BELGRADE AIRPORT d.o.o. Beograd

**EXTENDS AN INVITATION FOR A NEGOTIATION PROCEDURE**

FOR THE LEASE OF THE PREMISES IN THE CARGO CUSTOMS WAREHOUSE AT NIKOLA TESLA AIRPORT BELGRADE

Description of the leased space:

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| **SERIAL NUMBER** | **THE PREMISES** | **AREA** | **LOCATION** | **The initial monthly rental price with common costs, VAT excluded amounts to** |
| **1.** | Office no.2 | 13,00 m | Cargo Customs Warehouse, ground floor | 240,00 EUR |
| **2.** | Office no.3 | 13,00 m | Cargo Customs Warehouse, ground floor | 240,00 EUR |

The lease period is 3 (three) years.

Premises are leased solely for performing forwarding services and cannot be used for other purposes.

The space is leased in “as is” condition without the right to a subsequent complaint.

The leased space cannot be subleased.

Bidders may submit an offer for both Premises in question, emphasising that one bidder may lease and conclude a lease agreement for a maximum of one (1) Premises- office.

**The criteria for selecting the most favourable bidder is the highest offered bidding price of monthly rent excluding VAT.**

Interested bidders can visit the space, by sending a prior notice to the e-mail of the contact persons [stance.veljkovic@beg.aero](mailto:stance.veljkovic@beg.aero). and [jelena.petrovic@beg.aero](mailto:jelena.petrovic@beg.aero).

The Lessee shall equip the space in question and adapt it to its intended use, at his own expense, based on the conceptual design which has been previously approved by the Lessor.

The Lessee is not entitled to compensation for damages for equipping the Premises, i.e. it is not entitled to a reduction of the Lease fee on the basis of invested assets

The Lessee shall be obliged to pay the rent starting from the day of concluding the Lease agreement, regardless of whether the space has been used or not.

The Lessee undertakes to ensure that, when conducting works on adapting the Premises to its intended use, he/she shall meet all the requirements set forth by the Lessor regarding occupational health and safety, environmental protection and fire protection prior to commencing the works and in the course of the execution of the works. Upon concluding the Lease Agreement, the Lessee shall sign and comply with the Agreement on the implementation of occupational health and safety measures, environmental protection and fire protection in all respect in accordance with the Lessor's model (hereinafter: the Agreement).

The Lessee shall fully adhere to the occupational health and safety measures, environmental protection, fire protection and sanitary protection measures during the term of the contract.

Failure to comply with the provisions of the Agreement shall represent the grounds for termination of the agreement, collection of the contractual penalty provided for in the Agreement and grounds for claiming damages.

The selected Lessee shall pay the lease amount presented in the submitted written offer, together with the corresponding tax, on a monthly basis, within 10 days from the day of issuance of the invoice, in RSD equivalent to the middle exchange rate of the NBS, on the day of tax liability.

The bid must contain the following documents:

1. Information on the bidder: Company, address, TIN, registration number, e-mail address available for further communication;
2. A copy of the excerpt from the Business Registers Agency of the Republic of Serbia;
3. Bid (in free form) with a clearly indicated amount of the offered monthly lease in EUR VAT excluded, stamped and signed by an authorized person of the bidder;
4. Proof that he has paid a deposit in the amount of 50,000.00 RSD.

The deposit is paid to the current account of BELGRADE AIRPORT d.o.o. Beograd no.170-0030036782000-94, *UNICREDIT bank*, with the indication "deposit for the advert on lease of space". In order to participate in the bidding process, the deposit must be paid. The deposit paid by the most favourable bidder, will be kept, thus securing the payment of rent and settling all other obligations of the Lessee under the Agreement. The Lessee is obliged to immediately, and no later than 7 days from the day of concluding the Lease Agreement, pay the amount of the deposit up to the amount of three offered monthly rents, as well as to maintain the deposit in the amount of three monthly leases, VAT included. The selected bidder who withdraws from the submitted bid or refuses to conclude the Lease Agreement within 7 days from the day of its delivery, loses the right to a refund of the deposit. For other bidders, the paid deposit will be refunded within 7 days from the day the decision on the lease of the subject space has been adopted. The offer must contain the account number to which the deposit will be refunded.

1. A statement declaring that he/she accepts the terms stated in the advert

Documents should be submitted in original form, or as a certified copy.

The criteria for selecting the most favourable bidder is the highest offered amount of monthly rent.

The legal representatives of the bidders or other authorized persons may participate in the negotiation procedure by submitting the power of attorney naming the person authorized to take all actions in the negotiation procedure on behalf and on the account of the bidder.

The power of attorney must contain an assigned number, date and the signature of the issuer

Negotiations will be conducted in 3 rounds (first basic initial offer and 2 rounds of negotiations). The element of the bid that will be negotiated is the amount of rent.

In the negotiation procedure, the bidder cannot offer condition more unfavourable than those presented in the initial offer or than those presented in the previous round.

The result of the negotiations will be recorded in a Minutes which will be signed by the members of the Committee and the authorized representatives of the bidders.

The first round of negotiations

After opening of initial bids is concluded, the Committee may declare an interval in the proceedings to review whether the submitted bids meet all the requirements of the Invitation, rank the bidders who submitted bids and make an initial ranking list of bidders using the criteria set out in the Invitation.

The second round of negotiations

After submitting the initial ranking list, the Committee may declare another interval of at least 10 minutes. During the interval, the representatives of the bidders are free to carry out the necessary consultations for further negotiations with their headquarters.

After the expiration of the set deadline, the second round of negotiations will begin, where the President of the Committee will invite the present representatives of the bidders to submit new, more favourable bids.

Bids shall be submitted in a sealed envelope to the President of the Committee.

After submitting the bids, the President of the Committee opens the bids and reads the offered amounts and other elements of the bid subject to negotiation.

The offered amount cannot be lower and other elements of the offer cannot be less favourable for the Company in relation to the one offered in the first round of negotiations or in relation to the initial offer.

The committee will compile a new ranking list of bidders.

The third round of negotiations

After new ranking list is published, the Committee will set a new interval of 10 minutes enabling the bidders' representatives to carry out the necessary consultations for further negotiations with their headquarters.

After the expiration of the set deadline, the third round of negotiations will begin, by submitting bids in a sealed envelope to the President of the Committee.

After submitting the bids, the President of the Committee opens the bids and reads the offered price.

The offered price cannot be lower in relation to the one offered in the second round of negotiations or in relation to the initial offer and represents the final offer.

If the present representative of the bidder does not submit an increased bid in all or some rounds of negotiations, the final bid will be considered to be the bid given in the previous round.

In the event that the bidder who submitted the initial bid is not present at the negotiation, his initial bid will be considered to be the final bid given in the Negotiating Procedure.

The committee will rank the bidders and create a ranking list, which will be handed over to the authorized representatives of the bidders.

The conditions under which **BELGRADE AIRPORT d.o.o. Beograd** may terminate the agreement are:

1. If the Lessee, even after a warning from the Lessor has been issued, continues to use the space contrary to the Agreement, if subleases or makes alterations to the space without the written consent of the Lessor;
2. If the Lessee does not pay the due rent and other obligations even within fifteen (15) days after the Lessor has invited him to settle it.
3. Initiation of bankruptcy proceedings against the Lessee or the Lessor;
4. If the Lessee does not maintain a deposit in the amount of three (3) gross monthly lease prices;
5. In case of investment works i.e. reconstruction of the area where the leased space subject to agreement is located, the Lessor may offer the Lessee an alternative space, make a decision on suspension of rights and obligations, or cancel the lease agreement.

Manner, place and time for submission of bids:

The bid must be submitted in writing, in a sealed envelope directly or by mail (registered mail) to the following address:

**BELGRADE AIRPORT d.o.o. Beograd 11180 Belgrade, Surčin, Airport Belgrade no.47 RECORDS OFFICE**

**COMMITTEE FOR LEASE OF SPACE**

The following text must be written on the front side of the envelope: "OFFER FOR LEASE OF SPACE IN THE CARGO CUSTOMS WAREHOUSE - DO NOT OPEN", and on the back of the envelope, legibly write the name and address of the bidder. The bid must be submitted in a sealed envelope by 10 AM on March 15, 2023.

The bidders are obliged to submit the name of the bidder and the data of the person submitting the bids who will attend the opening of the bids, no later than the day prior to bid opening date stated in the Invitation. The data must be submitted to the following e-mail address: [stance.veljkovic@beg.aero](mailto:stance.veljkovic@beg.aero), jelena.petrovic@beg.aero

The stated data must be submitted in order for BELGRADE AIRPORT to inform the Security Service in a timely manner, and thus enable the entrance into the security restricted zone of the airport, the Red building of Air Serbia.

Bids deemed as untimely or late, are offers that did not arrive at the Records Office of BELGRADE Airport d.o.o. Belgrade by the specified deadline, regardless of the method of delivery, will be returned to the bidder unopened, marked as untimely.

Place, time and manner of opening bids:

The public opening of bids will take place on March 15, 2023. in the small hall of Lounge Belgrade, in the connecting section of the Terminal at Belgrade Nikola Tesla Airport .

Only authorized representatives of bidders have the right to participate in the opening of bids and negotiations, by submitting a signed and certified power of attorney in the original form. Faxes or photocopies will not be accepted.

All questions related to this invitation can be directed to the contact person: [stance.veljkovic@beg.aero](mailto:stance.veljkovic@beg.aero) и jelena.petrovic@beg.aero

Minutes on the opening of bids and negotiations will be delivered to the representatives of the bidder’s present, immediately after the end of the negotiation procedure, and to other bidders by e-mail to the address specified in the bid.

BELGRADE AIRPORT d.o.o. Beograd reserves the right to reject the bid of any bidder without stating a reason.

APPENDIX 1

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| **AGREEMENT**  **ON OCCUPATIONAL HEALTH AND SAFETY, ENVIRONMENTAL AND FIRE PROTECTION** |
| concluded by and between:  **BELGRADE AIRPORT d.o.o.** head office at 11180 Belgrade 47, Belgrade-Surčin Registration number: 21364568, TIN: 110572920; represented by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter: the **Site Host)**  and  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, head office \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, registration number: \_\_\_\_\_\_\_\_\_\_, TIN: \_\_\_\_\_\_\_\_\_\_, represented by the director \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter: **the Contracting party**) |
| *The Agreement on occupational health and safety, environmental and fire protection is hereinafter referred to as the* ***Agreement****.*  *The Site host and the Contracting party also be individually referred to as the "Contracting Party" and jointly as the "Contracting Parties”*  *The Clauses on occupational health and safety, environmental protection and fire protection are hereinafter referred to as the* ***OHS, EP and FP Clauses*** *or the* ***QQHSE Clauses.*** |
| **Contracting parties agree and acknowledge:**  This Agreement applies to premises used and shared by the Site host and the Contracting parties in the performance of their duties.  The Site host and the Contracting party have concluded the Contract/ Framework agreement on Business cooperation / provision of services/lease of business premises "\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_" number \_\_\_\_\_\_\_\_\_ (hereinafter: the "Contract").  The business processes of the Contracting Party during the performance of business activities, which are carried out at the location of the Host, must be directed in such manner as to ensure the safety and health of people, safety of property and environmental protection.  The Contracting Parties are expected to apply all rules and procedures during the performance of activities that will contribute to reducing the risk of human injury and loss or damage to property and endangering the environment to a negligible level.  Meaning of terms and abbreviations used in this Agreement:   * OHS - Health and Safety at work (laws, by-laws and internal procedures); * Person authorized for occupational health and safety (OHS officer) - a person who performs work activities relevant to occupational health and safety, has passed the professional exam on practical training and who is appointed by a written act of the Employer to perform tasks in subject; * QHSE: A generally accepted acronym created from English words “Quality, Health, Safety, Environment” * The person for coordination, according to the provisions of the Law on Occupational Health and Safety, is the person who coordinates the implementation of joint measures of this Agreement; * Workspace - the part of the Site host’s workspace used by the Contracting Parties on the basis of a Contract or other legal act to perform works, provide services or access physically separated workspace; * Obligations subject to the Agreement - such obligations, the Contracting Parties have accepted by signing hereof Agreement; * Client - Contracting Party that hires third parties (not signatories to this Agreement) for execution of works; * Contractor / Subcontractor - third parties hired by the Contracting Party to perform the works; * Site host - a legal entity in whose working facilities/workspace the other Contracting Party performs activities within their scope of operations on the basis of a contract or other legal act regulating mutual obligations; * Energy source - connection point on installations or devices at working facility/workspace of the Site host, used by the Contracting Party with explicit written consent or according to the provisions of the Contract (refers to heating, electrical, gas, pneumatic and hydraulic installations- fixed or via generator) * Orientation training - training for safe work of own employees and third parties (all those who are not signatories to this Agreement) AGREEMENT workspace of the Site host, conducted by one of the Contracting Parties; * Safe work - work implying prior compliance with all measures provided by applicable regulations and standards, and in the manner defined by this Agreement.   Contracting parties agree and acknowledge: |
| **1.1. SUBJECT** |
| 1.1.1. The subject of this Agreement is to define the duties, rights, obligations and responsibilities of the the Contracting Parties sharing the same workspace, as well as their employees and other persons engaged, related to occupational health and safety (hereinafter: OHS), environmental protection (hereinafter: EP) and fire protection (hereinafter: FP). |
| **APPLICABLE LAW** |
| 1.2.1. Contracting Parties shall, during the term of the Agreement, act in all respects in accordance with the applicable laws: |
| * Law on Occupational Health and Safety ("Official Gazette Official Gazette of RS", No. 101/ 2005,91/2015 and 113/2017 - other law) and other relevant regulations of the Republic of Serbia in the field of occupational health and safety; |
| * Law on Environmental Protection (“Official Gazette of RS”, No.135/04, 36/09 and 72/09, other law 43/2011 – CC Decision and 14/2016 and 95/2018) and other relevant regulations of the Republic of Serbia in the field of environmental protection; |
| * Law on Fire Protection ( “Official Gazette of RS” no. 111/2009,20/2015, 87/2018 and 87/2018- other law) and other relevant regulations of the Republic of Serbia in the field of fire protection; |
| * Internal Acts of the Site host based on the legal regulations of the state. |
| 1.2.2. Contracting party shall cooperate with the Site Host in applying regulations of OHS, EP and FP through their authorized persons and services. |
| **1.3. PLANNING** |
| 1.3.1. Immediately before commencing the contracted activities, the Contracting party shall identify a Person responsible for coordinating the implementation of QHSE measures and in cooperation with the Responsible person of the Site host, shall develop a OHS, EP and FP Plan for the activities/works processes/ works in subject containing the following information:   * List of applicable legislation and OHS, EP and FP standards in accordance with the scope of works * Roles and responsibility for OHS, EP and FP on site, including subcontracting parties * Risk assessment procedure with applicable examples demonstrating how hazards are reduced to acceptable level of ALARP (As Low As Reasonably Practicable) for the scope of works * Near miss and incident reporting procedure * Description of the incident investigation procedure including responsibilities * Description of the emergency response actions * Inspection and audit schedule for the scope of works   Contracting party is encouraged to include their own OHS, EP and FP requirements into this document |
| 1.3.2. The persons responsible for coordinating and monitoring the implementation of this Agreement in terms of the Law on Occupational health and safety (Official Gazette RS, No.101/2005, 91 / 2015 and 91/2015, 113/2017- other law) are :  - Vladan Živanović, HSE Coordinator (mob: +381 64 830 1185), Dragana Zdravković, HSE Specialist (mob: +381 60 3219232) on behalf of the Site host,  - \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (mob: +\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) on behalf of the Contracting party (Company name/Employer) |
| **1.4. COMPETENCE AND ORIENTATION/INDUCTION TRAINING** |
| 1.4.1. The Contracting party shall inform its staff, including Service provider/subcontractor personnel engaged on execution of works at Site host’s location, of their obligations under this Agreement. |
| 1.4.2. The Contracting party shall submit to the Site host all appropriate data related to its staff, including a list of employees with their signature confirming that they have been introduced to and understand their obligations under this Agreement. This orientation training, shall , at least include a discussion of site hazards and site emergency response.  The Contracting party undertakes to, on works performed within the Site host's workspace, engage employees who are:   * have been trained in the field of OHS, EP and FP in their legal entity, * familiar with the dangers and hazards, rules and conditions of safe work according to the provisions of the Site host.   Introduction to specific issues relevant to measures of OHS, EP and FP within the workspace will be conducted by the Site host, according to previously defined type and scope of works. Submitting a written form (Instructions, Procedures, Guides, etc.) to the Contracting Party is also considered to be an introduction as defined above. |
| 1.4.3. The Contracting party shall report their employees and persons engaged for provision of services / execution of works, to the Site host, prior to introducing them to the workspace and shall provide such persons with Introductory training on OHS, EP and FP implemented by the Site host, as well as any other training organized by the Site host, when such training is deemed necessary for the safe provision of services / performance of works. The Contracting party shall ensure attendance of its employees to hereof orientation training in a timely manner, as agreed with the Site host. |
| 1.4.4. The Contracting parties shall, at their own expense, provide qualified work force with certificates of mandatory medical examinations and completed training in accordance with the relevant regulations governing OHS, EP and FP and equipped with appropriate personal protective equipment for the provision of services/ execution of works, all in accordance with the legal regulations on OHS, EP, FP and/or internal documents of the Site host. |
| 1.4.5. The Contracting party shall provide a sufficient number of trained and qualified personnel to provide first aid on location shared by both parties’ locations. |
| **1.5. SPECIFIC RULES AND REQUIREMENTS** |
| 1.5.1. The Contracting party shall check in and check out with the Site host’s Corporate Security Organizational Unit at least on a daily basis every staff member, item of equipment and means engaged in the work processes, not permitted to enter the Site host’s facilities without permission/adequate identification. Only personnel who have received Induction training for the site are allowed access. |
| 1.5.2. The Contracting party, it’s staff and all other persons engaged shall, during the term of the Agreement and during elimination of deficiencies within the warranty period, comply with all rules, internal standards, procedures, guidelines and instructions on OHS, EP and FP that are in force at the Site host’s location, in accordance with *PC-MNG.OHS.010 Procedure on managing contractors and third parties in terms of QHSE in BA* and shall in particular comply with the following rules: |
| 1.5.2.1. It is prohibited to avoid applying and/or obstruct other persons during implementation of OHS, EP and FP measures. |
| 1.5.2.2. No work may commence without an appropriate, sufficient and suitable risk assessment being completed listing hazards including confirmation that relevant monitoring is in place and effective. The Contracting party is expected to have generic risk assessments available for the scope of work and to update them in line with the current on site conditions. |
| 1.5.2.3. While performing any work, the rules on the use of personal protective equipment (PPE) must be complied with. The minimum requirements of the PPE include wearing of protective clothing, protective footwear and eye protection. Using highly visible/reflective markers/vests is mandatory on locations where such is required by internal Site host’s rules. If additional PPE is required, the Contracting Party shall ensure it is fit for use and accessible to all employees/ Contractors/Service providers/subcontractors. |
| 1.5.2.4. The procedures on OHS, EP and FP including operational procedures of the Site host for implementing the system of work permits (PTW) shall be followed at all times. The Contracting Party may be given permission to use its own work permit system upon providing an internal procedure thereon and demonstrating a competent and effective PTW system. |
| 1.5.2.5. Procedures for isolation and locking energy sources shall always be followed. |
| 1.5.2.6. It is strictly forbidden to enter, stay or work on the territory or premises of the Site host under the influence of alcohol and/or drugs (narcotics) |
| 1.5.2.7. It is forbidden to carry weapons within the locations of the Site host. |
| 1.5.2.8. Taking any type of photographs at the locations and facilities of the Site host is prohibited unless the Contracting party obtains written permission. |
| 1.5.2.9. Smoking allowed only in specified and designated places as defined by the Site host. |
| 1.5.2.10. In explosive hazardous areas it is forbidden to use open flames or vehicles without spark trap devices, and only Intrinsically safe equipment is allowed. If the Contracting party’s staff are not familiar with the hazardous area’s classification, they must contact the Responsible Person of the Site host. |
| 1.5.2.11. It is mandatory to comply with the rules and signals for traffic safety at the site and within operational workspace of the Site host. |
| 1.5.2.12. All incidents must be immediately reported to the Site host, in accordance with *PC-MNG.OHS.04 - Company Procedure “Notification, Recording, Investigation and Periodic Reporting of QHSE Events in BA”*; and to the competent authorities in accordance with the law. |
| 1.5.2.13. Site host shall ensure that suitable and operational fire prevention and fire fighting equipment is available at all times on site in accordance with fire risk assessment. When performing “hot” works -works related to heat sources, Contracting party shall act in accordance with procedures of The SERVICE Site host. |
| 1.5.2.14. The Contracting party shall implement corrective and preventive measures arising from incident reports, inspection and audit reports, in accordance with the requests of the Site host concerning OHS, EP and FP issues. |
| 1.5.2.15. The Contracting party is strictly responsible for the OHS of its staff and all other persons engaged for the provision of services/execution of works. In case of failure to comply with the rules on OHS, EP and FP, or negligence by the Contracting party, the Site host shall not be responsible nor pay any fees/costs to the Contracting parties regarding occupational injuries or damage to equipment, means and tools. |
| 1.5.2.16. The Contracting Party shall perform its duties in a diligent and responsible manner, taking care not to jeopardize food safety, in accordance with applicable laws and good hygienic practice, as defined by the Site Host’s HACCP documents, that is, regulations in the field of sanitary safety of services, food, groceries and products. |
| **1.6. CERTIFICATION** |
| 1.6.1. The Contracting party shall at their own expense provide all required controls, expert findings, certificates and permits for equipment, resources and tools that shall be used for the provision of services/ execution of works that are in compliance with the legal regulations in the field of OHS, EP and FP and all other regulations and relevant standards or internal documents of the Site host. If the Site host determines that any equipment, means or tools do not have the necessary certificates and/or permits and/or confirmation on conducted inspection or are not fit for use, bringing thereof onto the property of the Site host shall not be permitted. |
| 1.6.2. The Contracting party shall provide all necessary personal protective equipment (PPE) to its employees/service providers/subcontractors , free of charge. Stated PPE must comply with applicable regulations and be suitable for use. Additional specialised PPE shall be provided as required and be fit for use. |
| **1.7. OHS, EP and FP REPORTING** |
| 1.7.1. All accidents (QHSE events) must be reported immediately to the Site host, and to the competent authorities if required by law, in accordance with PC-MNG.OHS.04 - Company Procedure "Notification, recording, investigation and periodic reporting of QHSE events in BA".The Contracting party shall, upon a request issued by Site host, investigate all events that result in any form of loss (Lost Time Injury, equipment damage, environmental spill resulting in damage). The Contracting party shall conduct a formal accident investigation procedure and shall enable the Site host to participate in the investigations if required. The Contracting Party is obliged to show the Site Host all relevant reports of the investigation.  1.7.2. The Contracting party shall keep and maintain regulatory records in the field of OHS, EP and FP from the aspect of the employer / legal entity, which, if needed and upon special request shall be submitted to the Site host for inspection, no later than 5 working days from the date of request issuance |
| **1.8. INSPECTIONS and SUPERVISION** |
| 1.8.1. The Contracting Party shall appoint a person for safety and health at work and to inform the Site Host thereof.  1.8.2. Person delegated for coordination of the implementation of joint measures hereof, in accordance with Article 19 of the Law on Occupational Health and Safety, shall be engaged by the Site host.  7.3.  Contracting party shall adhere to the measures related to the implementation of occupational health and safety in the work environment, which they shall receive from the Coordinator of the Site host .  7.4.  The Coordinator, depending on the need, and obligatorily when planning to perform specific tasks with increased risk, especially those for which a Work Permit is required, shall hold a meeting with the representatives of the Contracting Parties.  7.5.  It is obligatory to attend the meeting of the Contracting Parties representatives, at the invitation of the Coordinator.  7.6. Representatives of the Contracting Parties may also address the Coordinator outside the meetings for the implementation of joint measure.  7.7. The Contracting Party concurs to enable the authorized persons of the Site host, persons delegated for the implementation of joint measures and person delegated for coordination of the Agreement, to check the fulfilment of obligations hereunder during the working hours of the Site host and with prior notice and obtained consent. If during the inspection deficiencies are identified, Site host and Contracting party shall create a Plan for improving the measures of QHSE. Stated Plan shall be approved by authorized persons of the Site host who are authorized to inspect the plan and request corrections in order to completely comply with the legal regulations and internal standards of the Site host in the fields of QHSE.  7.8. The executor of the QHSE Improvement Plan is required to report on progress in resolving issues for activities initiated under all reporting mechanisms. |
| **1.9. ENVIRONMENTAL MANAGEMENT** |
| 1.9.1 The Contracting party shall perform its work in a diligent and responsible manner, aiming to eliminate or reduce The SERVICE consumption of resources and generation of waste. Examples of such practice would be reducing logistical movement by combining/sharing loads , reducing standby time for powered equipment and vehicles (operational time of Internal combustion engine engines ), maintaining power sources in good condition to reduce fuel consumption, the use of gas-fuelled vehicles etc. |
| 1.9.2 If any material requiring an MSDS (Material Safety Data Sheet) including fuels and lubricants, is provided by the Contracting party, it shall be safely transported, safely stored, transferred and used according to the MSDS directions and in a place that can support potential spill, such as bund walls around tanks, drip trays at transfer points, drip trays under engines and drip trays where material can leak or spill. |
| 1.9.3 In accordance with the legal regulations in the field of EP, the Contracting party shall manage the waste generated as a result of the provision of services/execution of works, and remove the same in accordance with its waste management plans / regulatory obligations of the legal entity, and in case of accidents shall repair damage to the environment/location of the Site host by converting thereof to its previous state and/or by paying for the damages. Stated obligations of the Contracting party remain applicable even if Site host discovers pollution caused by the Contracting party after the Contractor/Subcontractor has left the place of provision of service/execution of works. |
| 1.9.4 The Contracting party shall ensure that the separation of waste is carried out in accordance with the applicable regulations, i.e. the internal procedures of the Site host. |
| 1.9.5 The Contracting party must certify that the waste is disposed of in accordance with current regulations and best practices and is required to keep up-to-date disposal records to confirm this compliance, using only authorized waste treatment/disposal companies. The Contracting party undertakes to, at the request of the Site host or the competent authorities, provide all necessary evidence that waste treatment / disposal is carried out in accordance with applicable regulations and good business practice by engaging authorized companies that have all necessary permits to perform these activities, as well as to keep adequate records confirming this compliance. |
| 1.9.6 If the Contracting party is performing works at sites requiring environmental management and control as recognised by law (EIA - Environmental Impact Assessment, IPPC - Integrated Prevention of Pollution Control, Seveso directive) then the Party shall abide all instructions of the Site host regarding additional requests referring to environmental monitoring and reporting.  **1.10. SANCTIONS** |
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| Based on recent experience in the Republic of Serbia, the Site host has deemed it necessary to impose sanctions on a Contracting party for blatant and repeated non-compliance with legal, industry rules and regulations including such requirements and regulations of the Site host and best practice in the fields of OHS, EP and FP, if such non-compliance has been demonstrated by its employees/Service providers/Subcontractors. The Site host can demonstrate that the OHS, EP and FP compliance of Service providers/Subcontractors has improved due to this approach. |
| Contracting party with good, solid OHS, EP and FP management systems and competent and compliant work forces should not be concerned about such sanctions. |
| 1.10.1. The Contracting party shall compensate the Site host, without any delay (no later than 5 working days) for any material and/or non-pecuniary damage caused by negligence or breach of rules on OHS, EP and FP, particularly in the case of occupational injury to the staff of the Site host or third persons, damage to overhead, underground and air installations of all types of construction and operational means, infrastructure facilities and roads, as well as to the equipment, resources and tools. The obligation of the Contracting party, in terms of compensation of damages, also involves repairing all consequences resulting thereof, regardless of the financial compensation paid to the Site host. |
| 1.10.2 Payment of damages, in the manner provided for in paragraph **1.10.** of this Agreement, does not release the Contracting party from the obligation to fulfil the requirements determined by the Site host. |
| 1.10.3 The Contracting party shall compensate the entire damage/costs to the Site host occurring as a result of Contracting party’s failure to comply with legal or contractual obligations in relation to OHS, EP and FP. |
| 1.10.4 If the Contracting party’s staff and/or persons engaged for the provision of the services/execution of works that are the subject of the Contract, violate any provision of this Agreement, the Site host is entitled to: |
| 1.10.5 Give oral warning to the Contracting party’s employee and/or engaged person while submitting a written notice thereof to the Service provider. |
| 1.10.6 Warn the Contracting party’s employee and /or the engaged person in writing, by submitting a notice to the Contracting party. |
| 1.10.7 Prohibit the entrance to the area surrounding the facility and/or business premises of the Site host, to Contracting party’s staff and/or engaged persons over a period of 15, 30 or 90 days including notification thereof. Such sanctions may also be imposed by prohibiting entry by vehicle to the area surrounding the facility of the Site host or prohibiting equipment, tools, means or devices to be carried into the area in question. |
| 1.10.8 The Parties agree that, in case of violation of rules related to OHS, EP and FP by the Service provider, a Protocol shall be drawn up defining the breach of provisions of **Articles 1.2 – 1.10** hereof and signed by the authorized representatives of the Parties. The Protocol will be considered legally applicable even if unilaterally signed by the Site host (with the obligation to inform the Contracting party thereof), in cases where concrete evidence of irregular activities by the Contracting party and/or engaged persons is appended (i.e. records on operative observing or photographs). |
| 1.10.9 The Site host and Contracting party shall cooperate in applying the regulations of OHS, EP and FP through their authorized persons and services, while the activities shall be coordinated by persons defined in article **1.3.2.** hereof. |
| 1.10.10 The Site host is entitled to terminate the Contract if the Contracting party fails to completely or partially fulfil the obligations prescribed by this Agreement, whereby the Contracting party has no right to claim compensation for damage incurred as a result of Contract termination on such grounds. |
| 1.10.11 Failure to perform obligations, partial performance or breach of the obligations prescribed hereby may represent grounds for compensatory damages which the Contracting party shall pay to the Site host if such occurred due to actions of Service provider/subcontractor of the Contracting party and/or other persons engaged for the provision of services/ execution of works that are the subject hereunder, or due to violation of provisions hereof or internal procedures relevant to the Site host by the employees of the Service provider/Contractor and/or any other person engaged for the provision of services/execution of works subject to this Contract . |
| 1.10.12. The Site Host shall notify the Contracting Party of irregularities / sanctions, whereby the Party shall invoice the contractual penalty based on the minutes referred to in paragraph **1.10.8** of this Agreement, to its Service providers / Contractors / Subcontractors. The Contracting Party is obliged to submit the proof of payment of the contracted penalty by the Service provider / Contractor / Subcontractor to the Site Host within 15 days moment of imposing the sanction. The Site host, in this case, does not claim the amount of the contracted penalty from the Contracting Party. However, if the Contracting Party fails to collect the penalty from the Contractor / Subcontractor within the specified period, the Site host reserves the right to collect the contractual penalty from the Contracting Party.  The Site Host shall be entitled to request a collection of the contracted damages in the following amounts: |
| -Failure to report incidents in the field of OHS, EP and FP to the Site host 10,000 RSD per each day of delay; |
| - Failure to report incidents in the field of OHS, EP and FP to the Site host 10,000 RSD per each subsequently disclosed case; |
| - Lack of prescribed medical and sanitary examinations of the Contracting party employees and/or engaged persons 10,000 RSD per each employee and / or engaged person |
| - Lack of health insurance of Contracting party staff and/or engaged persons 10,000 RSD per each employee and/or engaged person; |
| - Lack of or failure to use prescribed PPE by the Contracting party employees and/or engaged persons, for the first disclosed case 10,000 RSD for each disclosed case, employee and/or for each individual person engaged. |
| - Lack of or failure to use prescribed PPE by the Contracting party employees and/or engaged persons, for the second reoccurring case 50,000 RSD for each disclosed case, employee and/or engaged person individually. |
| - Lack of or failure to use prescribed PPE by the Contracting party employees and/or engaged persons, for the third reoccurring case 50,000 RSD for each detected case, employee and/or engaged person individually. |
| - Lack of or failure AGREEMENT use prescribed PPE by the Contracting party employees and/or engaged persons, for the fourth reoccurring case; Process of contract termination may be initiated; |
| - Lack of or failure to use prescribed PPE by the Contracting party employees and/or engaged persons on high risk activities (“hot works”- works related to heat sources , working in a confined space, working at height, digging and excavation works, works related to devices and facilities under high voltage) 100,000 RSD for each disclosed case, the employee and/or engaged person individually. |
| - Smoking or use of an open flame in places not intended for such use, by the staff of the Contracting party and / or the person engaged , 20,000 RSD for each disclosed case. |
| - Lack of record on legally prescribed and defined trainings, qualifications and induction training for occupational health and safety at the Site host’s premises, of the Contracting party’s staff and/or engaged persons. 10,000 RSD to 50,000 RSD per employee and / or engaged person individually. |
| - Lack of expert findings, reports on inspections, certificates and/or permits for equipment, resources and tools used by the Contracting party employees and/or engaged persons, in work processes. 10,000 RSD to 100,000 RSD per disclosed case. |
| - Failure to comply with the rules prescribed for danger zones, the system of work permits and internal standards by the Contracting party employees and/or engaged persons, 50,000 RSD for each disclosed case. |
| - Failure to comply with specific requirements defined by internal standards, procedures and instructions of the Site host, by the Contracting party employees and/or engaged persons 50,000 RSD for each disclosed case. |
| - Failure to comply with specific legal regulations in the field of fire protection related to installation of devices, obligations to equip the vehicles with spark traps and/or grounding devices by the Contracting party’s staff and/or engaged persons 50,000 RSD for each disclosed case. |
| - Failure to comply with specific legal regulations in the field of fire protection by the Contracting party employees and/or engaged persons 100,000 RSD for each disclosed case. |
| - The use of alcohol and/or other intoxicating substances (narcotics) by the Contracting party employees and/or engaged persons 100,000 RSD for each disclosed case. |
| - Failure to comply with legal regulations in the field of planning and construction by the Contracting party employees and/or engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with the legal regulations in the field of waste management by the Contracting party’s staff and/or engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with the laws and regulations in management of packaging and packaging waste, by the Contracting party employees and/or engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with the legal regulations in the field of water protection by the Contracting party’s staff and/or engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with the legal regulations in the field of land protection by the Contracting party’s staff and/or engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with the legal regulations in the field of air protection by the Contracting party’s staff and/or engaged persons 50,000 RSD to 100,000 for each disclosed case |
| - Failure to comply with legal regulations in the field of work with chemicals and hazardous substances by the Contracting party employees and/or engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with legal regulations related to preservation of green areas, by the Contracting party employees and/or engaged persons 50,000 RSD to 100,000 RSD for each disclosed case. |
| - Failure to inform Site host on the engagement of third parties on works under the Contract by the Contracting party and/or initial engaged persons 50,000 for each disclosed case. |
| - Unauthorized use and/or operation of any type of Site host's equipment, devices, tools and installations by the Contracting party employees and/or engaged persons 100,000 RSD for each disclosed case. |
| - Contact with overhead and/or underground electric lines by work equipment and/or devices, caused by negligence or breach of internal rules of the locations defined by the system of work permits by the Contracting party’s staff and/or engaged persons 100,000 RSD to 100,000 for each disclosed case. event |
| - Failure to comply with the legal regulations related to sanitary measures and supervision of the Contracting party’s staff and/or The SERVICE engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with the legal regulations in the field of food safety by the Contracting party’s staff and/or The SERVICE engaged persons 50,000 RSD to 100,000 for each disclosed case. |
| - Failure to comply with legal regulations in the field of health safety of items of general use by the Contracting party and/or persons The SERVICE engaged by the Contracting party 50,000 RSD to 100,000 RSD for each disclosed case. |
| - Failure to comply with legal regulations in the field of public protection against contagious diseases by the Contracting party’s staff and/or The SERVICE engaged persons 50,000 RSD to 100,000 RSD for each disclosed case. |
| Failure to comply with legal regulations in the field of good hygienic practice, defined by the Site host’s HACCP documents, by the Contracting party’s staff and/or The SERVICE engaged persons 50,000 RSD to 100,000 RSD for each disclosed case. |
| 1.10.13. The authorized persons of the Site host retain the discretion to select and/or combine sanctions from the previous paragraph and shall base each adopted decision on the circumstances of the specific case in question including the fact that any breach of obligations under items 1.3, 1.4.2, 1.4.3, 1.5.1 and 1.5.2 hereof is considered a dangerous activity regardless of whether actual harmful consequences occurred. |
| 1.10.14. In the event that the Site host is fined for violating regulations in the field of OHS, EP and FP, due to the consequence of the actions / omissions of the Contracting party's employees and / or the person engaged, the Party shall refund to the Site Host the amount of the fine incurred on such basis. |
| **2. 1. MISCELLANIOUS** |
| 2.1.1. The present AGREEMENT has been prepared in Serbian and English language in 2 (two) identical copies, whereof each Party shall receive two. This Agreement shall enter into force on the date of mutual signing and shall apply until the expiration of the Contract. |
| **Site Host**  **BELGRADE AIRPORT d.o.o. Beograd**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_ |
| **Contracting party**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Chief Executive Officer  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |