

The procurement is conducted pursuant to **Annex 2 of the procurement document “PROCUREMENT PROCEDURES FOR ENTITIES NOT INCLUDED IN THE PUBLIC PROCUREMENT ACT”**

TENDER DOCUMENTS

Procurement registration number: KK.04.1.1.01.0015/NOJN-05

Subject of procurement: Technological Replacement of the Process for Drying and Firing Roof Tiles

Project title: INCREASING ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGY SOURCES AT THE PRODUCTION FACILITY 1 DILJ d.o.o.

Title of the Ordering Party: Dilj industrija građevinskog materijala d.o.o.

Seat of the Ordering Party: Ciglarska 33
32100 Vinkovci

National Identification Number (OIB): 60248788788

Vinkovci May. 2019



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National Identification Number (OIB) 60248788788, EORI NUMBER HR60248788788, PDV ID BROJ / VAT ID NUMBER HR60248788788
Court Registration Number (MBS) 030003092, Commercial Court in Osijek, original capital (paid in full): HRK 170,000,000.00, director: Dražen Ivezić, president of the Supervisory Board: Ivan Ergović www.nexe-crijep.hr

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1. GENERAL INFORMATION

1.1. Information on the Ordering Party

Title of the Ordering Party:	DILJ d.o.o.
Seat of the Ordering Party:	CIGLARSKA 33, 32100 VINKOVCI, CROATIA
National Identification Number (OIB):	60248788788
E-MAIL:	dilj@nexe.hr
IBAN:	PBZ HR2123400091110118873
Telephone number:	+385(0)32 337 166
Fax number:	+385(0)32 303 011
Responsible person:	Dražen Ivezić, director

1.2. Information on the Person in Charge of Communicating with Tenderers

Contact person:	Tihomir Škvarić
Function:	Project leader
Telephone number:	+ 385 99 312 05 77
Email address:	tihomir.skvaric@nexe.hr

1.3. Conflict of Interest

The Ordering Party is in conflict of interest with the following companies:

- NEXE GRUPA d.d. for company management, Našice, Vinogradska 6, OIB: 46078374806
- SLAVONIJA IGM d.o.o. Našice, Našice, Braće Radića 200, OIB: 36015539875
- NAŠICECEMENT Cement Factory, joint stock company, Tajnovac 1, Našice, OIB: 62612424147
- EKONEX d.o.o. Našice, Braće Radića 200, Našice, OIB: 18846322077
- IGMA IGM, d.o.o., Cigłana 10, Koprivnica, OIB: 43695070004
- LUKA TRANZIT OSIJEK d.o.o., Vukovarska Cesta 229/b, Osijek, OIB: 97083647226
- NEXE GRADNJA d.o.o. Našice, Braće Radića 24, Našice, OIB: 37671722350
- PANON-GRADNJA d.o.o., Našice, Braće Radića 24, OIB: 97124716319
- INCEMA, d.o.o., Prilaz Gjüre Deželića 30, Zagreb, OIB: 77162424840
- CEMENT-MARKET d.o.o., Našice, Braće Radića 200, OIB: 59104627460
- Wines d.o.o., Našice, Vinogradska 6, OIB: 93327901576
- Osijek-koteks d.d. Osijek, Šamačka 11, OIB: 44610694500
- OSILOVAC d.o.o., Feričanci, Feričeva 16, OIB: 54035700225

- Bagi-commerce d.o.o. Feričanci, Dore Pejačević 100, OIB: 83927736183
- SLOBODNA ZONA OSIJEK d.o.o., Istočno Predgrađe dd, Osijek, OIB: 55451228887
- Centar za razvoj unutarnje Plovidbe d.o.o., Trnjanska cesta 37, Zagreb, OIB: 69819985798
- MEĐIMURJE BETON d.d. "in bankruptcy", Čakovec, Zrinsko-Frankopanska 17
- PROJEKTGRADNJA d.o.o., Gornja Vrba, Vrbska ulica 3, OIB:19659143269
- KONSTRUKTOR-INŽENJERING d.d. in bankruptcy, Split, Svačićeva 4, OIB: 81356391287
- ELEKTROMETAL d.d. in bankruptcy, Bjelovar, Ferde Rusana 21, OIB: 45669853088
- NEXE BETON d.o.o. Novi Sad, Put Šajkaškog odreda 7V
- NEXE BETON d.o.o. Sarajevo, ul. Alipašina broj 22 A
- AD POLET IGK Novi Bečej, Železnička 13
- POLET-KERAMIKA d.o.o. Novi Bečej, Železnička 13, Srbija
- N-INVEST public limited company Sarajevo, Alipašina broj 22 A, Sarajevo
- NEXE d.o.o. Sarajevo, Alipašina 22
- Tvornica opeke d.o.o. Sarajevo, Rakovička cesta 194, Sarajevo, JIB: 4200929120004
- S.C. NEXE Trade S.R.L. Dumbravita, ul. Todor Vladimirescu br. 831, 1C, Romania
- MM centar za poslovno savjetovanje, Gundulićeva 36c, Osijek, OIB: 87348089470
- Maričić obrt za knjigovodstvene usluge, Gundulićeva 36c, Osijek, OIB: 93526342183
- ELPOS d.o.o. for design, production, services, and commerce, Kralja Petra Svačića 8, Požega, OIB:95986746518
- ML građevinski obrt, S. Radića 58., Osijek, OIB: 39177375452

1.4. Type of Procurement Procedure

A procedure that requires publishing a Procurement Notice, according to the mandated conditions applicable for the projects financed from the Structural Funds and the EU Cohesion Fund, as part of the Operational Programme Competitiveness and Cohesion 2014 – 2020, and the regulations for the implementation of public procurement procedures for entities not included in the Public Procurement Act.

Pursuant to Annex 2, Procurement Procedures for Entities Not Included in the Public Procurement Act; item 5 from the Call for the Submission of Project Proposals:

“Increasing Energy Efficiency and the Use of Renewable Energy Sources in Manufacturing Industries” (reference number: KK.04.1.1.01.)

1.5. Explanations and Amendments to the Tender Documents

During the tender submission period, the economic operators may request explanations regarding the subject of procurement or the Tender Documents. The communication and explanation requests between the Ordering Party and the economic operators will be done exclusively via email, at the address tihomir.skvaric@nexe.hr, no later than six (6) days before the expiration of the tender submission period.

The Ordering Party undertakes to reply to requests for explanations or amendments to the Tender Documents without stating the information on the entity that submitted the request, no later than the fifth (5) day before the expiration of the tender submission period. All the explanations and amendments to the Tender Documents will be published at www.strukturnifondovi.hr and <https://nexe-crijep.hr/>

The Ordering Party reserves the right to amend the Tender Documents during the tender submission period. The Ordering Party will ensure the availability of the amendments to all economic operators at the same website where the Procurement Notice and the Tender Documents were published, no later than during the fifth (5) calendar day before the expiration of the tender submission period. In case the amendments to the Tender Documents significantly alter the procurement conditions, the Ordering Party will extend the tender submission period to accommodate the scope of the amendments, but for no less than 5 days.

The Ordering Party will manage the procurement procedure and prepare the Documents in Croatian, a part of the Documents will be translated to English and their meaning will be identical to the Documents in Croatian. In case of ambiguity, the Documents in Croatian will prevail. The

tenders must be drafted in Croatian or in English. The communication between the Ordering Party and the tenderers will be in Croatian or in English.

2. INFORMATION ABOUT THE SUBJECT OF PROCUREMENT

2.1. Description of the Subject of Procurement

The subject of procurement is the supply, installation, and commissioning of the equipment defined in the procurement: “Technological Replacement of the Process for Drying and Firing Roof Tiles”, procurement reference: KK.04.1.1.01.0015/NOJN-05; from the Project “INCREASING ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGY SOURCES AT THE PRODUCTION FACILITY 1 DILJ d.o.o.”.

A tenderer may apply for one, several, or all the procurement groups.

- **Group 1. Technology** – Supply, installation, and commissioning of the equipment (technology) for drying roof tiles in chamber dryers and firing roof tiles in a tunnel kiln, in U cassette. Daily capacity after the implementation of the project $\geq 65,000$ unit/day in total with firing breakage included; energy consumption ≤ 601 Kcal/kg of fired roof tiles, total breakage created in the process of drying and firing roof tiles $\leq 5\%$, for the raw material with the calcium carbonate share up to 1%. For every additional 1% of calcium carbonate in the raw material, the allowed energy consumption increases for 10 kcal/kg. All according to the description in the main design, bills of quantity, and the technical documents in the annex to the procurement.
- **Group 2. Tunnel Kiln Cars** – Supply of chassis and the grog part of the car with the necessary materials (insulation and grog) for their construction, training of the Ordering Party’s employees and supervision during the construction of the cars in the period of no less than 2 weeks. After the training of the Ordering Party’s employees, the Ordering Party will construct the remaining cars on their own. All according to the description in the main design, bills of quantity, and the technical documents in the annex to the procurement.
- **Group 3. Gas Installation** – Construction and testing of the gas installation.
- **Group 4. Machining Works** – Construction and installation of the pipeline, thermal insulation made of mineral wool encased in sheet aluminium for the steel sheet pipeline. Construction and supply of doors for chamber dryers.

- **Group 5. Construction and Craftsmanship Works** – All the preparatory works on the deconstruction, demolition, and cutting concrete required for the reconstruction of the existing kiln, and all the works on the reconstruction of the foundations, concrete, and reinforcement works required for the reconstruction of the kiln.
- **Group 6. Refractory Works** – Construction of the maximum precision tunnel kiln for the manufacture of roof tiles and the installation of the insulated ceiling of the kiln, according to the project documents. The construction of the walls is done using grog NF bricks and NF solid bricks, and fixed using grog anchors for wall stabilisation. The grog elements of the kiln ceiling will be set using the steel hangers prepared beforehand. Everything will be insulated using the insulation materials from the bill of quantities and the main design.
- **Group 7. Track Reconstruction** – Supply and installation of rails for all the tracks stated in the Main Construction Design, with all the necessary preliminary works.

2.2. Description of Works, Quantities and the Technical Specification of the Subject of Procurement

According to the types, scope, and the quantities of the subject of procurement, as shown in the bills of quantity from ANNEX II, the Tender Documents, and the attached project documents for specific groups.

2.3. Supply Location of the Subject of Procurement

The works will be done at the location Ciglarska 33, 32100 Vinkovci, Dilj d.o.o.

2.4. Supply Period for the Subject of Procurement and Penalties

The expected dates for the realisation of the project are provided under the condition that the contract is signed, for Group 1. Technology and Group 2. Tunnel Kiln Cars 20/06/2019.

Time period for the implementation of the works, supply of equipment, installation, and commissioning for specific groups:

Group 1. Technology:

1. Bill of Quantities TECHNOLOGY	Expected realisation date:
-----------------------------------------	-----------------------------------

Construction of workshop designs for the construction and the mechanical parts of the kiln and the dryer	25/10/2019
Equipment delivery	01/10/2019 – 20/02/2020
Equipment installation	15/10/2019 – 01/03/2020
Beginning of production with the material	From 01/03/2020
Proving process parameters	To 01/10/2020

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract.

The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

Group 2. Tunnel Kiln Cars (VTP)

2. VTP Bill of Quantities	Expected realisation date:
Supply of cars to the location – 20 units	15/11/2019
Supply of cars to the location – 40 units	01/12/2019
Supply of cars to the location – 40 units	15/01/2020
Installation supervision in the duration of 2 weeks	02/11/2019 – 15/11/2019

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract.

The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

Group 3. Gas Installation

3. Bill of Quantities GAS	Expected realisation date:
Beginning of works	From 01/12/2019
Completion of works	10/02/2020

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract. The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

Group 4. Machining Works

4. Bill of Quantities MACHINING WORKS	Expected realisation date:
Beginning of works	From 25/10/2019
Beginning of supply and installation	From 20/12/2019
Completion of works	15/02/2020

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract. The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

Group 5. Construction and Craftsmanship Works (GOR)

5. Bill of Quantities GOR	Expected realisation date:
Beginning of works	From 01/10/2019
Completion of works	20/12/2019

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract. The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

Group 6. Refractory Works

6. Bill of Quantities REFRACTORY WORKS	Expected realisation date:
Beginning of works	01/11/2019
Completion of works	24/12/2019

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract. The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

Group 7. Track Reconstruction

7. Bill of Quantities TRACKS	Expected realisation date:
Beginning of works	From 15/10/2019
Completion of works	20/01/2020

The Tenderer will pay for penalties to the Ordering Party at the rate of 0.5% of the contracted price without VAT for each week of delays relative to the contracted date for each item, if the delays are the responsibility of the Tenderer. The penalty payments have no effect on the Tenderer's obligations. If the delay lasts longer than 5 weeks, the Ordering Party will terminate the contract and collect on the bank guarantee for the timely completion of the contract. The Ordering Party will grant the unfinished works to another contractor by concluding a new contract.

The following applies to all groups from 1 – 7:

In case the Tenderer was unable to conduct works due to force majeure, delays caused by other Tenderers beforehand, or delays caused by the Ordering Party, the periods for the works will extend to account for the delay days over which the Tenderer had no control.

The Tenderer must submit the plan for monthly expenditures of the scheduled funds and the dynamic plan for the execution of works, which must comply to the dynamic plan of the design, to the Ordering Party for approval, within no more than 7 days, counting from the day that the works were initiated.

The Ordering Party has the authority to control the dynamics of the execution of the works at the Tenderer's location, according to the dynamic plans submitted by the Tenderer.

2.5. Estimated Value of Procurement

- Group 1. Technology HRK 11,381,683.00 without VAT,
- Group 2. Tunnel Kiln Cars HRK 7,000,000.00 without VAT,
- Group 3. Gas Installation HRK 65,324.00 without VAT,
- Group 4. Machining Works HRK 910,278.00 without VAT,
- Group 5. Construction and Craftsmanship Works HRK 567,560.00 without VAT,
- Group 6. Refractory Works HRK 1,871,450.00 without VAT,
- Group 7. Track Reconstruction HRK 1,175,780.00 without VAT.

3. CONDITIONS AND CAPACITY OF THE TENDERERS

Every Tenderer must have legal and business capacity, financial capacity, and possess technical and professional capacity for the execution of works or the supply of equipment from the group for which they are applying.

3.1. Legal and Business Capacity

A Tenderer can prove their legal and business capacity with an excerpt from the court, trades and crafts, professional, or other relevant registries in the Tenderer's home state, which must not be older than three months.

3.2. Financial Capacity

A Tenderer may prove their financial capacity by having the total (added up) annual turnover during the three preceding years to the year when the subject of procurement started in the amount which is three times higher than the estimated value of the group of subjects of procurement for which the Tenderer is applying.

If the Tenderer is applying for more than one group, then the total (added up) annual turnover during the three preceding years to the year when the procurement started must be three times higher than the sum of the estimated values of the groups for which the Tenderer is applying.

A Tenderer proves their financial capacity by filling in and signing Annex V of the Tender Documents.

At any moment during the procurement procedure, the Ordering Party may request from the Tenderer to submit their financial documents – annual financial statement, profit and loss account, or an equivalent document that shows the Tenderer's annual turnover, which confirms the information from the statement, before the contract is concluded.

3.3. Technical and Professional Capacity

A Tenderer must prove that they have successfully completed at least one or more successfully supplied goods or successfully completed works which are identical or similar to the subject of procurement and with a total value equal or higher than the estimated value of the group for which a tender is submitted, during the five years preceding the year in which the procurement procedure started.

3.3.1. Group 3. Gas Installation:

A Tenderer must have professionals from the following areas available for this work:

- An employee accredited for making gas installations of no less than 4" (inches).

3.3.2. Group 4. Machining Works:

- EN 1090-1 or equivalent,
- EN 1090-2 or equivalent.

3.3.3. Group 6. Refractory Works:

A Tenderer must have professionals from the following areas available for this work:

- An engineer with experience in managing masonry works and tunnel kiln construction works in the brick and roof tile industry or similar industrial boilers or kilns (thermal power stations, glass factories...)
- Two or more masons with experience in tunnel kiln masonry and construction in the brick and roof tile industry or similar industrial boilers or kilns (thermal power stations, glass factories...)

3.3.4. Group 7. Track Reconstruction:

A Tenderer must have professionals from the following areas available for this work:

- One construction engineer with experience in construction site management for the placement of industrial tracks.
- Two or more employees with experience in industrial track placement.

A Tenderer must fill in Annex IV, the List of Completed Contracts, and Annex V, Statement on Financial Capacity and Technical and Professional Capacity as proof for Technical and

Professional Capacity, and Annex I, Tender Sheet, which must contain the list of the requested employees and professionals.

The best Tenderer will provide confidential documents for inspection (employment contract, other contracts, certificates, or other credible documents), which prove their Technical and Professional Capacity and the required professionals. Minutes will be drafted after the documents are inspected.

4. REASONS FOR THE EXCLUSION OF TENDERERS

The Ordering Party will exclude a Tenderer from the procurement procedure

I) if any of the exclusion conditions from Article 251 and Article 252 of the Public Procurement Act of the Republic of Croatia (Official Gazette 120/16) applies to them, if they have a business residence in the Republic of Croatia:

- If an economic operator with **business residence** in the Republic of Croatia or a member of the administrative, management, or supervisory body, or a person authorised to represent, make decisions, or supervise that economic operator, who is a citizen of the Republic of Croatia has a valid judgment against them for:
 - a. **participation in a criminal organisation**, pursuant to
 - i. Article 328 (criminal conspiracy) and Article 329 (committing a criminal offence as part of a criminal conspiracy) of the Criminal Code (Official Gazette 125/2011, 144/2012, 56/2015, 61/2015, 101/2017, 118/2018).
 - ii. Article 333 (conspiracy to commit criminal offences) of the Criminal Code (Official Gazette 110/1997, 27/1998, 50/2000, 129/2000, 84/2005, 51/2001, 111/2003, 190/2003, 105/2004, 71/2006, 110/2007, 152/2008, 57/2011, 77/2011, 125/2011, 143/2012).
 - b. **corruption**, pursuant to
 - i. Article 252 (accepting bribes in business activities), Article 253 (offering bribes in business activities), Article 254 (misuse in a public procurement procedure), Article 291 (abuse of position and authority), Article 292 (unlawful preference), Article 293 (accepting bribes), Article 294 (offering bribes), article 295 (influence trading), and Article 296 (offering bribes for influence trading) of the Criminal Code (Official Gazette 125/2011, 144/2012, 56/2015, 61/2015, 101/2017, 118/2018).
 - ii. Article 294.a (accepting bribes in business activities), Article 294.b (offering bribes in business activities), Article 337 (abuse of position and authority), Article

338 (abuse of a public office), Article 343 (unlawful mediation), Article 347 (accepting bribes), and Article 348 (offering bribes) of the Criminal Code (Official Gazette 110/1997, 27/1998, 50/2000, 129/2000, 84/2005, 51/2001, 111/2003, 190/2003, 105/2004, 71/2006, 110/2007, 152/2008, 57/2011, 77/2011, 125/2011, 143/2012).

c. fraud, pursuant to

- i. Article 236 (fraud), Article 247 (fraud in business activities), Article 256 (tax of customs fees evasion), and Article 258 (grant fraud) of the Criminal Code (Official Gazette 125/2011, 144/2012, 56/2015, 61/2015, 101/2017, 118/2018).
- ii. Article 224 (fraud), Article 293 (fraud in business activities), and Article 286 (evasion of tax and other fees) of the Criminal Code (Official Gazette 110/1997, 27/1998, 50/2000, 129/2000, 84/2005, 51/2001, 111/2003, 190/2003, 105/2004, 71/2006, 110/2007, 152/2008, 57/2011, 77/2011, 125/2011, 143/2012).

d. terrorism or criminal offences related to terrorist activities, pursuant to

- i. Article 97 (terrorism), Article 99 (public incitement to terrorism), Article 100 (recruitment for terrorism), Article 101 (training for terrorism), and Article 102 (terrorist association) of the Criminal Code (Official Gazette 125/2011, 144/2012, 56/2015, 61/2015, 101/2017, 118/2018).
- ii. Article 169 (terrorism), Article 169.a (public incitement to terrorism), and Article 169.b (recruitment and training for terrorism) of the Criminal Code (Official Gazette 110/1997, 27/1998, 50/2000, 129/2000, 84/2005, 51/2001, 111/2003, 190/2003, 105/2004, 71/2006, 110/2007, 152/2008, 57/2011, 77/2011, 125/2011, 143/2012).

e. money laundering or financing terrorism, pursuant to

- i. Article 98 (financing terrorism) and Article 265 (money laundering) of the Criminal Code (Official Gazette 125/2011, 144/2012, 56/2015, 61/2015, 101/2017, 118/2018).
- ii. Article 279 (money laundering) of the Criminal Code (Official Gazette 110/1997, 27/1998, 50/2000, 129/2000, 84/2005, 51/2001, 111/2003, 190/2003, 105/2004, 71/2006, 110/2007, 152/2008, 57/2011, 77/2011, 125/2011, 143/2012).

f. child labour or other forms of human trafficking, pursuant to

- i. Article 106 (human trafficking) of the Criminal Code (Official Gazette 125/2011, 144/2012, 56/2015, 61/2015, 101/2017, 118/2018).

- ii. Article 175. (human trafficking and slavery) of the Criminal Code (Official Gazette 110/1997, 27/1998, 50/2000, 129/2000, 84/2005, 51/2001, 111/2003, 190/2003, 105/2004, 71/2006, 110/2007, 152/2008, 57/2011, 77/2011, 125/2011, 143/2012).

II) if any of the exclusion conditions from Article 57 of the Directive 2014/20/EU apply to them, if their business residence is outside of the Republic of Croatia:

- An economic operator **without business residence** in the Republic of Croatia or a member of the administrative, management, or supervisory body, or a person authorised to represent, make decisions, or supervise that economic operator, who is not a citizen of the Republic of Croatia
 - a) Participation in a criminal organisation, as defined by Article 2 of the Framework Council Decision 2008/841/JHA (1);
 - b) Corruption, as indicated in Article 3 of the Convention against Corruption which includes European Communities officials or officials of the member states of the European Union, and Article 2, paragraph 1 of the Framework Council Decision 2003/568/JHA, as well as corruption as it is defined in the national legislation of the Contracting Authority or the economic operator;
 - c) Fraud, as defined in Article 1 of the Convention on the Protection of the European Communities' Financial Interests;
 - d) Criminal offence of terrorism, as defined in Article 1 or criminal offences related to terrorist activities as defined in Article 3 of the Framework Council Decision 2002/475/JHA or enticement, aiding, supporting, or attempting to commit a criminal offence, as defined in Article 4 of that Framework Decision;
 - e) Money laundering or financing terrorism, as defined in Article 1 of the Directive 2005/60/EC of the European Parliament and of the Council;
 - f) Child labour and other forms of human trafficking, as defined in Article 2 of the Directive 2011/36/EU of the European Parliament and of the Council.
- The Tenderer has upheld its obligation to pay their due taxes and social security obligations, unless a specific law prohibits them from paying those obligations or a payment deferral was approved.

III) if they HAVE FAILED to meet their obligation to pay due taxes and pension and health insurance, unless a specific law prohibits them from paying those obligations or a payment deferral was approved.

IV) if they ARE an “undertaking in difficulty” according to the definition from the EU Commission Regulation EU 651/2014:

An “Undertaking in difficulty” is an undertaking for whom at least one of the following circumstances applies:

- a) In the case of a limited liability company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, ‘limited liability company’ refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (1) and ‘share capital’ includes, where relevant, any share premium;
- b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, ‘a company where at least some members have unlimited liability for the debt of the company’ refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
- c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors;
- d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan;
- e) In the case of an undertaking that is not an SME, where, for the past two years:
 - the undertaking's book debt to equity ratio has been greater than 7.5 and
 - the undertaking's EBITDA interest coverage ratio has been below 1.0.

V) If they HAVE falsely represented themselves or offered false information regarding the conditions that the Ordering Party has stated as reasons for exclusion or terms for qualification.

VI) If they ARE in bankruptcy, insolvent, or undergoing a liquidation procedure, if their assets are managed by a bankruptcy administrator or a court, if they have made a settlement with their creditors, if they have stopped their business activities, or if they are in any similar circumstances resulting from their national laws and regulations.

The economic operator will prove the absence of any reasons for exclusion by submitting a statement with their tender. The statement will be signed by a person legally authorised to represent the Tenderer. A proposal for the mentioned statement is in **Annex III** of these Procurement Documents.

At any time during the procurement procedure, the Ordering Party may request that the Tenderer submits one or more documents (certificates, excerpts, and similar) before the contract is concluded, which confirm that the circumstances stated in the reasons for exclusion do not apply to the Tenderer. The Ordering Party may request that the Tenderer submits those documents issued by the state in which the Tenderer has business residence. In case that the Tenderer resident state does not issue those types of documents, the Ordering Party may request that the Tenderer notarises the statement with a Notary Public or an equivalent institution in the Tenderer's state of residence. The requested documents do not need to be originals, i.e. an uncertified copy may be submitted.

5. TENDER INFORMATION

5.1. Content of the Tender

The tender must contain the following documents, filled in and certified by the Tenderer's authorised person:

- Annex I, Tender Sheet
- Annex II, Bills of Quantity for specific groups
 - 1. Bill of Quantity Technology
 - 2. Bill of Quantity Tunnel Kiln Cars
 - 3. Bill of Quantity Gas
 - 4. Bill of Quantity Machining Works
 - 5. Bill of Quantity Construction and Craftsmanship Works
 - 6. Bill of Quantity Refractory Works
 - 7. Bill of Quantity Tracks
- Annex III, Statement of No Criminal Convictions and the Absence of Reasons for Exclusion
- Annex IV, List of Completed Contracts
- Annex V, Statement on Financial Capacity and Technical and Professional Capacity
- Requested certificates (for the Groups where those are required)
- Resumes (CV) of the listed professionals

5.2. Method of Drafting Tenders

There must be a **hard copy, as well as an electronic form** of the tender, it must be printed or written in inerasable ink, and it must be submitted in its original form and **on a CD**. If there are differences between the hard copy documents and the electronic documents, the hard copy documents will be considered valid.

A Tenderer may apply for one or several groups.

If the Tenderer has applied for more than one group, they must fill in the requested documents for each of the groups separately, and send the tenders in separate envelopes for each of the groups they are applying for, according to the instructions provided in these Documents.

Any corrections in the hard copy form must be made in a way that is visible and easily provable (e.g. erasing or removing letters or prints). The corrections must be dated and certified with a valid signature and stamp from the Tenderer's authorised person. If a part of the tender is submitted separately, that must be specifically noted on the envelope, using ordinal numbers, for each of the specific parts of the tender.

The tender price is expressed either in Croatian kunas or euros, in the absolute amount with two decimal fractions. During tender evaluation, the **middle value of the euro exchange rate according to the Croatian National Bank** on the day when the procurement procedure started will be used.

The tender price cannot be changed during the validity period of the procurement contract. The tender price without value added tax must include all costs and discounts.

In the Bill of Quantities, the Tenderer must offer, i.e. enter a unit price, for each item and the total price without value added tax.

The Tenderer must enter the same total price from the bill of quantities without value added tax (VAT) in the tender sheet.

When drafting the tender, the Tenderer must adhere to the terms and conditions from the Tender Documents and must not alter or amend the text of the Tender Documents. The Tenderers will cover all the tender drafting costs. The Tenderers are not entitled to any compensation for tender drafting costs.

The Ordering Party reserves the right to request that the Tenderer with the most economically advantageous tender submit an original or a certified copy of all those documents issued by official bodies (certificates, documents, excerpts, authorisations, and similar) which were submitted as uncertified copies in the tender, before the Contract is signed.

5.3. Tour of the Location

The Tenderer may inspect the location where the works will be done, because they will not be entitled to subsequently (after the expiration of the tender submission period) change their tender or any other provision from the Tender Documents due to unfamiliar circumstances at the location. The tour of the location must be arranged beforehand with the contact person.

5.4. Method for Submitting Tenders

The tender must be submitted personally or by registered mail with a return receipt, in a closed envelope before 10.06.2019. until 09:00 AM, to the Ordering Party's address.

The envelope with the tender must state:

- Title and address of the Ordering Party: Dilj d.o.o. Ciglarska 33. 32100 Vinkovci;
- Title of the subject of procurement (the Group for which the Tenderer is applying)
- Note "TENDER – DO NOT OPEN"

In the back:

- Title and address of the Tenderer

Template for addressing the envelope:

<p style="text-align: center;">RECIPIENT: Dilj d.o.o. (Tihomir Škvarić) Ciglarska 33 32100 Vinkovci Call for the submission of tenders INCREASING ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGY SOURCES AT THE PRODUCTION FACILITY 1 DILJ d.o.o.“. KK.04.1.1.01.0015/NOJN-05; Group __. TENDER – DO NOT OPEN</p>

If the envelope is not addressed according to this method for submitting tenders, the Ordering Party does not accept any liability if the tender is lost or opened prematurely.

Tenders that arrive outside of the tender submission period will not be considered.

The tenders and the documents attached with the tenders will not be returned.

5.5. Permissibility of Alternative Tenders

Alternative tenders are not permitted.

5.6. Language of the Tenders

The tender must be drafted in Croatian or in English, using Latin script.

5.7. Amendments to the Tender and Cancelling Tenders

A Tenderer may submit an amendment to the tender before the expiration of the tender submission period. An amendment to the tender may be submitted in the same manner as the main tender, provided that it must contain a note stating that it is an amendment to the tender.

A Tenderer may submit a written statement by which they can cancel the tender they have already submitted, before the expiration of the tender submission period. The written statement may be submitted in the same manner as the tender, provided that it must contain a note stating that it is a tender cancellation. The submitted tender and the attached documents will not be returned to the Tenderer, unless the Tenderer cancels their tender.

5.8. Tender Validity Period

The tender validity period may be no shorter than sixty (60) days starting from the expiration of the tender submission period. If the tender validity period expires, the Ordering Party may request that the Tenderer extends the tender validity period. The Ordering Party will provide an appropriate period to the Tenderer for that purpose.

5.9. Criteria for Selecting Tenders

Scoring will be implemented on the basis of information from **Annex I**.

5.9.1. Group 1. Technology

The criteria for selecting tenders is the economically most advantageous tender, under the condition that all the conditions from these Tender Documents have been met.

The criteria for selecting the economically most advantageous tender and their weight:

Criteria	Relative weight
Tender price	70%
Years of experience of the professional in charge of installing equipment	10%
Years of experience of the professional for SCADA, CNUS, or an equivalent system	10%
Years of experience of the professional in charge of the drying and firing regimes, and commissioning tunnel kilns or chamber dryers in the brick and roof tile industry	10%

The first criterion is the tender price. The maximum number of points that the Tenderer may receive according to this criterion is seventy (70). The point value according to this criterion is calculated according to the following formula:

$$CP = 70 \times \frac{C_{min}}{C_{pon}}$$

Where:

CP – the number of points for the tender price without fractions

C_{min} – the lowest offered price

C_{pon} – the tender price

An additional criterion is the experience of the professional in charge of installing the tunnel kiln or chamber dryer equipment. The maximum number of points that the Tenderer may receive according to this criterion is ten (10).

The point value according to this criterion is calculated according to the following formula:

$$ISm = 10 \times \frac{ISm_{pon}}{ISm_{max}}$$

Where:

ISm – the number of points for the number of years of experience of the professional for equipment installation management

ISm_{pon} – the number of offered years of experience for the professional for equipment installation management

ISm_{max} – the maximum number of years of experience in the works related to equipment installation management offered by the Tenderers.

The third criterion is the experience of the professional for SCADA, CNUS, or an equivalent system.

The maximum number of points that the Tenderer may receive according to this criterion is ten (10).

The point value according to this criterion is calculated according to the following formula:

$$ISs = 10 \times \frac{ISs_{pon}}{ISs_{max}}$$

Where:

ISs – the number of points for the professional for the construction of SCADA, CNUS, or an equivalent system

ISs_{pon} – the number of offered years of experience of the professional for SCADA, CNUS, or an equivalent system

ISs_{max} - the maximum number of years of experience in the construction of SCADA, CNUS, or equivalent systems offered by the Tenderers.

The fourth criterion is the experience of the professional in charge of adjusting the drying and firing regimes in the brick and roof tile industry.

The maximum number of points that the Tenderer may receive according to this criterion is ten (10).

The point value according to this criterion is calculated according to the following formula:

$$ISt = 10 \times \frac{ISt_{pon}}{ISt_{max}}$$

Where:

ISt – the number of points for the professional in charge of adjusting the drying and firing regimes, and commissioning tunnel kilns or chamber dryers in the brick and roof tile industry

ISt_{pon} – the number of offered years of experience of the professional in charge of adjusting the drying and firing regimes, and commissioning tunnel kilns or chamber dryers in the brick and roof tile industry

ISt_{max} - the maximum number of years of experience of the professional in charge of adjusting the drying and firing regimes, and commissioning tunnel kilns or chamber dryers in the brick and roof tile industry offered by the Tenderers.

The Tenderer will prove the experience of the professionals with a **resume (CV)**, which must be attached with the documents.

The years of experience of the professionals are entered in **Annex I, Tender Sheet**.

The economically most advantageous tender is calculated according to the formula:

$$UB = CP + ISm + ISs + ISt$$

Where:

UB – Total number of points

The economically most advantageous tender will be the one submitted by the Tenderer who has the most points in total, according to all the stated criteria. In case the Tenderers have the same amount of points, the tender which was received first will be considered most economically advantageous.

5.9.2. Group 2. Tunnel Kiln Cars

The criteria for selecting tenders is the economically most advantageous tender, under the condition that all the conditions from these Tender Documents have been met.

The criteria for selecting the economically most advantageous tender and their weight:

Criteria	Relative weight
Tender price	80%
Warranty period for the completed works	10%
Years of experience of the professional for the construction of the tunnel kiln cars in the brick and roof tile industry	10%

The first criterion is the tender price. The maximum number of points that the Tenderer may receive according to this criterion is eighty (80). The point value according to this criterion is calculated according to the following formula:

$$CP = 80 \times \frac{C_{min}}{C_{pon}}$$

Where:

CP – the number of points for the tender price without fractions

C_{min} – the lowest offered price

C_{pon} – the tender price

The second criterion is the warranty period. The maximum number of points that the Tenderer may receive according to this criterion is ten (10). The Tenderer that submits a tender with the longest warranty period in months will receive the maximum number of points. The minimum warranty period that the Tenderer may offer is 6 months. The point value according to this criterion is calculated according to the following formula:

The number of points that the tender will receive for the offered warranty period is calculated according to the following formula:

$$JR = 10x \frac{JR_{pon}}{JR_{max}}$$

Where:

JR – the number of points for the offered warranty period

JR_{pon} – the offered warranty period

JR_{max} – the maximum warranty period offered by the Tenderers

The warranty period for the completed works starts after the works on the structure have been handed over and the handover minutes have been signed by the Ordering Party and the Tenderer. After a call from the Ordering Party, the Tenderer must repair all deficiencies discovered during the warranty period, which were created because the Contractor failed to meet their obligations regarding the quality of works and materials, at their own expense. The Ordering Party will provide the Contractor with an appropriate time period for the repair of the deficiencies, no longer than 30 days. If the Contractor does not remove the deficiencies within the time period set by the Ordering Party, the Ordering Party may remove the deficiencies at the Contractor's expense. The Contractor must compensate the Ordering Party for the actual damage suffered due to the removal of deficiencies by another contractor. When using this authority, the Ordering Party must act with the due diligence of a prudent businessman.

The warranty period does not cover mechanical damage or damage created by improper use of the kiln.

The warranty period is entered into Annex I, Tender Sheet.

The third criterion is the experience of the professional for the construction of tunnel kiln cars in the brick and roof tile industry. The maximum number of points that the Tenderer may receive according to this criterion is (10).

The point value according to this criterion is calculated according to the following formula:

$$IS = 10x \frac{IS_{pon}}{IS_{max}}$$

Where:

IS – the number of points for the years of experience of the professional for the construction of tunnel kiln cars in the brick and roof tile industry

IS_{pon} – the number of offered years of experience of the professional for the construction of tunnel kiln cars in the brick and roof tile industry

IS_{max} - the maximum number of years of experience of the professional for the construction of tunnel kiln cars in the brick and roof tile industry offered by the Tenderers.

The Tenderer will prove the experience of the professionals with a **resume (CV)**, which must be attached with the documents.

The years of experience of the professionals are entered in **Annex I, Tender Sheet**.

The economically most advantageous tender is calculated according to the formula:

$$UB = CP + JR + IS$$

Where:

UB - Total number of points

The economically most advantageous tender will be the one submitted by the Tenderer who has the most points in total, according to all the stated criteria. In case the Tenderers have the same amount of points, the tender which was received first will be considered most economically advantageous.

5.9.3. Group 3. Gas Installation

The criterion for the selection of the tender is the **lowest tender price**, under the condition that all the conditions from these Tender Documents have been met.

5.9.4. Group 4. Machining Works

The criteria for selecting tenders is the economically most advantageous tender, under the condition that all the conditions from these Tender Documents have been met.

The criteria for selecting the economically most advantageous tender and their weight:

Criteria	Relative weight
Tender price	90%
Warranty period for the completed works	10%

The first criterion is the tender price. The maximum number of points that the Tenderer may receive according to this criterion is ninety (90). The point value according to this criterion is calculated according to the following formula:

$$CP = 90 \times \frac{C_{min}}{C_{pon}}$$

Where:

CP – the number of points for the tender price without fractions

C_{min} – the lowest offered price

C_{pon} – the tender price

The second criterion is the warranty period. The maximum number of points that the Tenderer may receive according to this criterion is ten (10). The Tenderer that submits a tender with the longest warranty period in months will receive the maximum number of points. The minimum warranty period that the Tenderer may offer is 6 months. The point value according to this criterion is calculated according to the following formula:

The number of points that the tender will receive for the offered warranty period is calculated according to the following formula:

$$JR = 10 \times \frac{JR_{pon}}{JR_{max}}$$

Where:

JR – the number of points for the offered warranty period

JR_{pon} – the offered warranty period

JR_{max} – the maximum warranty period offered by the Tenderers

The warranty period for the completed works starts after the works on the structure have been handed over and the handover minutes have been signed by the Ordering Party and the Tenderer. After a call from the Ordering Party, the Tenderer must repair all deficiencies discovered during the warranty period, which were created because the Contractor failed to meet their obligations regarding the quality of works and materials, at their own expense. The Ordering Party will provide the Contractor with an appropriate time period for the repair of the deficiencies, no longer than 30 days. If the Contractor does not remove the deficiencies within the time period set by the Ordering Party, the Ordering Party may remove the deficiencies at the Contractor's expense. The Contractor must compensate the Ordering Party for the actual damage suffered due to the removal of deficiencies by another contractor. When using this authority, the Ordering Party must act with the due diligence of a prudent businessman.

The warranty period is entered into Annex I, Tender Sheet

The economically most advantageous tender is calculated according to the formula:

$$UB = CP + JR$$

Where:

UB – Total number of points

The economically most advantageous tender will be the one submitted by the Tenderer who has the most points in total, according to all the stated criteria. In case the Tenderers have the same amount of points, the tender which was received first will be considered most economically advantageous.

5.9.5. Group 5. Construction and Craftsmanship Works

The criteria for selecting tenders is the economically most advantageous tender, under the condition that all the conditions from these Tender Documents have been met.

The criteria for selecting the economically most advantageous tender and their weight:

Criteria	Relative weight
Tender price	90%
Warranty period for the completed works	10%

The first criterion is the tender price. The maximum number of points that the Tenderer may receive according to this criterion is ninety (90). The point value according to this criterion is calculated according to the following formula:

$$CP = 90 \times \frac{C_{min}}{C_{pon}}$$

Where:

CP – the number of points for the tender price without fractions

C_{min} – the lowest offered price

C_{pon} – the tender price

The second criterion is the warranty period. The maximum number of points that the Tenderer may receive according to this criterion is ten (10). The Tenderer that submits a tender with the longest warranty period in months will receive the maximum number of points. The minimum warranty period that the Tenderer may offer is 6 months. The point value according to this criterion is calculated according to the following formula:

The number of points that the tender will receive for the offered warranty period is calculated according to the following formula:

$$JR = 10 \times \frac{JR_{pon}}{JR_{max}}$$

Where:

JR – the number of points for the offered warranty period

JR_{pon} – the offered warranty period

JR_{max} – the maximum warranty period offered by the Tenderers

The warranty period for the completed works starts after the works on the structure have been handed over and the handover minutes have been signed by the Ordering Party and the Tenderer. After a call from the Ordering Party, the Tenderer must repair all deficiencies discovered during the warranty period, which were created because the Contractor failed to meet their obligations regarding the quality of works and materials, at their own expense. The Ordering Party will provide the Contractor with an appropriate time period for the repair of the deficiencies, no longer than 30 days. If the Contractor does not remove the deficiencies within the time period set by the Ordering Party, the Ordering Party may remove the deficiencies at the Contractor's expense. The Contractor must compensate the Ordering Party for the actual damage suffered due to the removal of deficiencies by another contractor. When using this authority, the Ordering Party must act with the due diligence of a prudent businessman.

The warranty period is entered into Annex I, Tender Sheet

The economically most advantageous tender is calculated according to the formula:

$$UB = CP + JR$$

Where:

UB - Total number of points

The economically most advantageous tender will be the one submitted by the Tenderer who has the most points in total, according to all the stated criteria. In case the Tenderers have the same amount of points, the tender which was received first will be considered most economically advantageous.

5.9.6. Group 6. Refractory Works

The criteria for selecting tenders is the economically most advantageous tender, under the condition that all the conditions from these Tender Documents have been met.

The criteria for selecting the economically most advantageous tender and their weight:

Criteria	Relative weight
Tender price	90%
Warranty period for the completed works	10%

The first criterion is the tender price. The maximum number of points that the Tenderer may receive according to this criterion is ninety (90). The point value according to this criterion is calculated according to the following formula:

$$CP = 90 \times \frac{C_{min}}{C_{pon}}$$

Where:

CP – the number of points for the tender price without fractions

C_{min} – the lowest offered price

C_{pon} – the tender price

The second criterion is the warranty period. The maximum number of points that the Tenderer may receive according to this criterion is (10). The Tenderer that submits a tender with the longest warranty period in months will receive the maximum number of points. The minimum warranty period that the Tenderer may offer is 6 months. The point value according to this criterion is calculated according to the following formula:

The number of points that the tender will receive for the offered warranty period is calculated according to the following formula:

$$JR = 10 \times \frac{JR_{pon}}{JR_{max}}$$

Where:

JR – the number of points for the offered warranty period

JR_{pon} – the offered warranty period

JR_{max} – the maximum warranty period offered by the Tenderers

The warranty period for the completed works starts after the works on the structure have been handed over and the handover minutes have been signed by the Ordering Party and the Tenderer. After a call from the Ordering Party, the Tenderer must repair all deficiencies discovered during

the warranty period, which were created because the Contractor failed to meet their obligations regarding the quality of works and materials, at their own expense. The Ordering Party will provide the Contractor with an appropriate time period for the repair of the deficiencies, no longer than 30 days. If the Contractor does not remove the deficiencies within the time period set by the Ordering Party, the Ordering Party may remove the deficiencies at the Contractor's expense. The Contractor must compensate the Ordering Party for the actual damage suffered due to the removal of deficiencies by another contractor. When using this authority, the Ordering Party must act with the due diligence of a prudent businessman.

The warranty period is entered into Annex I, Tender Sheet

The economically most advantageous tender is calculated according to the formula:

$$UB = CP + JR$$

Where:

UB - Total number of points

The economically most advantageous tender will be the one submitted by the Tenderer who has the most points in total, according to all the stated criteria. In case the Tenderers have the same amount of points, the tender which was received first will be considered most economically advantageous.

5.9.7. Group 7. Track Reconstruction

The criteria for selecting tenders is the economically most advantageous tender, under the condition that all the conditions from these Tender Documents have been met.

The criteria for selecting the economically most advantageous tender and their weight:

Criteria	Relative weight
Tender price	90%
Warranty period for the completed works	10%

The first criterion is the tender price. The maximum number of points that the Tenderer may receive according to this criterion is ninety (90). The point value according to this criterion is calculated according to the following formula:

$$CP = 90 \times \frac{C_{min}}{C_{pon}}$$

Where:

CP – the number of points for the tender price without fractions

C_{min} – the lowest offered price

C_{pon} – the tender price

The second criterion is the warranty period. The maximum number of points that the Tenderer may receive according to this criterion is ten (10). The Tenderer that submits a tender with the longest warranty period in months will receive the maximum number of points. The minimum warranty period that the Tenderer may offer is 6 months. The point value according to this criterion is calculated according to the following formula:

The number of points that the tender will receive for the offered warranty period is calculated according to the following formula:

$$JR = 10 \times \frac{JR_{pon}}{JR_{max}}$$

Where:

JR – the number of points for the offered warranty period

JR_{pon} – the offered warranty period

JR_{max} – the maximum warranty period offered by the Tenderers

The warranty period for the completed works starts after the works on the structure have been handed over and the handover minutes have been signed by the Ordering Party and the Tenderer. After a call from the Ordering Party, the Tenderer must repair all deficiencies discovered during the warranty period, which were created because the Contractor failed to meet their obligations regarding the quality of works and materials, at their own expense. The Ordering Party will provide the Contractor with an appropriate time period for the repair of the deficiencies, no longer than 30 days. If the Contractor does not remove the deficiencies within the time period set by the Ordering Party, the Ordering Party may remove the deficiencies at the Contractor's expense. The Contractor must compensate the Ordering Party for the actual damage suffered due to the removal of deficiencies by another contractor. When using this authority, the Ordering Party must act with the due diligence of a prudent businessman.

The warranty period is entered into Annex I, Tender Sheet

The economically most advantageous tender is calculated according to the formula:

$$UB = CP + JR$$

Where:

UB - Total number of points

The economically most advantageous tender will be the one submitted by the Tenderer who has the most points in total, according to all the stated criteria. In case the Tenderers have the same amount of points, the tender which was received first will be considered most economically advantageous.

6. PAYMENT CONDITIONS AND GUARANTEES

Group 1. Technology

Payment conditions:

- 30% within 30 days after the contract is signed,
- 30% after the design documents for the construction and mechanical works have been submitted,
- 25% after the notification that the goods are ready for delivery,
- 15% within 15 days after the start of production with the materials.

Guarantee for the successful completion of the contract: The selected Tenderer must submit a guarantee for the successful completion of the contract in the amount of five percent (5%) of the contract value without VAT to the Ordering Party within thirty (30) calendar days after the procurement contract has been signed, it must be in the form of a deposit to the Ordering Party's transfer account or a bank guarantee "without objections" and "at first call", with Dilj d.o.o. Vinkovci as the beneficiary, pursuant to Article 1039 of the Civil Obligations Act, for the duration of the validity period of the contract.

Any absence of a bank guarantee in the amount, period, and according to the above stated provisions will be considered as a serious violation of Contractual Obligations and will result in the termination of the Contract, and the Ordering Party will sign a contract with the Tenderer that had the next most economically advantageous tender.

The total amount of any possible charged penalties and guarantees cannot be higher than 5% of the total agreed upon price.

Group 2. Tunnel Kiln Cars

Payment conditions:

- 30% within 30 days after the contract is signed,
- 30% after the notification that the first contingent of cars is ready for delivery,
- 30% after the notification that the last contingent of cars is ready for delivery,
- 10% after the works are completed, the deficiencies are repaired, and the Ordering Party has accepted.

Guarantee for the successful completion of the contract: The selected Tenderer must submit a guarantee for the successful completion of the contract in the amount of ten percent (10%) of the contract value without VAT to the Ordering Party within thirty (30) calendar days after the procurement contract has been signed, it must be in the form of a deposit to the Ordering Party's transfer account or a bank guarantee "without objections" and "at first call", with Dilj d.o.o. Vinkovci as the beneficiary, pursuant to Article 1039 of the Civil Obligations Act, for the duration of the validity period of the contract.

Any absence of a bank guarantee in the amount, period, and according to the above stated provisions will be considered as a serious violation of Contractual Obligations and will result in the termination of the Contract, and the Ordering Party will sign a contract with the Tenderer that had the next most economically advantageous tender.

The total amount of any possible charged penalties and guarantees cannot be higher than 10% of the total agreed upon price.

Group 3. Gas Installation

Payment conditions

- 10% within 30 days after the contract is signed,
- 80% according to the payment certificate,
- 10% after the works are completed, the deficiencies are repaired, and the Ordering Party has accepted.

Group 4. Machining Works

Payment conditions:

- 30% within 30 days after the contract is signed,
- 60% according to the monthly payment certificates,
- 10% after the works are completed, the deficiencies are repaired, and the Ordering Party has accepted.

Guarantee for the successful completion of the contract: The selected Tenderer must submit a guarantee for the successful completion of the contract in the amount of ten percent (10%) of the contract value without VAT to the Ordering Party within thirty (30) calendar days after the procurement contract has been signed, it must be in the form of a deposit to the Ordering Party's transfer account or a bank guarantee "without objections" and "at first call", with Dilj d.o.o. Vinkovci as the beneficiary, pursuant to Article 1039 of the Civil Obligations Act, for the duration of the validity period of the contract.

Any absence of a bank guarantee in the amount, period, and according to the above stated provisions will be considered as a serious violation of Contractual Obligations and will result in the termination of the Contract, and the Ordering Party will sign a contract with the Tenderer that had the next most economically advantageous tender.

The total amount of any possible charged penalties and guarantees cannot be higher than 10% of the total agreed upon price.

Group 5. Construction and Craftsmanship Works

Payment conditions:

- 10% within 30 days after the contract is signed,
- 80% according to the monthly payment certificates,
- 10% after the works are completed, the deficiencies are repaired, and the Ordering Party has accepted.

Guarantee for the successful completion of the contract: The selected Tenderer must submit a guarantee for the successful completion of the contract in the amount of ten percent (10%) of the contract value without VAT to the Ordering Party within thirty (30) calendar days after the procurement contract has been signed, it must be in the form of a deposit to the Ordering Party's transfer account or a bank guarantee "without objections" and "at first call", with Dilj d.o.o. Vinkovci as the beneficiary, pursuant to Article 1039 of the Civil Obligations Act, for the duration of the validity period of the contract.

Any absence of a bank guarantee in the amount, period, and according to the above stated provisions will be considered as a serious violation of Contractual Obligations and will result in the termination of the Contract, and the Ordering Party will sign a contract with the Tenderer that had the next most economically advantageous tender.

The total amount of any possible charged penalties and guarantees cannot be higher than 10% of the total agreed upon price

Group 6. Refractory Works

Payment conditions:

- 10% within 30 days after the contract is signed,
- 80% according to the payment certificates,
- 10% after the works are completed, the deficiencies are repaired, and the Ordering Party has accepted.

Guarantee for the successful completion of the contract: The selected Tenderer must submit a guarantee for the successful completion of the contract in the amount of ten percent (10%) of the contract value without VAT to the Ordering Party within thirty (30) calendar days after the procurement contract has been signed, it must be in the form of a deposit to the Ordering Party's transfer account or a bank guarantee "without objections" and "at first call", with Dilj d.o.o. Vinkovci as the beneficiary, pursuant to Article 1039 of the Civil Obligations Act, for the duration of the validity period of the contract.

Any absence of a bank guarantee in the amount, period, and according to the above stated provisions will be considered as a serious violation of Contractual Obligations and will result in

the termination of the Contract, and the Ordering Party will sign a contract with the Tenderer that had the next most economically advantageous tender.

The total amount of any possible charged penalties and guarantees cannot be higher than 10% of the total agreed upon price

Group 7. Track Reconstruction

Payment conditions:

- 30% within 30 days after the contract is signed,
- 60% according to the payment certificates,
- 10% after the works are completed, the deficiencies are repaired, and the Ordering Party has accepted.

Guarantee for the successful completion of the contract: The selected Tenderer must submit a guarantee for the successful completion of the contract in the amount of ten percent (10%) of the contract value without VAT to the Ordering Party within thirty (30) calendar days after the procurement contract has been signed, it must be in the form of a deposit to the Ordering Party's transfer account or a bank guarantee "without objections" and "at first call", with Dilj d.o.o. Vinkovci as the beneficiary, pursuant to Article 1039 of the Civil Obligations Act, for the duration of the validity period of the contract.

Any absence of a bank guarantee in the amount, period, and according to the above stated provisions will be considered as a serious violation of Contractual Obligations and will result in the termination of the Contract, and the Ordering Party will sign a contract with the Tenderer that had the next most economically advantageous tender.

The total amount of any possible charged penalties and guarantees cannot be higher than 10% of the total agreed upon price.

7. OPENING AND EVALUATING TENDERS

1.1. Location and Time of Opening Tenders

The tenders will be opened on:

date 10.06.2019, at 10:00 AM, at the Ordering Party's address: Dilj d.o.o. Cigarska 33., 32100 Vinkovci.

The opening of tenders will not be open to the public.

1.2. Inspection and Evaluation of Tenders

The Ordering Party will open and evaluate the submitted tenders, and Minutes will be kept to record the procedure.

The procedure for opening, inspecting, and evaluating tenders will be conducted by the Procurement Committee.

After the tenders are opened, the Ordering Party will verify the content of the tenders, compare them to all the relevant technical details of the subject of procurement, and determine if all the conditions set out in the Tender Documents have been met.

The Tender Opening and Evaluation Minutes must contain the following:

- Title and seat of the Ordering Party
- Place, date, and time then the opening of tenders started and ended
- Subject of procurement
- Type of the procurement procedure
- First and last names of the persons present and their signatures
- Title and seat of the Tenderer, in the sequence the tenders were received
- Tender price without VAT
- Date the inspection and evaluation of tenders started and ended
- Clarification information regarding documents/tenders (including the information on the corrections of calculation errors), if there was any
- List of requested and submitted guarantees
- Tender analysis, regarding the fulfilment of requirements for the description of the subject of procurement and the Technical Specifications
- Title and seat of the Tenderers whose tenders are rejected, with explained reasons for the rejection (including for extraordinarily low prices)
- The title of the Tenderer with whom the Ordering Party intends to conclude the Procurement Contract

- List of attachments to the Minutes

Based on the results of the inspection and evaluation, the Ordering Party must reject:

- Incomplete tenders
- Tenders that do not adhere to the provisions of the Tender Documents
- Tenders that contain errors, faults, or are unclear, if the errors, faults, or unclear sections cannot be corrected
- Tenders in which errors, faults, or unclear sections were not corrected after corrections according to the Tender Documents were made
- Tenders that do not meet the conditions regarding the properties of the subject or procurement and therefore do not meet the conditions from the Tender Documents
- Tenders for which the Tenderer did not submit their acceptance for a correction of a calculation error in written form
- If a tender offers an extraordinarily low tender price or an extraordinarily low specific unit price, which casts doubt on the ability to provide the services from the subject of procurement, the Ordering Party may reject such tenders. In the evaluation process, the Ordering Party will consider the compared experience and market values, and all the circumstances under which a specific procurement contract will be executed.

In the process of inspecting and evaluating tenders, the Ordering Party may provide an appropriate period, which may not be shorter than five (5) or longer than fifteen (15) calendar days, for the Tenderers to explain or provide additional information regarding the requested documents and related to any reasons for exclusion and capacity requirements, as well as to provide certificates for certain standards, corrections of errors, faults, or unclear sections that can be corrected, with the provision that those types of clarifications or corrections related to the stated documents are not considered as amendments to the tender (if those conditions are provided in the Tender Documents).

In the process of inspecting and evaluating tenders, the Ordering Party may provide an appropriate period, which may not be shorter than five (5) or longer than ten (10) calendar days, for the Tenderers to explain specific elements of the tender in the section related to the offered subject of procurement. The explanation may not result in the amendment to the tender.

1.3. Decision on the Selected Tenderer

Based on the results of the inspection and evaluation of the tenders, and using the criteria for the selection of tenders, the Ordering Party will issue the Decision of the Selection of the Most Advantageous Tender.

The Ordering Party will notify all the Tenderers who submitted their tenders about the Selected Tenderer by attaching the copy of the Selection Decision.

The Ordering Party will issue the Tender Selection Decision, which must contain the following:

- Title and address of the selected Tenderer
- Total value of the selected tender
- Date of issue and the signature of the Ordering Party's authorised person

1.4. Time Period for Issuing the Decision on the Selected Tenderer

After the procedure for the inspection and evaluation of the tenders, the Ordering Party will notify all the Tenderers about the Selection Decision or the Annulment Decision without delay, or no later than thirty (30) days after the expiration of the tender submission period. The ordering party will sign the procurement contract with the selected Tenderer within 45 days.

1.5. Decision on the Annulment of the Procurement Procedure

The Ordering Party will annul the procurement procedure for a specific Group or the entire procurement, if the following occurs after the tender submission period expires:

- No tenders were received
- No valid tenders were received
- There are no remaining valid tenders after the tenders are rejected,

The Ordering Party may annul the procurement procedure for a specific Group or the entire procurement, if the valid tender which was received exceeds the evaluated procurement value for more than 10%.

If there are reasons for the annulment of the procurement procedure, the Ordering Party will issue an Annulment Decision in which they will indicate:

- The subject of procurement (or the Group of the subject of procurement) to which the annulment decision applies
- The explanation of the reasons for the annulment
- The time period in which a new procedure for the same or a similar subject of procurement will be initiated, if applicable
- The date of issue and the signature from an authorised person

and send the Annulment Decision to the Tenderers who submitted tenders without delay.

If the implemented procurement procedure was for goods or services in the value above HRK 500,000.00, or for works above HRK 1,000,000.00, without VAT, the Ordering Party must post

a notice about the annulment of the procedure to the Ordering Party's website and to the website www.strukturnifondovi.hr.

In the case described in this item, the Ordering Party will initiate the procurement procedure again or conclude a Procurement Contract on the basis of negotiations with Tenderers, under the condition that the original conditions from the same procedure remain unchanged. In the latter case, there is no obligation for a public announcement, instead a tender request will be sent to a specific number (no less than three) of economic operators who the Ordering Party considers to be able to complete the subject of procurement (those can be Tenderers that have already submitted tenders in the annulled procedure), according to a previously published market analysis (there must be proof about the completed analysis), and market completion must be ensured in the process by providing equal conditions for participation in that procedure, for all economic operators on the single European Union market.

1.6. Procurement Contract

The Contract for the Procurement of Goods will be concluded with the Tenderer who submitted the most economically advantageous tender. The procurement contract must adhere to the provisions of the Tender Documents and the selected tender.

The procurement contract must contain the following information:

- Ordering Party's title, address, telephone number, fax number, and email address
- Tenderer's title, address, telephone number, fax number, and email address
- Description of the subject of procurement
- Information about the Contract amount which corresponds to the amount of the selected tender

The procurement contract will come into effect on the day when it is signed by both parties.

Note: If the Tenderer refuses to sign the Contract, the Ordering Party will be entitled to sign the contract with Tenderer who submitted the next most economically advantageous tender.

Note: If the documents in Croatian are different than the documents in English, the documents in Croatian will be considered correct!

8. ANNEXES

- Annex I, TENDER SHEET
- Annex II, BILLS OF QUANTITY
 - 1. Bill of Quantity Technology

- 2. Bill of Quantity Tunnel Kiln Cars
 - 3. Bill of Quantity Gas
 - 4. Bill of Quantity Machining Works
 - 5. Bill of Quantity Construction and Craftsmanship Works
 - 6. Bill of Quantity Refractory Works
 - 7. Bill of Quantity Tracks
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- Annex III, STATEMENT OF NO CRIMINAL CONVICTIONS AND THE ABSENCE OF REASONS FOR EXCLUSION
 - Annex IV, LIST OF COMPLETED CONTRACTS
 - Annex V, STATEMENT ON FINANCIAL CAPACITY AND TECHNICAL AND PROFESSIONAL CAPACITY
 - Annex VI. Raw material analysis
 - Mechanical engineering designs
 - Construction designs
 - Electrical design

Vinkovci, May 2019