specified in the Appendix to Tender
(e) Sub-Clause 13.3: Approving a proposal for Variation submitted by the Contractor in accordance with Sub Clause 13.1 or 13.2
(f) Sub-Clause 13.4: Specifying the amount payable in each of the applicable currencies

Notwithstanding the obligation, as set out above, to obtain approval, if, in the opinion of the Engineer, an emergency occurs affecting the safety of life or of the Works or of adjoining property, he may, without relieving the Contractor of any of his duties and responsibility under the Contract, instruct the Contractor to execute all such work or to do all such things as may, in the opinion of the Engineer, be necessary to abate or reduce the risk. The Contractor shall forthwith comply, despite the absence of approval of the Employer, with any such instruction of the Engineer. The Engineer shall determine an addition to the Contract Price, in respect of such instruction, in accordance with Clause 13 and shall notify the Contractor accordingly, with a copy to the Employer.

GCC 3.4 Replacement of the Engineer

Delete the wording of Sub-Clause 3.4 and substitute:

If the Employer intends to replace the Engineer, the Employer shall, not less than 21 days before the intended date of replacement, give notice to the Contractor of the name, address and relevant experience of the intended replacement Engineer. If the Contractor considers the intended replacement Engineer to be unsuitable, he has the right, within 14 days after receiving Employer's notice, to raise objection against him by notice to the Employer, with supporting particulars, and the Employer shall give full and fair consideration to this objection.

Add additional Sub-Clause:

GCC 3.6 Management Meetings

Management meetings will be held on a weekly base and also on a monthly base within 7 days of the issuance of the Contractor's monthly progress report. They should be attended by the Engineer's, Contractor's and Employer's representatives. The Engineer shall keep record of management meetings and supply copy to all participants.

GCC 4 The Contractor

4

GCC 4.1 Contractor's General Obligations

After first paragraph of Sub – Clause 4.1, add:

The Contractor shall design the Electrical Traction Substations (ETS) Ilidza and Hrasnica. Design documents shall be prepared by a qualified Designer who shall be subject to prior Engineer's consent.

The Contractor shall develop the design documents at the level of main design necessary for obtaining a construction permit. Main design shall be based on the existing project documentation provided as part of the tender documents. It shall include all accompanied preparatory works (topography, geological, geotechnical and other works), elaborates and other documents requested by the relevant legislation. It is the Contractor's obligation to arrange the official revision (review) by the authorised firm.

The Contractor shall submit to the Employer reviewed main design of ETSs with a complete set of documents for obtaining of construction permit. If the relevant Ministry refuses to issue construction permit and deems Design to be incomplete or otherwise inadequate, the Contractor, with no right to additional

payment or extension of time, has to correct the Design.

The Contractor shall execute and complete the Works fully in accordance with approved design and conditions stipulated in construction permit.

GCC 4.2 Performance Security

Delete the second paragraph of Sub-Clause 4.2 and substitute with following:

The Contractor shall deliver the Performance Security to the Employer within 28 days after receiving the Letter of Acceptance, and shall send a copy to the Engineer. The Performance Security shall be issued by a reputable bank selected by the Contractor, and be acceptable to the Employer, and shall be in the form annexed to the Particular Conditions, as stipulated by the Employer in the Appendix to Tender, or in another form approved by the Employer.

If the Performance Security is in the form of a bank guarantee must be issued either:

- (a) by the bank which is located in Bosnia and Herzegovina or
- (b) directly by a bank acceptable to the Employer

Without limitation to the provisions of the rest of this Sub-Clause, whenever the Engineer determines an addition or a reduction to the Contract Price as a result of a change in cost and/or legislation or as a result of a Variation, amounting to more than 25 percent of the portion of the Contract Price payable in a specific currency, the Contractor shall at the Engineer's request promptly increase, or may decrease, as the case may be, the value of the Performance Security in that currency by an equal percentage.

GCC 4.3 Contractor's Representative

At the end of Sub-Clause 4.3, add:

If the Contractor's Representative's delegates are not fluent in the said language, the Contractor shall make competent interpreters available during all working hours in a number deemed sufficient by the Engineer.

GCC 4.4 Subcontractors

At the end of Sub-Clause 4.4, add:

The Contractor shall ensure that the requirements imposed on the Contractor by Sub-Clause 1.12 [Confidential Details] apply equally to each Subcontractor. Where practicable, the Contractor shall give fair and reasonable opportunity for contractors from the Country to be appointed as Subcontractors.

The Contractor is responsible for the quality and timing of works of subcontractors, the work of its representatives or employees as well as the Contractor committed such acts or failed to implement those commitments.

Any approved Subcontractor must have licenses and authorizations to carry out the works in accordance with Local Regulations.

No deviations from, or substitutions in the list of subcontractors and the list of suppliers/manufacturers, List submitted with the Tender shall be allowed without the written permission of the Employer and Engineer.

Should the Contractor intend to modify the list of subcontractors and suppliers, he will submit this modification in due time for approval in order to avoid hindering work progress. In order to obtain the Engineer's consent pursuant to (b) above, the Contractor shall submit to the Engineer information, evidence, licenses and references for each Subcontractor to the satisfaction of the Engineer.

The Contractor shall include in his monthly reports to the Engineer details of all Subcontracts entered into, the names of the Subcontractors concerned, and the numbers and types of staff and labour from each Subcontractor present on Site during the month.

The Employer will not recognize the existence of any subcontractor or supplier in any matter concerning the administration of the Contract. All communications from any subcontractor shall be submitted only through the Contractor. Communications by the subcontractor directly sent to the Employer will not be acknowledged.

**GCC
4.14**

Avoidance of interference

Add the words

Where any work on the site is likely to disrupt public utility services or traffic, the Contractor shall inform the Engineer in writing in due time, which shall not be less than 7 days before commencing such works so that the Contractor can take at his own cost appropriate measures in consultation with relevant institutions

**GCC
4.21**

Progress Reports

Substitute the first sentence of this Sub-Clause with the wording as follows:

The Contractor shall prepare a monthly report on the progress of works and submit it to the Engineer in six copies (three in the local language and three in English) and electronic version of the report on the progress of work with all the supporting documentation.

At the end of sub-paragraph (a), insert: ...and approved Subcontractors,

After sub-paragraph (h), add the following provisions:

(i) monthly report on the quality control

(j) report of the works that are on the critical path

(k) summary of the Interim Payment Certificates

(l) detailed cash flow forecast for all payments to which the Contractor will be entitled under the Contract, in the form approved by the Engineer and in accordance with Sub-Clause 14.4.

**GCC
4.23**

Contractor's Operations on Site

Add the words

The Contractor shall allow, at any time, access to the site for authorized representatives of state administration and insight in activities, living and working conditions and legal status of any employee, in order to check the

legality of their employments, the general standard, but also to prevent any illegal, especially criminal, activity or behaviour, inside but also outside the site, which influence on and endanger the private and public property, individual and collective safety, health, public order, ethics and customs of employees and local population.

GCC **Prevention of Prohibited Practices**
4.25

Add the words:

The Contractor shall not, and shall not authorise or permit any of its officers, directors, authorised employees, affiliates, agents or representatives to, engage in Prohibited Practices with respect to the procurement, award, or execution of the Contract.

The Bank may declare the Contract to be ineligible for financing, and the Bank may take any of the Enforcement Actions and Disclosure Actions set out in the Enforcement Policy and Procedures, if in accordance with the Enforcement Policy and Procedures the Bank determines that:

- (a) the Contractor, including its suppliers, sub-suppliers, sub-contractors, concessionaires, consultants, or sub-consultants have engaged in Prohibited Practices with respect to the procurement, award, or execution of the Contract.
- (b) a Third Party Finding has sufficient relevance and seriousness for the Bank to warrant Enforcement Actions and Disclosure Actions against entities or individuals;

GCC **Agreements with third parties**
4.26

Add the words:

The Contractor shall ensure that in any agreements with suppliers, sub-suppliers, sub-contractors, concessionaires, consultants, or sub-consultants concerning the execution of the Contract provision are included:

- (a) stating that the suppliers, sub-suppliers, sub-contractors, concessionaires, consultants, or sub-consultants, shall not, and shall not authorise or permit any of their officers, directors, authorised employees, affiliates, agents or representatives to, engage in Prohibited Practices with respect to such agreements and the execution of the Contract; and
- (b) notifying the suppliers, sub-suppliers, sub-contractors, concessionaires, consultants, or sub-consultants, that the Bank has the right to invoke the Enforcement Policy and Procedures, including any Enforcement Action and Disclosure Action set out therein, in respect of allegations of Prohibited Practices with respect to the procurement, award, or execution of the Contract.

GCC 4.27 Existing utility-installations
The Contractor is required to acquaint himself with the locations of all existing utility installations in the area of construction sites and access roads before Works begin. The Contractor will be held responsible for any damage to roads, drains, pipes, cables or any other utility-installations, which have caused or caused by its subcontractor during construction work and is required to make repairs at its own expense to the satisfaction of the Engineer and the authorized institutions. He shall repair damages within the deadlines for completion of works. In case that such damage in the opinion of the Engineer or authorized institution causes difficulties, danger or violation, the repair shall be made within the time period specified by the Engineer. The Contractor shall take all necessary measures in consultation with authorized institutions and local people for removal, and the restoration of all utilities. All of these costs are borne by the Contractor

GCC 4.28 Construction Site documentation
The obligation of the Contractor is to provide and maintain construction site documentation in official languages of Bosnia and Herzegovina: the construction diary, construction book, inspection book, documentation quality, mine diary, study of safety at work, study of fire protection, study of environmental protection and all other documentation prescribed by domestic regulation. These documents will be prepared by competent persons (possessing appropriate professional exam) and authorized persons (authorised by responsible person of the Contractor). Construction site documentation will be reviewed and checked by professional and responsible persons of the Engineer (the persons possessing appropriated professional exam and authorisation of the Engineer).

GCC 6 Staff and Labour
6

GCC 6.1 Engagement of Staff and Labour

Add the words:

The Contractor shall establish Human Resource policies in accordance with the governing Law. The Contractor shall document and communicate to all workers their working conditions and terms of employment, including their entitlement to wages, hours of work, overtime arrangements and overtime compensation, and any benefits (such as leave for illness, maternity/paternity or holiday).

The Contractor is encouraged, to the extent practicable and reasonable, to employ staff and labour with appropriate qualifications and experience from sources within the Borrower's Country.

The Contractor shall act according to applicable Labour Laws of Bosnia and Herzegovina during the engagement of staff and labour.

GCC 6.2 Rates of Wages and Conditions of Labour

At the end of Sub-Clause 6.2, add:

Where the Contractor is party to a collective agreement or is otherwise bound by it, the Contractor shall comply with its terms and conditions.

Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. Deductions must never lead to an employee receiving less than the applicable minimum wage.

All workers shall be provided with clearly understandable verbal and written information about the conditions in respect of wages before they enter employment and of the particulars of their wages for the pay period concerned each time that they are paid. Wages shall be paid in legal tender in full, on time and directly to the workers concerned. The Contractor shall maintain records of all payments and deductions made.

The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in the Country in respect of such of their salaries, wages, allowances and any benefits as are subject to tax under the Laws of the Country for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him by such Laws.

GCC 6.4 Labour Laws

At the end of Sub-Clause 6.4, add:

The Contractor shall ensure that obligations to staff and labour under labour, health and safety and social security laws and regulations arising from the employment relationship shall not be avoided through the use of labour-only contracting arrangements.

GCC 6.5 Working Hours

At the end of Sub-Clause 6.5, add:

Hours of work shall comply with applicable laws, collective agreements, and industry standards. Overtime shall be voluntary wherever possible, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

GCC 6.6 Facilities for Staff and Labour

At the end of Sub-Clause 6.6, add:

Where the Contractor provides living accommodation for workers, the accommodation shall be appropriate for its location and be clean, safe and, at a minimum, meet the basic needs of workers. The accommodation shall comply with national legislation and, where possible, follow international good practice as set out in the IFC/The Bank's Public Guidance. The Contractor shall ensure that workers' freedom of movement to and from the accommodation is not unduly restricted.

GCC 6.7 Health and Safety

At the end of Sub-Clause 6.7, add:

The Contractor shall provide the Employer with a written Health and Safety Policy and a project-specific Health and Safety Plan (the Plan) before the commencement of work. The Plan shall identify all risks specific and relevant to the project and shall provide information explaining how the identified risks will be managed by the Contractor. The Plan shall include details of the Contractor's OHS management system, including the Contractor's plans to manage and monitor the health and safety risks associated with all construction work under its control. The Plan shall be made available to the Bank(s) prior to the start of Construction.

Every Contractor shall plan, manage and monitor construction work carried out by him or under his control in a way which ensures that, so far as is reasonably practicable, it is carried out without risks to health and safety. In instances where the Contractor is a joint venture, consortium or a similar entity, the Contractor shall coordinate its planning, management and monitoring activities in a manner that will ensure that any overlap does not create any potential risks to third parties.

All work-related tasks shall be risk assessed before any work is undertaken. All significant hazards shall be identified and control measures introduced to reduce foreseeable risks of injury and ill health, so far as is reasonably practicable. High regard shall be given in particular to assess and control the following specific activities and these shall be documented in the Health and Safety Plan;

- Working at Heights;
- Lifting Operations;
- Movement of vehicles and mobile work equipment;
- Ground disturbance and excavations; and,
- Working with and around live electrical conductors.

The Contractor shall ensure that a safe and healthy working environment is provided and that good international occupational health and safety practice is promoted. The Contractor shall take steps to prevent accidents, injury and disease arising in the course of work by identifying and controlling risks to workers, third parties and affected communities, so as far as is reasonably practicable. The Contractor shall ensure that all staff, labourers and persons entitled to be on site receive the necessary supervision, information, instruction and training to do their jobs in a manner that does not place themselves or third parties at risk. With regard to any unauthorised site visitors, the Contractor shall familiarise itself with, and comply with, any relevant provisions of the Applicable Law. Where appropriate, the Contractor shall provide equipment to minimise health and safety risks and enforce its use. The Contractor shall carry out a risk assessment to ensure the correct selection of equipment is made for every task. The work equipment shall be in good working condition, designed for the specific task and not improvised in any way. The Contractor shall put in place arrangements for emergency prevention, preparedness and response.

The Contractor shall develop and maintain throughout the execution of the Contract preventative measures relating to worker health concerns, including providing inoculations or other preventative treatments for disease that are either global in nature or endemic in the project area. The Contractor shall undertake appropriate measures to reduce the risk of transfer of STDs and HIV/AIDS among the Contractor's Personnel and the local community including providing condoms and information for raising awareness among employees of sexually transmitted disease and HIV/AIDS.

Add the following provisions 6.7.1 to 6.7.10:

GCC **Personal Protective Equipment**
6.7.1

The Contractor shall provide, at no cost to its workers, Personal Protective Equipment (PPE) to control residual risks. The PPE shall be suitable for the relevant hazards to which workers are exposed to and replaced at no cost to the worker, when it becomes damaged or worn. As a minimum, PPE shall be protective toe cap safety footwear, head protection and an item of high visibility clothing.

GCC **Workers Welfare Accommodation**
6.7.2

The Contractor shall provide a suitable seating area for workers to use during breaks. This area shall be clean, located where food will not become contaminated and provide reasonable thermal comfort during high and low temperatures. The Contractor shall also provide adequate access to toilets and wash basins for their workers.

GCC **Contractor's Personnel**
6.7.3

The Contractor shall ensure that all personnel employed to carry out work are competent and fit to carry out the work they are employed to do. All Contractor personnel shall receive a site safety induction before they start work which should identify the hazards, the risk to their health and safety and the control measures that shall be implemented. Any worker who fails to cooperate with the Contractor or fails to take reasonably care of themselves or others and placing them at risk of injury or ill health, shall be removed from the Site.

GCC **First Aid**
6.7.4

Prior to the start of work the Contractor shall carry out a first aid needs assessment to determine the provisions necessary to preserve life and provide immediate first aid to a casualty. The assessment shall consider the degree of hazards, potential risks and the number of employees at the Site. In addition, consideration shall be made to risks created in the course of work in particular hot works causing burns and hazardous liquids splashing into the face. The Contractor shall ensure competent first aid trained personnel are available in convenient locations on site to ensure prompt response to administer immediate first aid.

GCC **Working at Heights**
6.7.5

The Contractor shall introduce a procedure that requires all working at heights to be avoided where possible. Where working at heights cannot be avoided, the Contractor shall assess all working at heights to satisfy themselves that suitable fall prevention measures are in place before any work activity commences. Where the risk of a fall may still exist, the Contractor shall introduce measures to mitigate a fall, in the event of one occurring. The Contractor shall undertake periodical monitoring of the working platforms and fall prevention measures to ensure they remain adequate and in a good working order.

GCC **Ground Disturbance and Excavations**
6.7.6

The Contractor shall ensure all ground disturbance and excavation activities are to be carried out under a safe system of work which includes a comprehensive assessment of the risks by a competent person, regardless of depth, to ensure it is safe and adequately supported. Entry into any excavation by any person is to be avoided where possible. Where entry cannot be avoided, robust engineering methods shall be used to support excavations to prevent any worker being trapped or suffering injury or ill health. At no point shall any worker enter an unsupported excavation.

GCC
6.7.7

Live Electrical Services

The Contractor is to familiarise themselves with all electrical services within the designated Site, this shall include all above and below ground services. All live conductors are to be securely covered and be inaccessible to unauthorised personnel. Where there is a risk of contact, either by a worker or any operated equipment, the Contractor shall arrange for the service to be temporary isolated or rerouted prior to the start of work. At any time, no worker or third party shall be exposed to any live conductors unless they are authorised and competent to work on or around these services.

GCC
6.7.8

Movement of Vehicles and Mobile Work Equipment

The Contractor shall minimise the movement of traffic and mobile work equipment and continually assess the on- and off-site effects. Where possible, one-way systems shall be introduced to avoid vehicles coming into contact with each other. Reversing of vehicles and mobile work equipment shall be avoided on site, where this is not possible an effective system must be in place to control reversing so there is no risk of injury or damage to property. All moving vehicles and mobile work equipment on the Site shall have a fitted flashing amber warning beacon which must be in use while in operation. The Contractor shall ensure any vehicles or mobile work equipment entering the Site shall be checked and confirmed suitable for site conditions with specialist consideration to lights, brakes, steering, mirrors and restraints/seatbelts. Fitted restraints/seatbelts shall be worn at all time when the vehicles or mobile plant is in operation.

GCC
6.7.9

Confined Space Working

The Contractor shall identify all areas which are, or could become a confined space, and prevent entry into these areas. If no method of working is possible without entry, the Contractor shall carry out a risk assessment and introduce a system of work to eliminate or control hazards and foreseeable risks and prevent a risk of injury or ill health to workers. At all times the Contractor shall ensure that the worker entering the confined space is provided with, as a minimum, uncontaminated breathable air, a method to detect unhealthy and flammable atmospheres, clear access to and egress from the confined space and emergency arrangements to remove the worker if self-rescue is not possible.

GCC
6.7.10

Preventative Measures

The Contractor shall develop and maintain throughout the execution of the Contract preventative measures relating to worker health concerns, including providing inoculations or other preventative treatments for disease that are either global in nature or endemic in the project area. The Contractor shall undertake appropriate measures to reduce the risk of transfer of STDs and HIV/AIDS among the Contractor's Personnel and the local community including

providing condoms and information for raising awareness among employees of sexually transmitted disease and HIV/AIDS.

GCC 6.8 Contractor's Superintendence

Add the words:

The Contractor shall ensure that a grievance mechanism is available to all workers and their organisations to use without fear of intimidation or retaliation. The Contractor will ensure that employees are informed about the grievance mechanism and that this is part of the training for new employees and information is posted in relevant areas on Site.

The Contractor shall ensure that the grievance mechanism involves an appropriate level of management and addresses concerns promptly, using an understandable and transparent process that provides feedback to those concerned without any retribution.

Replace the provision of 6.9:

GCC 6.9 Contractor's Personnel

The Contractor's Personnel shall be appropriately qualified, skilled and experienced in their respective trades or occupations. The Engineer may require the Contractor to remove (or cause to be removed) any person employed on the Site or Works, including the Contractor's Representative if applicable, who:

- (a) persists in any misconduct or lack of care,
- (b) carries out duties incompetently or negligently,
- (c) fails to conform with any provisions of the Contract,
- (d) persists in any conduct which is prejudicial to safety, health, or the protection of the environment, or
- (e) based on reasonable evidence, has engaged in a Prohibited Practice during the execution of the works.

If appropriate, the Contractor shall then appoint (or cause to be appointed) a suitable replacement person.

Add the following provisions 6.12 through to 6.25:

6.12 Foreign Personnel

The Contractor may bring in to the Country any foreign personnel who are necessary for the execution of the Works to the extent allowed by the applicable Laws. The Contractor shall ensure that these personnel are provided with the required residence visas and work permits. The Employer will, if requested by the Contractor, use his best endeavours in a timely and expeditious manner to assist the Contractor in obtaining any local, state, and national or government permission required for bringing in the Contractor's personnel.

The Contractor shall be responsible for the return of these personnel to the place where they were recruited or to their domicile. In the event of the death in the Country of any of these personnel or members of their families, the Contractor shall similarly be responsible for making the appropriate arrangements for their return or burial.

Where the Contractor requires repayment of travel costs of foreign personnel initially borne by the Contractor, the terms of repayment shall be reasonable, made clear to the worker, and documented, prior to the worker leaving their country of origin. The worker shall signify agreement with the terms of the loan and its repayment, and shall be entitled to resign under the terms of national labour legislation and elect to repay the outstanding debt.

GCC	Supply of Foodstuffs
6.13	The Contractor shall arrange for the provision of a sufficient supply of suitable, culturally appropriate food as may be stated in the Specification at reasonable prices for the Contractor's Personnel for the purposes of or in connection with the Contract.
GCC	Supply of Water
6.14	The Contractor shall, having regard to local conditions, provide on the Site an adequate supply of potable drinking and other water for the use of the Contractor's Personnel. The Contractor shall not levy, or permit to be levied on any of their personnel, a charge for the access to potable drinking water.
GCC	Measures against Insect and Pest Nuisance
6.15	The Contractor shall at all times take the necessary precautions to protect the Contractor's Personnel employed on the Site from insect and pest nuisance, and to reduce the danger to their health. The Contractor shall comply with all the regulations of the local health authorities, including use of appropriate insecticide.
GCC	Alcoholic Liquor or Drugs
6.16	The Contractor shall not, otherwise than in accordance with the Laws of the Country, import, sell, give, barter or otherwise dispose of any alcoholic liquor or drugs, or permit or allow importation, sale, gift, barter or disposal thereof by Contractor's Personnel. The Contractor shall make all reasonable efforts to ensure no worker on the site under his control brings or consumes any alcohol or illicit drugs onto the site. The Contractor shall also immediately remove any Contractor's Personnel that it suspects or has confirmed is under any influence of alcohol or illicit drugs, from site.
GCC	Arms and Ammunition
6.17	The Contractor shall not give, barter, or otherwise dispose of, to any person, any arms or ammunition of any kind, or allow Contractor's Personnel to do so.
GCC	Festivals and Religious Customs
6.18	The Contractor shall respect the Country's recognized festivals, days of rest and religious or other customs.
GCC	Funeral Arrangements
6.19	The Contractor shall be responsible, to the extent required by local regulations, for making any funeral arrangements for any of his local employees who may die while engaged upon the Works.
GCC	Forced Labour
6.20	The Contractor shall not employ forced labour, which consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory labour, such as involuntary prison labour, indentured labour, bonded labour or similar labour contracting arrangements.
GCC	Child Labour
6.21	The Contractor shall not employ children in a manner that is economically exploitative, or is likely to be hazardous, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual,

moral, or social development. Where the relevant labour laws of the Country have provisions for employment of minors, the Contractor shall follow those laws applicable to the Contractor. The Contractor shall put in place a procedure to verify the ages of young workers. Children below the age of 18 years shall not be employed in dangerous work.

GCC
6.22

Employment Records of Workers

The Contractor shall keep complete and accurate records of the employment of labour at the Site. The records shall include the names, ages, genders, hours worked and wages paid to all workers. These records shall be summarized on a monthly basis and submitted to the Engineer, and these records shall be available for inspection by the Bank's auditors during normal working hours. These records shall be included in the details to be submitted by the Contractor under Sub-Clause 6.10 [Records of Contractor's Personnel and Equipment].

GCC
6.23

Workers' Organisations

In countries where the relevant labour laws recognize workers' rights to form and to join workers' organisations of their choosing without interference and to bargain collectively, the Contractor shall comply with such laws. Where the relevant labour laws substantially restrict workers' organisations, the Contractor shall enable alternative means for the Contractor's Personnel to express their grievances and protect their rights regarding working conditions and terms of employment. In either case described above, and where the relevant labour laws are silent, the Contractor shall not discourage the Contractor's Personnel from forming or joining workers' organisations of their choosing or from bargaining collectively, and shall not discriminate or retaliate against the Contractor's Personnel who participate, or seek to participate, in such organisations and bargain collectively. The Contractor shall engage with such workers' representatives. Workers' organisations are expected to fairly represent the workers in the workforce. The Contractor shall ensure that workers' representatives have access to all workplaces necessary to enable them to carry out their representative functions.

GCC
6.24

Non-Discrimination and Equal Opportunity

The Contractor shall not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The Contractor shall base the employment relationship on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, promotion, termination of employment or retirement, and discipline. The Contractor shall ensure equal remuneration for men and women for work of equal value. In countries where the relevant labour laws provide for non-discrimination in employment, the Contractor shall comply with such laws. When the relevant labour laws are silent on non-discrimination in employment, the Contractor shall meet this Sub-Clause's requirements. Special measures of protection or assistance to remedy past discrimination or promote local employment opportunities or selection for a particular job based on the inherent requirements of the job shall not be deemed discrimination.

GCC
6.25

Social Security

The Contractor shall ensure that obligations to staff and labour under labour or social security laws and regulations arising from the employment relationship shall be respected, and that such obligations shall not be avoided through the use of labour-only contracting arrangements.

GCC

Plant, materials and workmanship

GCC 7.2 Samples

At the beginning of this Sub-Clause, add the following wording:

According to the Quality Assurance Plan, the Contractor is required to submit to the Engineer a proposal for approval of materials and equipment to be installed. The samples have to be submitted, as a rule, for all materials unless otherwise ordered by the Engineer.

At the end of this Sub-Clause, add:

The decision of the Engineer on the material approval is final.

GCC 7.4 Testing

Delete the second paragraph of Sub-Clause 7.4 and substitute:

The Contractor shall provide at his own cost all apparatus, assistance, documents and other information, electricity, equipment, fuel, consumables, instruments, labour, materials, and suitably qualified and experienced staff, as are necessary to carry out the specified tests efficiently. The Contractor is obliged to organize the construction site laboratory. Minimum requirements regarding the conditions of space, personnel, equipment and operation of test laboratories, according to EN ISO / IEC 17025, shall to be checked by the Engineer. The Contractor is required to provide a minimum equipment and human resource capacity for testing materials and works on a construction site that may require the Engineer. The Contractor shall agree, with the Engineer, the time and place for the specified testing of any Plant, Materials and other parts of the Works. The Contractor shall prepare and regularly update the program tests for all works and materials to be tested on-site and off-site and submit it for approval by the Engineer for the duration of the Contract.

GCC 7.8 Royalties

At the end of Sub-Clause 7.8, add sub-paragraph (c):

(c) the right to access, use and / or intervention on the land, roads or facilities that are not owned by the Employer.

GCC 8 Commencement, Delays and Suspension

8

GCC 8.3 Programme

At the end of the sub-paragraph (d)(ii), add:

- (i) the Contractor shall supply revised Schedule of Payment together with revised programme
- (ii) (iv) a Traffic Management Plan

The revised programme and detailed cash flow estimate shall be submitted within 14 days after date of the Engineer's request

e) In the preparation of the working programme the Contractor shall take into account adverse weather conditions, which may restrict progress in the winter months.

Extension of Time for Completion**GCC 8.4**

After the last sentence of Sub-Clause 8.4, add: The Extension of Time for Completion shall be agreed in an amendment to the Contract.

Rate of progress

GCC 8.6 *At the end of last paragraph, add the following wording:*

If the Contractor fails to comply with such revised programme and supporting report, the Engineer, based upon Employer approval, may undertake all necessary measures in order to expedite progress and complete within the Time for Completion. These measures include imposing new Sub-Contractors and Suppliers to whom will be assigned some parts of the Contract. If these measures cause the Employer to incur additional costs, the Contractor shall be subject to Sub-Clause 2.5 (Employer's claims) pay these costs to the Employer.

Add the following paragraph prior to the last paragraph:

If the Contractor fails to submit a revised plan with methods in order to expedite the works, or if the Contractor, after the submission, fails to comply with the plan and the Engineer proves that, the Employer, on the Engineer's proposal, is entitled without the consent of the Contractor to exclude certain works which are subject to delays and assign them to another contractor. In this case, the Contractor is not entitled to compensation of indirect costs.

Suspension of works

At the end of Sub-Clause 8.8, add:

GCC 8.8

Prior to issuing instruction for suspension of any Work, the Engineer shall consult with the Employer in order to obtain approval.

Test of completion

GCC 9

Contractor's Obligations

GCC 9.1

At the end of Sub-Clause 9.1, add:

In order to be entitled to a Taking Over Certificate, the Contractor will carry out the tests described in the Technical Specification.

Employer's Taking Over

GCC 10

Taking Over of the Works and Sections

GCC 10.1

At the end of the second paragraph, insert the following wording:

Upon receipt of the Contractor's notice, the Engineer will notify the Employer about the date when he intends to perform inspection in order to issue a Taking-Over Certificate.

Measurement and Evaluation

GCC 12

Evaluation

GCC 12.3

At the end of the third paragraph of Sub-Clause 12.3, insert:

If no rates or prices are relevant for the derivation of a new rate or price for the work executed by a third party and the provision of third-party services is based on quotations for the work, the allowable mark-up for new rate or price shall be

fixed at 6%.

Omissions

GCC 12.4

At the end of Sub-Clause 12.4, add:

The Contractor cannot require any additional costs in the case that the Engineer gave an order for modification or an order for the omission of certain items of the Works, if those works have not started on the site or their production did not start off the site. The omission of any Work that is defined in the Bill of Quantity as Provisional Sum shall not be considered as Variation pursuant to Sub-Clause 13.1.

GCC 13 Variations and Adjustments

GCC 13.1 Right to Vary

Add the following paragraph after sub-paragraph (f):

The Contractor cannot request any additional costs in the case that the Engineer gave an order for modification or an order for the omission of certain items of works, if those works have not started on the site or their production did not start off the site.

GCC 13.7 Adjustments for Changes in Legislation

At the end of Sub-Clause 13.7, add:

Notwithstanding the foregoing, the Contractor shall not be entitled to an extension of time if the relevant delay has already been taken into account in the determination of a previous extension of time and such Cost shall not be separately paid if the same shall already have been taken into account in the indexing of any inputs to the table of adjustment data in accordance with the provisions of Sub-Clause 13.8 [Adjustments for Changes in Cost].

GCC 13.8 Adjustments for Changes in Cost

At the end of Sub-Clause 13.8, add the following paragraphs:

When the adjustment multiplier P_n takes values between 1,02 and 0,98, it shall be set to 1,00 in accordance to the Law on Contract and Torts (Obligations) - "Zakon o obligacionim odnosima". When the Adjustments for Changes in Cost are outside of $\pm 2\%$ limit, the multiplier P_n shall be corrected by 0,02 factor in appropriate manner. In this regard, when the multiplier P_n takes a value higher than 1,02, prior to application of P_n , 0,02 shall be deducted from this value (e.g. $P_n=1,03-0,02=1,01$) and in the event that P_n takes a value less than 0,98, to this value 0,02 shall be added (e.g. $P_n=0,97+0,02=0,99$).

No adjustment shall be applied during the period of 6 months calculated from the Commencement Date.

GCC 14 Contract Price and Payment

GCC 14.2 Advance Payment

Substitute the last sentence of the third paragraph with the following wording:

The advance payment guarantee shall be issued by a reputable bank selected by the Contractor, and be acceptable to the Employer, and shall be in the form annexed to the Particular Conditions or in another form approved by the Employer.

The Contractor shall provide the advance payment guarantee within **28** days after receiving the Letter of Acceptance.

If the advance payment guarantee is not received within the stated period of time this Sub-Clause shall not apply.

GCC

14.3 Application for Interim Payment Certificates

Delete the wording of sub-paragraph (c) and substitute:

(c) not applicable

After sub-paragraph (g), add the following sub-paragraphs:

(h) the Contractor should attach supporting original documents such as certificates of origin and warranties for quality of materials and installed equipment or other technical documents that the Engineer might request in writing,

(i) written statements duly signed by Subcontractors which will confirm that subcontracted works quoted within previous Interim Payment Certificate are paid to the Subcontractors.

GCC

14.7 Payment

Delete the wording of sub-paragraph (a) and substitute:

(a) the first instalment of the advance payment within 56 days after issuing the Letter of Acceptance or within 45 days after receiving the documents in accordance with Sub-Clause 4.2 [Performance Security] and Sub-Clause 14.2 [Advance Payment], whichever is later;

Add the following wording at the end of Sub Clause 14.7

The Contractor shall notify to the Employer, prior to any payment under the Contract, details of the bank account(s) nominated by the Contractor for payments for the currency or currencies specified in the Contract. All payments of the amounts due to the Contractor may only be made to the Contractor's bank account(s) explicitly detailed in the Contract Agreement. All bank charges incurred by the Contractor as result of payments made to him by the Employer shall be at the Contractor's own cost.

GCC

14.9 Payment of Retention Money

Add the words:

When the Taking-Over Certificate has been issued for the Works and the first

half of the Retention Money has been certified for payment by the Engineer, the Contractor shall be entitled to substitute a guarantee, in the form annexed to these Particular Conditions or in another form approved by the Employer and provided by an entity approved by the Employer and issued by a reputable bank or financial institution selected by the Contractor, for the second half of the Retention Money. The Contractor shall ensure that the guarantee is in the amounts and currencies of the second half of the Retention Money and is valid and enforceable until the Contractor has executed and completed the Works and remedied any defects, as specified for the Performance Security in Sub-Clause 4.2. On receipt by the Employer of the required guarantee, the Engineer shall certify and the Employer shall pay the second half of the Retention Money. The release of the second half of the Retention Money against a guarantee shall then be in lieu of the release under the second paragraph of this Sub-Clause. The Employer shall return the guarantee to the Contractor within 21 days after receiving a copy of the Performance Certificate.

If the Performance Security required under Sub-Clause 4.2 is in the form of a demand guarantee, and the amount guaranteed under it when the Taking-Over Certificate is issued is more than half of the Retention Money, then the Retention Money guarantee will not be required. If the amount guaranteed under the Performance Security when the Taking-Over Certificate is issued is less than half of the Retention Money, the Retention Money guarantee will only be required for the difference between half of the Retention Money and the amount guaranteed under the Performance Security.

**GCC
14.12**

Discharge

At the end of Sub-Clause 14.12, add:

When submitting the Statement of Completion, the Contractor may submit partial written discharges related to Variations in form specified by the Employer which confirm that the amounts of these Variations included in Statement of Completion represent full and final settlement of all moneys due to the Contractor under or in connection with these Variations.

**GCC
14.15**

Currencies of Payment

Replace Sub-clause:

**GCC
14.15**

Sub-clause 14.15 is inapplicable. The Contract Price shall be paid in *Euro*.

**GCC
15** **Termination by Employer**

Add the following Sub-clause:

**GCC
15.6**

Termination in case of Prohibited Practices

If the Employer determines, based on reasonable evidence, that the Contractor has engaged in Prohibited Practices, in competing for or in executing the Contract, then the Employer may, after giving 14 days' notice to the Contractor, terminate the Contract and expel him from the Site, and the provisions of Clause 15 shall apply as if such termination had been made under Sub-Clause 15.2.

Should any employee or subcontractor of the Contractor be determined, based on reasonable evidence, to have engaged in a prohibited practice during the execution of the work then that employee shall be removed in accordance with Sub-Clause 6.9 [Contractor's Personnel].

For the purpose of this Sub-Clause, Prohibited Practices is defined as one or more of the following:

- (a) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.
- (b) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- (c) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.
- (d) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
- (e) "theft" means the misappropriation of property belonging to another party.
- (f) "misuse of the Bank's resources" means improper use of the Bank's resources, committed either intentionally or through reckless disregard; and,
- (g) "obstructive practice" means (i) destroying, falsifying, altering or concealing of evidence material to a Bank investigation, which impedes the Bank's investigation; (ii) making false statements to investigators in order to materially impede a Bank investigation into allegations of a Prohibited Practice; (iii) failing to comply with requests to provide information, documents or records in connection with a Bank investigation; (iv) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Bank investigation or from pursuing the investigation; or (v) materially impeding the exercise of the Bank's contractual rights of audit or inspection or access to information.

GCC 17 Risk and Responsibility

Add the following Sub-clauses:

GCC 17.7 Use of Employer's Accommodation/Facilities

The Contractor shall take full responsibility for the care of the Employer provided accommodation and facilities, if any, as detailed in the Specification, from the respective dates of hand-over to the Contractor until cessation of occupation (where hand-over or cessation of occupation may take place after the date stated in the Taking-Over Certificate for the Works). If any loss or damage happens to any of the above items while the Contractor is responsible for their care arising from any cause whatsoever other than those for which the Employer is liable, the Contractor shall, at his own cost, rectify the loss or damage to the satisfaction of the Engineer.

GCC 18 Insurance

GCC 18.1 General Requirements for Insurances

At the end of the second paragraph of this Sub-Clause, insert the following wording:

The Employer will not accept the insurance policy in which the deductible/franchise (participation of one of the Parties in claim amount) for the Insurance

against Injury to Persons and Damage to Property as stipulated in Sub-Clause 18.3 has been foreseen.

**GCC
18.3**

Insurance against Injury to Persons and Damage to Property

Delete sub-paragraph (b) of Sub-Clause 18.3 and substitute:

(b) shall be in the joint names of the Parties and with no deductible/ franchise which implies their participation in claim amount,

**GCC
20.6**

Arbitration

Delete the wording of Sub-Clause 20.6 and substitute:

Any dispute between the Parties arising out of or in connection with the Contract not settled amicably in accordance with Sub-Clause 20.5 above and in respect of which the Dispute Adjudication Board (DAB)'s decision (if any) has not become final and binding shall be finally settled by arbitration. Arbitration shall be conducted as follows:

- (a) if the Contract is with foreign contractors, international arbitration (i) with proceedings administered by the arbitration institution designated in the Appendix to Tender, and conducted under the rules of arbitration of such institution; or, if so specified in the Appendix to Tender, (ii) international arbitration in accordance with the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL); or (iii) if neither an arbitration institution nor UNCITRAL arbitration rules be specified in the Appendix to Tender, with proceedings administered by the International Chamber of Commerce (ICC) and conducted under the ICC Rules of Arbitration; by one or more arbitrators appointed in accordance with said arbitration rules.

The place of arbitration shall be the neutral location specified in the Appendix to Tender, and the arbitration shall be conducted in the language for communications defined in Sub-Clause 1.4 [Law and Language]

- (b) if the Contract is with domestic contractors, arbitration with proceedings conducted in accordance with the laws of the Employer's country.

The arbitrators shall have full power to open up, review and revise any certificate, determination, instruction, opinion or valuation of the Engineer, and any decision of the DAB, relevant to the dispute. Nothing shall disqualify representatives of the Parties and the Engineer from being called as a witness and giving evidence before the arbitrators on any matter whatsoever relevant to the dispute.

Neither Party shall be limited in the proceedings before the arbitrators to the evidence or arguments previously put before the DAB to obtain its decision, or to the reasons for dissatisfaction given in its Notice of Dissatisfaction. Any decision of the DAB shall be admissible in evidence in the arbitration.

Arbitration may be commenced prior to or after completion of the Works. The obligations of the Parties, the Engineer and the DAB shall not be altered by reason of any arbitration being conducted during the progress of the Works.

GENERAL CONDITIONS OF CONTRACT

General Conditions of Contract (GCC)

**Canton Sarajevo, Ministry of Traffic, street Reisa Džemaludina Čauševića 1,
71000 Sarajevo, Bosnia and Herzegovina**

[name of Employer]

Extension of Tram Track between Iliča and Hrasnica

[name of Contract]

The General Conditions of Contract comprise the "General Conditions" which form part of "Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer, First Edition 1999" prepared by the *Fédération Internationale des Ingénieurs-Conseils* (FIDIC).

These Conditions are subject to the variations and additions set out in Section "Particular Conditions of Contract" (PCC)

Copies of the FIDIC Conditions of Contract can be obtained from:

International Federation of Consulting Engineers
World Trade Centre II
P.O. Box 311
CH-1215 Geneva 15
Switzerland

Phone: +41 22 799 49 00
Fax: +41 22 799 49 01
email: fidic@fidic.org
www: <http://www.fidic.org>