

PUBLIC PROCUREMENT DOCUMENTATION WITH SUBJECT:

**"SELECTION OF A LEADING INSURER FOR "GAS INTERCONNECTOR GREECE-
BULGARIA" PROJECT**

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ABBREVIATIONS AND DEFINITIONS

Contracting entity	The executive officers of ICGB AD
IGB	The gas pipeline connecting the Trans-Adriatic gas pipeline and the Greek national gas transmission network with the Bulgarian national gas network
Public procurement contract	A public procurement contract for: Selection of a leading insurer for a project Gas Interconnector Greece-Bulgaria , concluded between the CONTRACTING ENTITY and the nominated contractor
Documentation regarding the Public procurement	This documentation regarding the Public procurement
The law of the country where the Participant/the selected Contractor is established	Applicable law as follows: <ul style="list-style-type: none">(i) As regards the natural person – the national law within the meaning of art.48¹ Private International Law Code;(ii) As regards the legal entity – the law of the country determined in accordance with art. 56² of the Private International Law Code;(iii) As regards the alliances which are not legal entities – the law of the country where they are registered or established.
Application	The application for participation in a negotiation procedure with an

¹ Art. 48. (1) Within the meaning given by this Code, the national law of a person (lex patriae) shall be the law of the State of the nationality of the said person.

(2) The national law of a person holding dual or multiple nationality, of which one is Bulgarian nationality, shall be Bulgarian law.

(3) The national law of a person who is a national of two or more foreign States shall be the law of the State of habitual residence of the said person. Where the person does not have a habitual residence in any State whereof the said person is a national, the law of the State with which the said person has the closest connection shall apply.

(4) Within the meaning given by this Code, the national law of a stateless person shall be the law of the State of habitual residence of the said person.

(5) Within the meaning given by this Code, the national law of a person with a recognized refugee status and of an asylee shall be the law of the State of habitual residence of the said person.

(6) Where in the cases referred to in Paragraphs (3), (4) and (5) the person does not have a habitual residence or such cannot be established, the law of the State with which the said person has the closest connection shall apply.

(7) Within the meaning given by this Code, "habitual residence of a natural person" shall denote the place where the said person has settled predominantly to live without this being related to a need of registration or authorization of residence or settlement. For determination of this place, special regard must be had to circumstances of personal or professional nature arising from sustained connections of the person with the said place or from the intention of the said person to establish such connections.

² Art. 56. (1) The legal entities shall be governed by the law of the country where they are registered.

(2) When, there is no need for registration in order to incorporate a legal entity or it is registered in several countries, the law of the country where its seat is located according to its incorporation act shall apply.

(3) If, where under para. 2 the location of the seat according to the incorporation act does not coincide with the location of the actual management of the legal entity, the law of the country where its actual management is located shall apply.

(4) The branch of the legal entity shall be governed by the law of the country where it is registered.

	initial notice which is submitted by the Candidate as per the template in Appendix № 3
PPA	The Public Procurement Act (promulgated SG, issue 13 of 16 February 2016)
Contractor	Participant in the Procedure selected for a Contractor with a decision of the Contracting entity and with which the Contracting entity concludes Public procurement contract
Candidate	Natural person or a legal entity or their alliance (where the alliance is not a legal entity) that has submitted an Application for participation in a negotiation procedure with an initial notice
Announcement on the Public procurement	A document with which the Contracting entity announces the opening of the Procedure in accordance with the requirements of the PPA and which is approved together with the Documentation regarding the Public procurement in the Decision for the opening
Public procurement	Public procurement with a subject matter Selection of a leading insurer for a project Gas Interconnector Greece-Bulgaria
Tender	Offer submitted by a Participant to implement the Public procurement which contains the Technical offer and the Price offer
Subcontractor	Person which has given its consent to implement a specific part of the Public procurement, designated by the Candidate in the Request or participation and in the event that it is selected for a Contractor, it will conclude a subcontract
RIPPA	Rules on the application of the Public Procurement Act (promulgated SG, issue 28 of 08 April 2016)
Project/Project IGB	Project „Gas interconnector Greece - Bulgaria“
Procedure	This open Procedure for the award of a public procurement, opened with a Decision №P-15/13.06.2019 of the Contracting entity
Profile of the buyer	Internet address of the Contracting entity http://www.icgb.bg/profil-na-kupuvacha/proceduri-za-vuzlagane-na-op , where electronic documents regarding the Procedure are published
Decision for opening	Act issued under the PPA by the Contracting entity for the opening of the procedure, approving the Announcement on the Public procurement and the Documentation regarding the Public procurement
PPR	Register of the public procurements constituting a single electronic data base with information for the circumstances which are subject to registration as regards the procedures for the award of public procurements

Technical offer	Part of the Tender containing Offer for implementation of the Public procurement according to the template in Appendix № 6, authorization document, description.
Participant	Natural person or a legal entity or their alliance (where the alliance is not a legal entity) to whom a notice has been addressed and that has submitted a Tender in this procedure
Price offer	Part of the Tender containing the price offer of a Participant for performance of the Public procurement as per the template in Appendix № 7

SECTION I. GENERAL INFORMATION.

1. General information about the project.

The project for gas interconnector Greece-Bulgaria (IGB) is a project for a new gas transmission pipeline between the Hellenic Republic and the Republic of Bulgaria. The role of the project is to improve the security of supplies for the Republic of Bulgaria and the region and to connect the gas transmission networks of both countries.

The present project envisages the gas pipeline to connect the national gas transmission systems of Republic of Greece (in the region of Komotini) and Republic of Bulgaria (in the region of Zagore village, Stara Zagora municipality), ownership respectively of DESFA S.A. and „Bulgartransgaz” EAD. There have been started the negotiations for development and execution of the Interconnection Agreement. It has been agreed the point of connection along the route of the Trans-Adriatic gas pipeline, its location and technical parameters.

The total length of the gas pipeline route is about 182 km. Its length on the territory of Bulgaria is about 151 km and operational pressure 7,5 MPa and diameter DN800. The point where the gas pipeline crosses the border between Greece and Bulgaria is about 1,2 km to the north-east of Makaza border check point. The connection of the gas interconnector with the gas ring of Bulgaria will be done to the south of the village of Malko Kadievo, Stara Zagora municipality. The gas pipeline will be laid underground at a depth between 0.8 and 1.0m. Crossing of each obstacles shall be done as per an individual design.

The gas pipeline shall cross the regions of Haskovo, Kardzhali and Stara Zagora as on Bulgarian territory it shall affect the territory of 9 (nine) municipalities.

2. Technical implementation and progress under the project.

The IGB project has obtained positive EIA decisions by the competent authorities on Bulgarian and Greek territory in connection with implementation of the ecological legislation. The construction route has been designed on Bulgarian and Greek territory and it has been approved by the bodies in both countries - an Installation Act decision has been obtained on Greek territory and on Bulgarian territory a Detailed Spatial Plan - parcel plan of the site has been approved and has become effective.

A Technical design for Bulgarian territory and FEED for Greek territory have been developed, all engineering studies for the project have also been conducted, approval of authorities responsible for approval of the project as well as of third parties affected by construction of the gas pipeline has been obtained. For Greek territory FEED has been prepared in accordance with the Greek regulation for high-pressure gas pipelines, for Bulgarian territory the Technical design for the project has been prepared in accordance with the regulations for engineering of high-pressure gas pipelines and the Territory Planning Act on the territory of the Republic of Bulgaria. The technical design is approved by the Ministry of regional development and public works and a Construction permit №48 dated 12.09.2017, promulgated SG 76/2017, was issued for the project which as of the time of announcing the public procurement has become effective.

For the project have been started the main procedures on public procurement award:

- Procedure on selection of contractor for production and delivery of linear pipes;
- Procedure on design, delivery and construction of a gas interconnector Greece -Bulgaria;
- Procedure on selection of an Owner's engineer for the project;
- Procedure on award of archeological studies of archeological sites along the gas pipeline.

The whole information about the announced procedures and the conditions for participation and implementation of the public procurements is available on the internet site of the Contracting entity, in the Buyer's profile.

In the Buyer's profile, in the file of the procedure for selection of contractor for design, delivery and construction, the potential participants can find the whole information regarding the technical design. As a summary the same is presented in a Design Base Memorandum Appendix № 7 to Annex 1 – Technical specification to the Documentation³.

3. INFORMATION ABOUT THE CONTRACTING ENTITY.

The realization of the IGB project is implemented by the investment company ICGB AD (the Company) in which shareholders with equal share are the Bulgarian company BEH EAD (50%) and the Greek company Interconnector Greece-Italy Poseidon SA (50%). ICGB AD has been established as a project company with the main purpose to construct, commission and operate the Gas pipeline.

Upon awarding of this public procurement pursuant to PPA and RIPPA the executive officers representing the Company act as contracting authorities and apply the rules valid for sector contracting authorities.

This Tender Documentation has been drafted in Bulgarian and English Language and in case of discrepancy between both versions, the Bulgarian version shall prevail. The annexes which constitute the insurance policy (the insurance contract) have been drafted in English and Bulgaria language where the English version shall be the leading one.

Section II. DESCRIPTION OF THE PUBLIC PROCUREMENT SUBJECT

1. Terms of reference

The subject of the public procurement shall comprise a selection of a leading insurer for a Project „Gas interconnector Greece – Bulgaria“ with cover for all insurance risks (Construction All-Risks or CAR insurance).

In particular, the subject of the public procurement shall include:

ICGB propose to procure the following insurances for this project:

- ✓ Construction All Risks (CAR)
- ✓ Delay in Start Up (DSU)
- ✓ Third Party Liability (TPL)

³ <http://www.icgb.eu/downloads/profile/p5-a1a7bg.pdf>

ICGB have retained the services of Carpenter Turner as Insurance Broker to conduct this Tender.

Carpenter Turner have retained the services of Ed. Insurance Brokers (London) to be their representatives for this Tender, in the London Insurance markets.

After the choice of a leading Insurer,, co-insurers are selected by the Tenderer based on the advice of its Broker among those which shall meet the selection criteria and the requirements for implementation. The insurance broker, nominated by the Contracting entity has to ensure that these requirements are observed.

For obtaining knowledge for the specifics of the Project the candidates may use all the available documentation, published on the internet site of the Contracting Entity. The Candidates shall take into account the Technical Specification and its appendices, published in respect with the procedure for assigning of public procurement with a scope: Design, procurement and construction of natural gas Interconnector Greece-Bulgaria⁴.

Кандидатите следва да вземат предвид Техническата спецификация и приложенията към нея, публикувани във връзка с процедурата за възлагане на обществената поръчка с предмет: Проектиране, доставка и строителство на междусистемна газова връзка Гърция – България⁵

2. Place of implementation of the public procurement.

The place of implementation of the procurement shall be on territory of Republic of Bulgaria and the territory of Republic of Greece, including the seat of the Contracting entity– Sofia, № 13 Veslets, fl. 2.

Some of the types of works can be implemented at the office of the CONTRACTOR or at another place if this is appropriate or is required by the specifics of implementation of the respective activity.

3. Term for implementation.

The contract shall be implemented for a period of 24 months, as considered from its effective date, save for insurance policy period extension in the event of the Project's delay.,

4. Estimated value. Options.

4.1. Estimated value

The estimated value of the public procurement shall be **EUR 1 300 000 (in words: one million three-hundred thousand Euro) without insurance premium tax (IPT), which covers the period of the Insurance policy as well as any of its extensions due to delayed startup of the Project.**

⁴ <http://www.icgb.eu/buyers-profile/design-procurement-and-construction-of-a-natural-gas-interconnector-greece-bulgaria>

The estimated value shall appear the maximum amount of the financial resource, which the CONTRACTING ENTITY can provide. Offers, containing price offers, which exceed the determined financial resource, shall be eliminated from participation in the procedure, on the grounds of art 107, p. 2 , letter „a“ PPA as not meeting the preliminarily announced conditions for implementation of the procurement.

In their price offer the participants have to include all costs, related to the qualitative implementation of the procurement under the specified kind and scope according to the Terms of reference and the documentation for participation.

The offered price has to be specified in BGN with rounding to the second figure after the decimal number and has to comprise all costs in relation to the implementation of the procurement

4.2. Options

The Contracting entity shall reserve its right of „an option for providing additional services on insurance” under the conditions of the executed contract under the public procurement and within the frameworks of the validity of the contract. Option price: up to EUR 100.000(in words: .One-hundred thousand euro) without Insurance premium tax (IPT).

In accordance with art.21, para 1 of PPA the values of the options are included in the general estimated value of the procurement.

The option shall be awarded under the conditions of the executed contract under the public procurement and within the frameworks of the validity of the contract. The conditions for inclusion of the option are specified in the draft contract, an integral part of the present documentation. The CONTRACTING ENTITY can realize its right of „an option for provision of additional services on insurance” within the period of validity of the contract on award of the public procurement.

5. Payment.

The payment shall be made under the conditions, specified in the contract on award of the public procurement.

SECTION III. INFORMATION ON THE AWARD PROCEDURE

1. Legal ground for opening of the Procedure. Decision for opening. Announcement of the Public procurement

The subject of the public procurement shall be provision of services by virtue of art. 3, para 1, point 3 of PPA.

The Procedure shall be opened as a negotiation procedure with initial notice on the grounds of art. 132 in connection with art. 135 and art. 19, para 2, in connection with art.18, para 1, pt.4 of the PPA with a Decision No P-15/13.06.2019 of the Executive directors of the Company approving Announcement with outg No P-15/13.06.2019 and the Documentation regarding the Public procurement.

2. Type of the Procedure and motives for its selection.

Pursuant to art. 132 PPA upon award of public procurement, sector contracting authorities may freely choose a negotiation procedure with an initial notice for participation.

The selection of procedure in this case gives an option to the Contracting entity to hold negotiations with Participants which have received a notice for participation following pre-selection following initial tenders submitted by Candidates.

3. Lots – description of the lots/motives for the impossibility of dividing the procurement into lots.

The present procedure is not divided in separate lots. The CONTRACTING ENTITY has made judgment in accordance with art.46, para 1 of PPA. According to § 2, pt. 29 of the Additional provisions of PPA, "a separate lot" appears such part of the subject of the public procurement, which though it can be an independent subject of a public procurement, is systematically connected with the other positions from the subject of the public procurement

The purpose of awarding the procurement within a single subject matter without dividing it into lots is to achieve an optimum management process of the entire project and responsibility of one contractor for the activities to the fullest extent.

The subject of Public procurement does not envisage and does not allow the division in separate lots.

As considering the specificity of the subject of the procurement, it is impossible from objective point of view to be divided in particular stages/elements, which to be awarded to different contractors and respectively the division of the public procurement to separate lots is not feasible and not applicable in the present public procurement.

4. Criterion for the procurement award

Candidates in the procedure shall have to meet the requirements of PPA, RPPA and the CONTRACTING ENTITY, including the selection criteria stipulated by the CONTRACTING ENTITY in the notice and this documentation. Consideration and assessment of offers, ranking of participants and nomination of a Contractor shall be done pursuant to the procedure stipulated in PPA, RPPA and this documentation.

The assessment and classification of the offers shall be made based on "economically most beneficial offer".

The economically most beneficial offer shall be determined based on **the 'lowest price' award criterion under art. 70, para 2, pt. 1 of PPA**. On first place shall be ranked the participant, *which has offered the lowest price for implementation of the present public procurement*.

Section IV. REQUIREMENTS TO THE PARTICIPANTS.

1. Conditions and instructions for participation.

The present procedure of negotiation with initial notice for participation shall be conducted at two stages. The stages shall be as follows:

STAGE 1 – Submission of applications and pre-selection of candidates.

The application form shall contain information on the personal status of the candidates and selection criteria. At this stage of holding the procedure each person may file an application form in which it shall have to submit the information required by the CONTRACTING ENTITY with respect to non-existence of exclusion grounds and its compliance with the selection criteria.

At the preliminary selection the CONTRACTING ENTITY shall have no right to require and the candidate shall have no right to submit an offer

STAGE 2 – Submission of initial offers by candidates invited and holding negotiations with the participants.

The initial offer has to contain technical and price offer for implementation of the subject of the procurement. At this stage of holding of the procedure only candidates which THE CONTRACTING ENTITY has invited after conducted preliminary selection, can submit initial offers, which to serve as a basis for conduction of negotiations.

2. Selection criteria.

2.1. Suitability (qualification) to exercise professional activity

The candidate has to hold a valid license and/or analogical document for the territory of Bulgaria and Greece, with a scope the insurances under the subject of the present public procurement – for implementation of insurance activity under art. 29, para 1 of the Insurance code under classes of insurances in accordance with the subject of public procurement, issued under the Insurance code by the Financial supervision commission (FSC) and/or another competent authority.

The foreign candidates have to hold a valid licence and/or analogical document for the territory of Bulgaria and Greece with a scope the insurances under the subject of the present public procurement - for implementation of insurance activity issued under the Bulagrian legislation or equivalent document, issued according to the legislation of the member-state, in which the participant is established, valid at the moment of submission of the offer.

Proving the established requirement:

This circumstance shall be certified by specifying in ESPD, Part IV: Selection criteria, section A. "Capability" of the necessary data - type; number; issuer and period of validity of the document, scope and etc.

In the cases under art. 67, para 5 and para 6 of PPA the candidate shall submit a certified copy of the license under art. 29, para 1 in relation with Appendix 1 to the Insurance code with a scope the insurances under the subject of the present public procurement, issued under the Insurance code by the Financial supervision commission (FSC) and/or other competent authority, or analogical document, issued according to the legislation of the member-state, in which the participant is established.

The CONTRACTING ENTITY may require from the participants at any time after opening of the applications for participation or the offers to submit all some of the documents, by which is proven the information, specified in ESPD, when this is necessary for the lawful conduction of the procedure. The CONTRACTING ENTITY shall have no right to require documents, to which it has an access ex officio or through a public register or which can be provided by direct and free access to the national data bases of the member-states.

In cases of participation of consortiums, which are not legal entities, the requirement for capability shall only apply to the members of the consortium, which shall implement activities under the subject of the procurement (insurance services).

2.2. Technical and professional abilities

2.2.1. Implemented activities with subject and volume, identical or similar to those of the procurement, for the last 5 (five) years as of the date of submission of the Application for participation

For the last five years as of the date of submission of the offer, the Candidates should have implemented activities with subject, identical or similar to those of the procurement, namely: **minimum two implemented services** on insurance of projects for construction of land gas pipelines with working pressure more than 50 bar, which services have to be with a scope, including the risks, subject of the present public procurement. Given the nature of the order and in connection with the provision of art. 63, para. 2 of the PPA the contracting entity has set a period of five years rather than the three-year period specified in the PPA.

Proving the established requirement

The candidate has to submit information in Part IV, Section C of ESPD for activities with subject and volume, identical or similar to those of the procurement, by specifying the activities, implemented for the last three years, as considered from the date of submission of the Application.

In the cases under art. 67, para 5 and para 6 of PPA (prior to execution of a contract), the participant shall submit a List of services, identical or similar to the subject of the public procurement, accompanied by performance certificates, which to contain the value, the date, on which has completed the implementation, the subject of the service and the type of the project, for which it has been granted.

2.2.2. To have their own claims decision making authority

3. Specific requirements for implementation of the procurement

3.1. For a reason of the financing by a loan for the project realization and the requirements of the financial institutions, the Contracting entity shall set a requirement - for the whole period of implementation of the service the participants to have a financial strength rating of A- S&P or equivalent rating from other international reputable financial agencies (Fitch, Moody's and A.M. Best).

On the grounds of art. 39, para 3, b.g RIPPA the CONTRACTING ENTITY shall require the participant to prove that it has a financial strength rating A- S&P or equivalent rating for financial standing from the above-mentioned agencies (Fitch, Moody's and A.M. Best). In the application for participation in the procedure the participant has to state the financial strength rating, which it holds as well as to specify a link or another reference, from which to be seen this circumstance.

3.2. For the purposes of implementation of insurance program and other insurance policies for a Project „Gas interconnector Greece – Bulgaria“, as well as for serving the insurance contract, the Contracting entity shall use the services of an insurance broker -

CARPENTER TURNER S.A. Insurance and Reinsurance Broker & Consultant
www.carpenterturner.com

On the grounds of art, 301, para 3 of the Insurance Code the remuneration of the insurance broker shall be included in the insurance premium and shall be payable by the insurer.

4. General requirements for participation in the procedure

4.1. Candidates and participants in the procedure.

A candidate or a participant in a procedure on award of a public procurement can be any Bulgarian or foreign natural or legal person or their partnerships, as well as any other formation, which has the right to implement insurance services under the legislation of the state in which it is established.

A branch of a foreign person may be an individual candidate or participant in a public procurement award procedure if they can individually submit applications for participation or tenders and (can) conclude contracts pursuant to the legislation of the country where it is established.

For this public procurement *Candidate* by virtue of § 2, item 19 of the Additional provisions of PPA, is an economic subject that has submitted an application for participation in negotiation with an initial notice.

For this public procurement *Participant*, in the meaning of § 2, item 59 of the Additional provisions of PPA, is an economic subject that has submitted an offer or has been invited to participate in negotiations.

Each of the candidates or participants in the procedure upon performing the respective legal and factual activities in the course of holding the procedure shall have to be represented by the person who represents it legally or by a person duly authorized by them. In order to perform the respective activities on behalf and at the expense of the candidate/ participant in connection with holding the procedure by a representative as per authorization it is obligatory for a duly issued power of attorney

to be submitted which shall have to be in the original (signed and if possibly stamped) or a copy certified by a notary.

A natural or legal person may participate in one alliance (consortium) only.

A person which participates in an alliance or has agreed to be subcontractor of another candidate may not individually submit an application for participation

Related parties may not be individual candidates/ participants in one and the same procedure.

4.2. Grounds for mandatory exclusion.

4.2.1. THE Contracting entity shall exclude from the procedure an candidate or a participant when it:

1. Has been sentenced effectively, except if rehabilitated, for an offence pursuant to art. 108a, art.159a-159d, art.172, art.192a, art.194-217, art.219-252, art.253-260, art.301-307, art.321, 321a and art.352 -353f of the Criminal Code;
2. Has been sentenced effectively, except if rehabilitated, for an offence analogical to these under item 1 in another member state or a third state
3. has liabilities for taxes and mandatory social security contributions by virtue of art. 162, par. 2, pt. 1 of the Tax-Insurance Procedural Code and interest on them, to the state or to the municipality under the seat of THE CONTRACTING ENTITY and the candidate or the participant or analogical liabilities according to the legislation of the state, in which the candidate or the participant is established, proven by an effective act of a competent authority;

This item 3 shall not apply when:

-especially important or public interests need to be protected;

the amount of the unpaid taxes or social insurance contributions due is up to 1% of the amount of the annual general turnover for the last finished financial year, but not more than BGN 50 000;

4. There is an inequality in the cases under art. 44, par. 5 PPA when despite the measure taken pursuant to art. 44, par. 3 and/or 4 PPA application of the principle of inequality may not be ensured, the candidate or the participant who has taken part in market consultations and/or in the preparation of awarding the procurement shall be excluded for the procedure if they may not provide evidence that their participation does not lead to breaking this principle
5. It has been established that:
 - a) a document has been submitted with false content related to certifying the non-existence of grounds for exclusion or compliance with the selection criteria;
 - b) required information has not been submitted related to certifying the non-existence of grounds for exclusion or compliance with the selection criteria;

6. It has been established via an effective criminal order or a court judgment a violation of Art. 61, para. 1, Art. 62, para. 1 or 3, Art. 63, para. 1 or 2, Art. 118, Art. 128, Art. 228, para. 3, Art. 245 and Art. 301-305 of the Labor Code or Art. 13 para. 1 of the Labor Migration and Labor Mobility Act or similar obligations established by an act of a competent authority under the legislation of the state in which the candidate or the participant is established
7. There is a conflict of interest which may not be terminated;
8. It does not comply with the selection criteria set or fails to comply with another condition set in the notice for public procurement or in the notice for participation in negotiations or in the documentation for participation;
9. Has submitted a tender that does not comply with:
- a) the initially announced conditions of the procurement;
 - b) Rules and requirements related to environmental protection, social and labour law, applicable collective agreements and/or international environmental, social and labour law provisions listed in Appendix № 10 PPA-A list of conventions in the social sphere and in the environmental area
10. an candidate has failed to timely submit the justification under art.72, par. 1 PPA or whose offer has not been accepted in accordance with art. 72, par. 3-5 PPA.
11. there is a relation by virtue of par. 2, item 44 of the Additional provisions of the Public Procurement Act between candidates / participants in a particular procedure (Article 107, paragraph 4 of the PPA);
12. has submitted an application for participation or an offer, which does not meet the conditions for submission, including (the conditions regarding) form, way and term;
13. there are circumstances under art. 69 of the Law on Counteracting Corruption and forfeiture of illegally Acquired assets.
14. With respect to the Candidate/participant the prohibition for participation in public procurement is applicable pursuant to art. 3, Item 8 from the Law on Economic and Financial Relations with Companies registered in preferential tax regime jurisdictions, the persons related to them and their beneficial owners (EFRCRPTRJPRTTBOA).
15. The participant has not extended or has not confirmed the validity term of his offer, after he has been invited by the CONTRACTING ENTITY (art. 35a of RIPPA).

4.3. Reliability measures

4.3.1. An candidate or participant for whom one of the grounds for exclusion apply, shall have the right to submit evidence that it has undertaken measures which guarantee its reliability despite the existence of the respective grounds for exclusion. To this end the candidate or participant may prove that:

- It has cleared its payables under item 4.2.1, sub-item 3, including interest and/or fines accrued or that they have been rescheduled, deferred or secured;
- It has paid or is in the process of paying a compensation due for all damages arising as a result of the offence or breach committed by it;
- It has exhaustively clarified the facts and circumstances by actively having assisted competent authorities and having performed specific instructions, taken technical, organizational and personnel measures for preventing new offences or breaches;
- has paid in full the due receivable under Art. 128, Art. 228, para. 3 or Art. 245 of the Labor Code.

4.3.2. THE CONTRACTING ENTITY shall assess the measures undertaken by the candidate or participant, taking into account the weight and specific circumstances related to the crime or infringement

4.3.3. Application of the grounds for exclusion.

4.3.4. The grounds for exclusion under item 4.2.1, sub-items 14 shall apply when they have arisen before or in the course of the procedure.

4.3.5. The grounds for exclusion shall apply until the following periods expire:

- Five years after the sentence under item 4.2.1, sub-items 1 and 2 has taken effect, except if the sentence indicates a different term;
- Three years following the date of:
 - a) the effective date of the decision of the CONTRACTING ENTITY, by which the candidate or the participant has been eliminated for existence of the circumstances under pt. 3.2.1., section 5, letter "a";
 - b) the effective date of an act of a competent entity, by which has been established the existence of the circumstances under pt. 3.2.1., section 6, except if the act specifies another term;
 - c) the effective date of a court judgment or (of) another document, by which is proven the existence of the circumstances under pt. 3.2.1., section 14.

4.3.6. The grounds under pt. 4.2.1, points 1, 2 and 7 shall refer to the persons, who represent the participant or the candidate and for the members of its managing or supervisory bodies according to the register, in which is entered the participant or the candidate, if any, or the documents, certifying its legal personality. When in the composition of these bodies participate a legal entity, the grounds shall refer to the natural persons, which represent it according to the register, in which is entered the legal entity, if any, or the documents, certifying its legal personality. In these cases, when the candidate or the participant, or a legal entity in the composition of its controlling or managing body is represented by a natural person by proxy, the grounds under pt. 4.2.1, points 1, 2 and 7 shall also refer to this natural person.

4.3.7. The grounds for exclusion of a candidate or participant in the procedure under pt. 4.2.1, points 1 – 7 and under pt. 11 –15 shall apply also when the candidate or the participant appears a consortium of natural and/or legal persons and for a member of the consortium exist any of the grounds for exclusion.

4.4. Declaring and proving of selection criteria. Third party capacity. Subcontractors.

4.4.1. THE CONTRACTING ENTITY sets the selection criteria and the documents evidencing their compliance in the notice which announces opening of the procedure. The selection criteria determine the minimum eligibility requirements. The selection criteria are described in detail in pt. 2, Section IV above.

4.4.2. When consortiums, which are not legal persons, take participation, compliance with the selection criteria shall be evidenced by the participating consortium and not by each of the persons included in it, except for the respective registration, provision of a certificate or another condition required for performance of the procurement in accordance with the requirements of a regulatory or administrative deed and in accordance with the allocation of participation of persons in performance of the activities provided for in the agreement for establishing a consortium.

4.4.3. The Candidates and participants may for the particular procurement rely on the capacity of third parties, regardless of the legal relation between them, with respect to the criteria related to economic and financial standing, technical capabilities and professional competence.

4.4.4. No with respect to the criteria related to professional competence, candidates or participants may rely on the capacity of third parties only if the persons whose education, qualification or experience evidence compliance with the requirements of the Contracting entity will participate in performing that part of the procurement for which this capacity is required.

4.4.5. When the candidate or participant relies on the capacity of third parties, they need to be able to prove that they will use their resources by providing documents for the commitments assumed by the third parties.

4.4.6. Third parties shall have to meet the respective selection criteria, in order to prove them the participant refers to their expertise and no grounds for exclusions should apply for them.

4.4.7. THE CONTRACTING ENTITY shall require from the candidate or participant to replace the third party, nominated by it, if this third party does not meet any of the conditions under pt. 4.2. for a reason of change in circumstances before execution of the contract for a public procurement.

4.4.8. In the conditions of the procedure the CONTRACTING ENTITY sets a requirement for joint liability for performance of the procurement by the candidate or participant and the third party whose capacity is used to evidence compliance with the criteria related to economic and financial standing.

4.4.9. When a candidate or participant in the procedure is a consortium of natural and/or legal persons, they may evidence compliance with the selection criteria with the capacity of third parties in compliance with the provisions under pt. 4.2.

4.4.10. IMPORTANT: As taking into consideration the specific nature of the service and on the grounds of art 63, para 5 in relation to art. 63, para 4 of PPA, the insurance service about the main risks (CAR/DSU insurance) shall be made directly by the leading insurer.

4.4.11. For other activities, the Candidates and the participants have to specify in the application or the offer the subcontractors and the share of the procurement, which they shall award to them, if they intend to use such subcontractors. In this case the Candidates and the participants have to submit evidence for the commitments of the subcontractors. When upon implementation of the procurement the candidate envisages to use subcontractor/s, in ESPD has to be specified the services from the subject of the procurement, which shall be offered to subcontractors and the corresponding share to the services, in percentage from the value of the public procurement, and the envisaged subcontractors⁶.

4.4.12. The subcontractors have to meet the respective selection criteria according to the type and share of the procurement, which they shall implement and for them should not exist exclusion grounds.

4.4.13. The contractors shall execute a contract for subcontracting with the subcontractors, specified in the offer.

4.4.14. THE CONTRACTING ENTITY shall require a replacement of a subcontractor, which does not meet the conditions under pt. 4.4.12. for a reason of change in the circumstances before execution of the contract for a public procurement.

4.4.15. The subcontractors shall have no right to re-award one or more of the activities, which are included in the subject of the contract for subcontracting.

For a reason of the specificities of the subject of the public procurement, rules for direct payments with subcontractors shall not apply.

5. Instructions for filling in are provided in ESPD.

Upon submission of the Application for participation the Candidate has to declare the absence of the grounds for exclusion and correspondence to the selection criteria by submission of ESPD, respectively it has to describe the reliability measures under item 4.3. above, taken prior to the submission of the Application for participation. In ESPD has to be presented the respective information, required by the CONTRACTING ENTITY, and have to be specified the national data bases, in which are contained the declared circumstances or the competent bodies, which according to the legislation of the state, in which the candidate is established, are obliged to provide information.

The Candidates and the participants shall be obliged to notify in written the Contracting entity within 3-day term in case of occurrence of the respective circumstance for exclusion.

5.1. *European single procurement document (ESPD)*

Candidates have to submit an ESPD in electronic form on a digital media (USB flash drive or Disc).

⁶ It shall be filled in the ESPD, part IV, section B „Technical and professional abilities“item 10.

For this purpose, ESPD will be filled in via the European Commission's ESPD (eESPD) information system at <https://ec.europa.eu/tools/espdc>, following the below steps:

- 1) In the system is marked "economic operator";
- 2) Then ESPD file is loaded;
- 3) The xml file from Appendix 4 (espdc-request.xml) is loaded into the system;
- 4) The required data are filled in;
- 5) After reviewing the ESPD, it is downloaded in both formats - xml and pdf;
- 6) ESPD in pdf format has to be signed with an electronic signature by the respective obligated persons;
- 7) ESPD files xml and pdf (signed) are recorded on a digital media which is enclosed.

Point 5.2 below specifies what information has to be filled in the ESPD and specifically in which part / section / point the Candidate has to declare the relevant circumstances related to the personal status and the selection criteria.

ESPD shall be submitted by the candidate (economic operator) in accordance with the requirements of the law and the conditions of the Contracting entity and when applicable- ESPD for each of the members of the consortium which is not a legal person (if there have to be declared circumstances, related to the consortium, ESPD has to be submitted also for the consortium), for each subcontractor and for each person whose resources will be involved in implementation of the procurement.

The candidate shall have to also specify in the respective places in ESPD referring to subcontractors and third parties / other entities/, apart from other information required as per the ESPD template, the names of subcontractors and/or third parties if such are provided, with subcontractors and third parties respectively submitting ESPD in electronic form on a digital media (USB flash drive) all relevant to them and the procedure for awarding the present public procurement fields.

ESPD have to be signed with an electronic signature by the persons who represent the Candidate or the Participant, the members of the management and supervisory according to the register, in which is entered the candidate or the participant, if any, or the documents, certifying its legal personality. When in the membership of these bodies participate a legal person, an ESPD shall be signed also by the natural persons, who represent it according to the register, in which is entered the legal entity, if any, or the documents, certifying its legal personality.

5.2. Instructions for filling in ESPD:

The individual parts of the ESPD have to be filled in by the participant in the public procurement in accordance with the following instructions:

- the information requested by the shall be provided in the eESPD, indicating data on the public registers containing the declared circumstances or the competent authorities which are required to provide information under the legislation of the State in which the participant is established.

- a candidate (economic operator) which participates in the procurement on its own and does not use the capacity of third parties and sub-contractors to fulfill the selection criteria, has to fill in and submit one eESPD.

- a candidate (economic operator) which participates on its own but shall use the capacity of one or more third parties in respect to the selection criteria, has to submit a filled in separate eESPD for each of the third parties.

- a candidate (economic operator), which participates on its own but will use one or more subcontractors, submits a filled in separate eESPD for each of the subcontractors.

- when in the public procurement shall participate a consortium of natural and/or legal persons, which is not a legal entity, eESPD has to be submitted for each of the persons, participating in the consortium; if there is a need to be declared circumstances, related to the consortium, ESPD has to be submitted also for the consortium..

- when the persons under Art. 54, para. 2 and 3 of the Public Procurement Act are more than one and for them there is no difference in the circumstances under Art. 54, para. 1, items 1, 2 and 7 of the PPA (items 3.2.1., Subsections 1, 2 and 7) ESPD may be signed by one of these persons only if the signatory has information on the authenticity of the declared circumstances with respect to the other obliged persons (Article 41, paragraph 1 of the RIPPA). In this ESPD circumstances under art. 54, para. 1, items 3 - 6 of the Public Procurement Act may contain and those related to the selection criteria if the signatory can independently represent the respective economic entity. Where there is a need for personal data protection in case of difference in the circumstances related to the personal condition of the persons under Art. 54, para. 2 and 3 of the Public Procurement Act, the information regarding the requirements under Art. 54, para. 1, items 1, 2 and 7 of the Public Procurement Act shall be completed in a separate ASPD signed by the respective person (Article 41, paragraph 3 of the RIPPA). If it is necessary to declare the circumstances under Art. 54, para. 1, items 3 to 6 of the Public Procurement Act, as well as those related to the selection criteria related to a consortium which is not a legal entity, the consortium represents the ESPD for these circumstances.

- when for a candidate in the public procurement (economic operator) exist any of the grounds under Art. 54, para. 1 of the PPA and before submitting the offer, he has taken measures to prove the reliability under Art. 56 of the PPA, these measures have to be described in the ESPD. These measures shall be proven as to ESPD have to be enclosed:

a) a document for payment or agreement or other document showing that the obligations are secured or that the parties have agreed to their deferral or rescheduling, together with a repayment schedule and / or specified dates for the final payment of outstanding debts or is in the process of paying the due compensation.

b) a document from the respective competent authority confirming the above-described circumstances.

The documents, proving the absence of grounds for exclusion are those referred to in Art. 58 of the Public Procurement Act and shall be submitted by the participant selected as a contractor prior to the conclusion of a public procurement contract

- the candidate (the economic operator) should declare in the eESPD in **Part III "Grounds for exclusion", b. "D" "Other grounds for exclusion which may be provided under the national legislation of the contracting entity or the contracting entity of a Member State" with [yes] or [no] information relating to the following circumstances:**

a) convictions for crimes under art. 194 - 208, art. 213a – 217, art. 219 - 252 and art. 254a – 260 of the Criminal code.

** In the event that the representative has been convicted of crimes analogical to those cited above, in another Member State or a third country, the same is necessary to indicate the requested information.*

b) infringements under art. 61, para 1, art. 62, para 1 or 3, art. 63, para 1 or 2, art. 228, para 3 of the Labor code and infringements under art. 13, para 1 of the Law on the labor migration and the labor mobility (art. 54, para 1, pt. 6 of PPA);

c) circumstances under Art. 3, item 8 of the Economic and Financial Relations Act with the companies registered in preferential tax jurisdictions, the persons related to them and their actual owners, except in the exceptions referred to in Art. 4 of the same law.

d) existence of connectivity (relation) by virtue of para. 2, item 45 of the Additional provisions of the PPA between the Candidates or the participants in the present procedure.

e) circumstances under art. 69 of Law on Counteracting Corruption and forfeiture of illegally Acquired assets.

** If any specific national ground for exclusion from the abovementioned applies the economic operator should indicate in the eESPD that he has undertaken rehabilitation measures on his own initiative. If “yes”, the same should describe the measures taken.*

** When the requirements under (a) above apply to more than one person, all persons have to sign and the same eESPD and there is no difference in circumstances in regards of each of them, the ESPD may only be signed by one of these persons if the signatory has information on the reliability of the declared circumstances with respect to the other obliged persons (Article 41 (1) of the RPPA) . Where there is a need for personal data protect in the event of a difference in circumstances related to the personal standing of the liable persons, information on the requirements (under Article 54 (1) (1), (2) and (7) of the PPA) shall be filled in a separate ESPD., signed by the respective person (Article 41, paragraph 3 of the RPPA).*

Instructions for preparation and submission of ESPD (in an electronic form, using electronic means of communication).

ESPD is a personal statement in an electronic form.

When some of the obliged persons have to declare different circumstances related to the personal situation, they fill in a separate ESPD.

In cases where more than one ESPD is submitted due to circumstances under the previous sentence, the data related to the selection criteria shall be filled in only in ESPD signed with an electronic signature by a person who can represent the respective economic entity on its own (independently).

SECTION V. DESCRIPTION OF THE STAGES OF CONDUCTION OF NEGOTIATION PROCEDURE WITH AN INITIAL NOTICE.

1. Stage 1 – Submitting applications for participation and pre-selection.

1.1. In order to participate in the public procurement, the candidate has to submit an application for participation (Annex № 1), which has to be accompanied by documents, according to the requirements of the Contracting entity.

1.2. The persons may require written clarification from the Contracting entity with regard to conditions, which are contained in the decision, the announcement, the notice for confirmation of an interest, the documentation for the public procurement and the descriptive document within 10 days before expiration of the term for receiving the applications for participation and/or the offers.

1.3. The Contracting entity shall provide the clarifications within 4-day term as of receipt of the request, but not later than 6 days before the deadline for receipt of applications for participation and/or offers. The clarification shall not indicate the person, which has raised the request.

1.4. The Contracting entity shall not provide clarifications, if the request has been filed after the term under pt.1.2.

1.5. The clarifications shall be provided through the buyer's profile. The clarifications may not introduce changes in the conditions of the procedure.

1.6. After expiration of the term for receipt of applications for participation the Contracting entity shall appoint a committee. The actions of the committee shall be entered in Minutes of meeting, as the results from its work shall be entered in a report.

1.7. The Committee shall start work after it has received the register of the submitted applications and the submitted applications for participation.

1.8. The received applications for participation shall be opened on a public session, which can be attended by the Candidates in the procedure or their authorized representatives as well as representatives of the mass media.

1.9. The Committee shall open the sealed non-transparent envelopes according to the order of their submission and shall announce their contents, by which (act) shall end the public part of the session of the Committee.

1.10. The Committee shall examine the documents for correspondence with the requirements to the personal standing and the selection criteria, set by the Contracting entity, and shall draw Minutes of meeting.

1.11. When it is established a missing, incomplete information or incompliance of the information, including irregularity or a factual error or incompliance with the requirements for personal standing or the selection criteria, the committee shall specify this in the Minutes of meeting and shall send the Minutes of meeting to all candidates on the day of its publication in the buyer's profile.

1.12. Within 5 working days as of receipt of the Minutes of meeting, candidates with respect to whom inconsistent or missing information has been established, can submit to the committee a new ESPD and/or other documents which contain amended and/or supplemented information. The additionally submitted information may comprise facts and circumstances which have occurred after the deadline for receiving applications for participation.

1.13. The option under item 1.9 shall apply also to subcontractors and third parties referred to by the candidate. The candidate may replace a subcontractor or a third party when it has been established that the subcontractor or the third party do not meet the criteria of the Contracting entity when this does not lead to a change in the technical offer.

1.14. When the changes refer to circumstances, different from ones, the specified under pt. 4.2.1, section 1, 2 and 7, the new ESPD can be signed by one of the persons, who can independently represent the candidate.

1.15. After expiration of the term under pt.1.9. the Committee shall start examination of the additionally submitted documents in relation to the correspondence of the Candidates with the requirements to the personal standing and the selection criteria.

1.16. ПриIn the course of pre-selection and at each stage of the procedure the committee may, if required, request clarification on data provided by candidates and/or verify the data declared, including through requesting information from other bodies and persons.

1.17. The committee shall submit the protocol with the results from the pre-selection to the Contracting entity. Within 5 business days as of the date of approving the protocol the Contracting entity shall announce a decision with the candidates which will be invited to submit tenders, respectively- to participate in the negotiations. The decision shall also include the candidates that do not comply with the requirements announced by the Contracting entity and the grounds for this.

2. Stage 2 – Submission of initial offers and holding negotiations.

2.1. The notice for submission of an initial tender shall be sent to the candidates selected within 3 days as of:

2.1.1. Expiry of the term for appeal - when the decision is not appealed and if it is not appealed- no request for imposition of an interim measure has been made;

2.1.2. The ruling which rejects the request for an interim measure, has become effective;

2.1.3. Effectiveness of the decision when an interim measure has been imposed.

2.2. The Contracting entity may not invite to submit tenders or to participate in negotiations persons who have not submitted an application for participation or candidates, who do not meet the requirements for personal standing and the selection criteria.

2.3. The Contracting entity shall give instructions for preparation of the initial offer, which includes technical and price offer as well as it shall give instructions regarding a deadline for submission, place of submission of offers, in the notice for submission of the initial offer. The underwriting submission shall be enclosed to the notice and shall be provided

only to the invited candidates. It shall contain, as a minimum, the Base of Project, the sums insured, the projected income statement, the project chronogram, drawings of the pipeline's path, the Insurance policy wording.

- 2.4. After expiration of the term for submission of initial offers, the Committee shall continue its work as it shall receive from the Contracting entity the register of the submitted initial offers.
- 2.5. The received offers shall be opened on a public session, which can be attended by the participants in the procedure or their authorized representatives as well as representatives of the mass media. The Contracting entity shall announce through a communication in the buyer's profile the date, hour and place of the opening.
- 2.6. The Committee shall open the sealed non-transparent envelopes depending on the order of their submission and shall announce their contents.
- 2.7. At least three of the members of the Committee shall sign the technical offer and the price offer.
- 2.8. The Committee shall offer one of each of the presenting representatives of the other participants to sign the technical offer and the proposed price offer, by which shall end the public part of the session of the Committee.
- 2.9. The Committee shall examine the offers of the admitted participants and shall check for their correspondence with the preliminarily announced conditions and with each of the participants, which meet the preliminarily announced conditions shall be conducted negotiations individually. The order for conduction of the negotiations shall be determined by the Committee by lot, at which can attend representatives of the invited participants (art. 67, para 1 of RIPPA).
- 2.10. The lot for determination of the order of the negotiations shall be conducted in preliminarily announced date, hour and place by the Committee, which shall be published in the Buyer's profile.
- 2.11. The Committee shall conduct negotiations with each of the participants individually, as it shall strictly observe the initially announced conditions and requirements for implementation of the procurement. Upon negotiating, the legal representative of the participant has to submit an identity document and when it is conducted with an authorized representative– an explicit written power of attorney too (original or copy, certified by a notary public). The Committee shall have no right to announce the reached agreements with a participant before the other participants, except with its explicit consent. The Committee has to hold the negotiations with each of the participants in one and the same way, including as providing them one and the same information and asking one and the same questions.

- 2.12. When a proposal reached in the course of negotiations with a participant, related to price or costs, which is due to assessment, is with more than 20% more favorable than the average value of the proposals of the other participants under the same indicator for assessment, the Contracting entity shall require a detailed justification about the way it has been formed, which has to be submitted within 5-day term following the receipt of the request.
 - 2.12.1. The received justification shall be assessed with regard to its completeness and objectivity in relation to the circumstances, specified in PPA, to which the participant refers. If necessary from the participant may be requested clarifying information. The justification may not be accepted and the participant may be excluded only when the submitted evidence is not sufficient as to justify the offered price or costs.
 - 2.12.2. It shall not be admitted an offer, when it is ascertained that the price or costs, proposed in it, are with more than 20% more favorable than the average values of the respective proposals in the other offers, because there have not been observed norms and rules, related to the environment protection, social and labor law, applicable collective agreements and/or provisions of the international ecological, social and labor law.
 - 2.12.3. It shall not be admitted an offer, when it is ascertained that the price or costs, proposed in it, are with more than 20% more favorable than the average values of the respective proposals in the other offers for a reason of obtained state aid, when the participant can't prove within the envisaged term that the aid is in compliance with the internal market by virtue of art. 107 TFEU.
- 2.13. The Committee shall classify the participants according to the extent of correspondence of the offers to the preliminarily announced conditions by the Contracting entity.
- 2.14. In case the complex assessment of two or more offers are equal, advantage in classification shall have the offer, which contains more favorable proposals, assessed in the following order:
 - 2.14.1. Lower offered price;
 - 2.14.2. More favorable proposal about the amount of the costs, compared in descending order according to their weight;
 - 2.14.3. More favorable proposal under indicators outside the ones, specified in pt. 2.14.1 and pt. 2.14.2., compared in descending order according to their weight.
- 2.15. The Committee shall hold a public lot for determination of contractor between the offers, classified on first place, if the participants can't be classified in accordance with 2.14 or if the selection criterion is the lowest price and this price is proposed in two or more offers.
- 2.16. The Committee shall draw a report for the results of its work after it has finished its work.

- 2.17. The report of the Committee shall be signed by all members and shall be provided to the Contracting entity together with the whole documentation, including all documents, prepared in the course of the Committee's work as minutes of meetings, assessment tables, the motives for the reservations, the submitted samples, models and/or photos and etc.
- 2.18. When in the course of the work arise reasonable doubts for agreements, decisions or agreed practices between participants by virtue of art.15 of the Law on protection of the competition, this circumstance shall be stated in the report. Within 10-day term following the receipt of the report, the Contracting entity shall approve it or shall return it back to the Committee with written instructions. The Contracting entity shall return it to the Committee with written instructions, when the information in it is not enough for taking a decision for finishing the procedure and it ascertains the violation. Within 10-day term following the approval of the report the Contracting entity shall issue a decision for determination of contractor or for termination of the procedure.

**SECTION VI. SUBMISSION OF AN APPLICATION FOR PARTICIPATION AND TENDER
A HARD COPY. INSTRUCTIONS ON SUBMISSION OF APPLICATIONS AND TENDERS.
REQUIRED DOCUMENTS.**

1. The documents, related to the participation in the procedure have to be submitted by the candidate/ participant or by a representative authorized by it, in person or through a post or other courier service by a registered post with acknowledgment of receipt on the address, specified by the Contracting entity.
2. The application has to be submitted in Bulgarian and in English, in original, on a hard copy and on an electronic data carrier.
3. The electronic copies of the documents on an electronic data carrier have to be in Bulgarian and in English and have to be arranged in folders in the same order, in which they are submitted on a hard copy. The names of folders and files have to clearly indicate the contents. The files have to be in a form, allowing complete text search and copying of part of the contents as to be eased the work of the Committee.
4. In case of discrepancy between the texts from the hard copy and those from the electronic data carrier, priority shall have the texts from the hard copy.
5. The documents shall be submitted in a sealed non-transparent envelope containing the required documents, on which has to be specified:
 - a. the name of the candidate/participant, including the participants in the consortium, when applicable;
 - b. correspondence address phone and if possible-fax and electronic address;
 - c. the name of the procurement;
6. Upon submission of applications for participation in the procedure, the envelope shall contain at least the following documents:
 - 6.6.1. A list of the documents according to Form №2;
 - 6.6.2. Application for participation according to Form №1;
 - 6.6.3. An electronic European single procurement document (ESPD) about the candidate in accordance with the requirements of the law and the conditions of the Contracting entity (Form №3).
 - 6.6.4. Declaration under art. 67, para 3, PPA, that the participants would like to use an ESPD, which has been already submitted and published (Form № 8), when applicable.
 - 6.6.5. Documents for proving of the undertaken reliability measures, when applicable. The documents have to be submitted in the cases, when for the candidate tit has occur a ground for exclusion under art. 54, para 1 of the PPA before submitting the application for participation and he has undertaken reliability meaasures.

6.6.6. The following documents have to be submitted as an evidence for the reliability of the candidate:

a) with regard to the circumstance under art. 56, para 1, pt. 1 and 2 of PPA – a document for made payment or an agreement or another document, from which to be seen that the liabilities are secured or that the parties have agreed on their deferment or rescheduling along with a rescheduling plan and/or with specified dates for final payment of the pending liabilities or it is in a process of paying due compensation;

b) with regard to the circumstance under art. 56, para 1, pt. 3 of PPA – a document from the respective competent entity for confirmation of the above-described circumstances.;

6.6.5. In the cases of participants- consortiums, which are not legal persons: a document (a copy of a document), from which to be seen the legal grounds for establishment of the consortium. The document has to contain also the following information:

- Rights and obligations of the participants in the consortium;
- Solidarity of the liabilities and the distribution of the responsibility amongst the members of the consortium;
- The activities, which shall implement each member of the consortium;
- The representative of the consortium.

If the above-described information is not contained in the document for establishment of the consortium, the same can be submitted on an individual document, signed by the participants in the consortium.

7. Upon receipt of the application for participation or the offer, on the envelope shall be marked the consecutive number, date and hour of receipt, for which the bearer shall be given a document.
8. The Candidates have to submit an application заявление for participation within the term, specified in the announcement, on the following address: **Sofia, No 13 „Veslets“ str., fl.2, „ICGB“ AD.**
9. Each candidate in the procedure shall have the right to submit only one application for participation in Bulgarian and English, on original hard copy as well as on an electronic data carrier.
10. Till expiration of the term for submission of the application for participation, each candidate can amend, supplement or withdraw its application.
11. There shall not be admitted applications for participation, which are submitted after expiration of the deadline for receipt or if they are in a non-sealed envelope or in a damaged envelope. In case at the moment of expiration of the deadline for receipt of applications for participation in front of the place, determined for their submission, there are still waiting persons, it shall be made a list of the waiting persons. The list shall be signed by a

- representative of the Contracting entity and by the presenting persons. The applications for participation of the persons from the list shall be entered into the register. It shall not be admitted receipt of applications for participation from persons, which are not included in the list.
12. The costs, related to the preparation and submission of the application for participation shall be on the account of the candidate. The Candidates shall have no right of claims for the costs, incurred by them, regardless of the result of the procedure on award of the public procurement.
 13. Initial offer shall be submitted on the second stage of conduction of the procedure on award of the public procurement, from the Candidates, which are invited by the Contracting entity to submit an initial offer.
 14. Upon submission of the initial offer, the envelope has to contain at least the following documents:
 - 14.1. A technical offer, containing:
 - 14.1.1. A proposal for implementation of the procurement in accordance with the Terms of reference and the requirements of the Contracting entity and its annexes according to Form №5;
 - 14.1.2. A declaration, that upon preparation of the offer have been observed the obligations, related to taxes, environment protection, employment protection and conditions of labor protection (part of the Proposal for implementation of the procurement)
 - 14.1.3. A price offer according to Form №6 and Form №6a;
 - 14.2. The price offer has to be placed in a separate sealed envelope with inscription „Offered price parameters“, addressed with the name of the participant, containing: filled in and signed price offer and its enclosures (annexes).

Note: Out of the envelope „Offered price parameters“ it should not be specified any information regarding the price. Participants, which in any way have included anywhere in their offer out of the envelope „Offered price parameters” elements, related to the offered price (or parts of it), shall be excluded from participation in the procedure.
 15. The participants have to submit initial offers within the term, specified in the notice for submission of initial offer on the following address: **Sofia, No 13 „Veslete“ str., fl.2, „ICGB“ AD.**
 16. Each participant in the procedure shall have the right to submit only one offer for participation. The offer for participation has to be prepared in Bulgarian and English, on original hard copy as well as on an electronic data carrier.

17. Till the expiration of the term for a submission of the offer for participation, each participant can amend, supplement or withdraw its offer.
18. The documents, related to the participation in the procedure, have to be submitted in one copy by the the participant or by a representative authorized by it – in person or through a post or other courier service by a registered post with acknowledgment of receipt on the address, specified by the Contracting entity. When the participant in the procedure is Bulgarian natural or legal person or their consortiums, or a foreign natural or legal person, or their consortiums and it submits documents, which are contained in the application for participation or in the offer, which (documents) are in a foreign language, the same have to be submitted also translated in Bulgarian. The person, who has made the translation, has to write his/her names and has to sign the document.
19. When for some of the specified documents is determined that they can be submitted by „a copy, certified from the participant”, for such document shall be considered this document, at which on the copy of the document the representative of the participant has laid its handwritten signature under the certification „True with the original” and a stamp of the participant.
20. The above-described documents have to be submitted in a sealed non-transparent envelope with inscription „**INITIAL OFFER**“, on which have to be specified:
 - 20.1. the name of the participant, including the participants in the consortium, when applicable;
 - 20.2. a correspondence address, phone and if possible – fax and electronic address;
 - 20.3. the name of the procurement.
21. Upon receipt of initial offer on the envelope shall be marked the consecutive number, date and hour of receipt, for which the bearer shall be given a document.
22. There shall not be admitted initial offers, which are submitted after expiration of the deadline for receipt or if they are in a non-sealed envelope or in a damaged envelope. In case at the moment of expiration of the deadline for receipt of initial offers in front of the place, determined for their submission, there are still waiting persons, it shall be made a list of the waiting persons. The list shall be signed by a representative of the Contracting entity and by the presenting persons. The initial offers of the persons from the list shall be entered into the register. It shall not be admitted receipt of initial offers from persons, which are not included in the list.
23. The costs, related to the preparation and submission of the offer shall be on the account of the candidate. The Candidates shall have no right of claims for the costs, incurred by them, regardless of the result of the procedure on award of the public procurement.

SECTION VII. DETERMINATION OF CONTRACTOR OF THE PUBLIC PROCUREMENT

1. Execution of a public procurement contract

The contract shall be executed between the participant selected for a contractor and the Contracting entity under the Public procurement act (PPA) and upon subsidiary implementation of the Law on commerce (LC) and the Obligations and contracts act (OCA) of Republic of Bulgaria.

Prior to the execution of a public procurement contract, the Contracting entity shall require from the participant, determined for contractor, to submit up-to-date documents, certifying the absence of the grounds for exclusion from the procedure, as well as for correspondence with the established selection criteria. There have to be submitted also the documents regarding the subcontractors and the third parties, if any .

The Insurance contract shall be executed in English language.

2. Proof of the absence of grounds for exclusion

In order to prove the absence of grounds for exclusion, the participant, selected for contractor, shall be obliged to submit:

- a) About the circumstances under art. 54, para 1, pt. 1, PPA – certificate showing no previous conviction;
- b) About the circumstances under art. 54, para 1, pt. 3, PPA – certificate from the revenue authorities and certificate from the municipality under the seat of the Contracting entity and the participant;
- c) About the circumstances under art. 54, para 1, pt. 6, PPA – certificate from the boides of Executive agency „Chief labor inspection“. If the certificate contains information for an effective criminal order or court judgment for infringement under art. 54, para 1, pt. 6 PPA, the participant has to submit a declaration, that the infringement has not been made upon implementation of a public procurement contract;

The documents have to be submitted in original or a in copy, certified by the participant. The documents have to be submitted for each member of the consortium, as well as for each of the subcontractors and the third parties, if such shall be used.

When the participant, selected for a contractor, is a foreign person, it has to submit the respective document, issued by a competent authority, according to the legislation of the country, in which the participant is established. When the respective country does not issue such a document or when this document does not contain all circumstances, the participant has to submit a declaration, if such declaration has a legal effect according to the legislation of the respective country. If such declaration has no legal effect, the participant has to submit an official request, made to the competent authority in the respective country.

In the cases, when the selected contractor is a foreign person and in the respective country are not issued documents about the above-mentioned circumstances or when the documents do not include all

circumstances, the participant has to submit a declaration, if such declaration has a legal effect according to the legislation of the respective country.

If the declaration has no legal effect, the participant has to submit an official statement, made before the competent authority in the respective country.

The Contracting entity shall have no right to require documents, to which it has an access ex officio or through a public register, or which can be provided through direct and free access to the national data bases of the member-states.

When the determined contractor is an unincorporated consortium of natural and/or legal persons and in view of the circumstance that the Contracting entity has not envisaged in the Announcement a requirement for establishment of a legal entity, the contract for a public procurement shall be executed after the Contractor has submitted to the Contracting entity a certified copy of certificate for a tax registration and registration under BULSTAT or equivalent documents according to the legislation of the country, in which the consortium is established.

3. Documents prior to execution of a contract. Performance guarantee

3.1. Documents prior to execution of a contract

Upon the execution of the contract for a public procurement the participant, determined for contractor, shall be obliged to submit:

1. the determined guarantee, which to secure the performance of the contract;
2. when the selected contractor is a consortium, which is not a legal entity – a certified copy of certificate for tax registration and registration under BULSTAT or equivalent documents according to the laws of the country, in which is established the consortium.
3. a declaration under art. 6, para 2 of the Measures against money laundering act (MAMLA).
4. Current documents, certifying the absence of the grounds for exclusion from the procedure, as well as the correspondence to the selection criteria, specified in pt. 2, section IV "Requirements to the participants" from the present documentation.

The contract for a public procurement has to correspond to the draft, enclosed in the documentation, supplemented with all proposals from the offer of the participant, on the grounds of which it is determined for a contractor. Amendments in the draft contract shall be admitted as exception, when it is met the conditions under art. 116, para 1, pt. 5 PPA and they are caused by circumstances, which have arisen during or after conduction of the procedure.

4. Amendment of an executed contract

Amendment of an executed public procurement contract shall be admitted as exception, according to the applicable hypotheses under art. 116 PPA. About the contract for subcontractors apply the provisions of art. 75 RPPA.

After execution of the Contract for a public procurement and to the latest before starting its implementation, the Contractor has to notify the Contracting entity about the contact data and the

representatives of the subcontractors, specified in the offer. The Contractor has to inform the Contracting entity about any changes in the submitted information in the course of the implementation of the procurement

SECTION VIII. DOCUMENTS FOR STAGE 1.

ANNEX 1: APPLICATION FOR PARTICIPATION

By

.....
, *(name of the candidate)* with seat and registered address.....
 (settlement and address) [BULSTAT/UIC/UNIFIED IDENTIFICATION NUMBER/registration number and/or other identifying information in accordance with the legislation of the country, in which the candidate is established]⁷:, a Candidate in a procedure of negotiation with initial notice for participation with subject: **"Selection of a leading insurer for a project "Gas interconnector Greece-Bulgaria"**, represented by*(full name)* UNIFIED CIVIL NUMBER....., ID card No, issued on year by the Ministry of Interior -⁸, , in the capacity of⁹ of the candidate

DEAR LADIES AND GENTLEMEN,

By the present application I (we) would like to express a willing for participation in a negotiation procedure with initial notice for participation in a public procurement with subject: **"Selection of a leading insurer for a project "Gas interconnector Greece-Bulgaria"**

1. To the application I (we) enclose a list of the submitted documents, concerning the participation of the above-mentioned candidate in the present public procurement.
2. I (we) hereby declare that I (we) are aware and we agree with no objections with the conditions of the public procurement.
3. We hereby declare that in view of the specific conditions for implementation of the public procurement, the credit rating which we have and shall maintain, is A-/BBB+ S&P under S&P respectively an equivalent....., which can be established from:

4. We are aware that on the grounds of art. 104, ал. 5 of PPA, the financial standing, declared above can be checked any time by the Contracting entity, including there may be required clarifications or additional evidence for declared data.
5. The information, contained in (there have to be specified particular part/parts of the application for participation), has to be considered as confidential, because it

⁷ Please leave only the true text

⁸ In case the representative/representatives of the Candidate are foreign citizens, please specify individualizing information in accordance with the legislation of the country, whose citizen/s is/are the respective person/s.

⁹ When the Candidate is represented by more than one person, the specified data have to be filled in for each of them.

contains commercial secret of the candidate. We wouldn't like the above-mentioned information to be disclosed by the Contracting entity, except in the cases, envisaged by law.

6. We hereby submit the required documents, described in the enclosed list, in accordance with the requirements of the announcement and the documentation for the public procurement.
7. In case we are approved in the initial selection and if we are invited for participation in the second stage of the procedure, we shall submit an initial offer.
8. For preparation and submission of initial offer according to the requirements of the documentation for participation, we shall need at least 15 (fifteen) calendar days as considered from the date of sending from you an invitation for submission of offers. (the candidate may specify another term too).
9. If the Contracting entity determines in the notice for participation a term for submission of initial offer, which is the above-mentioned or a longer one, we shall consider that we have reached an agreement with the Contracting entity, according to art. 135, para 5 of PPA regarding the term for submission of the offers. We are aware of the statutory right of the Contracting entity, if it does not reach an agreement within the term for submission of offers with all candidates, (that) the same may specify a term according to art. 135, para 6 of PPA, for submission of the offers, which may not be shorter than 10 days as considered from the date of sending the notice for submission of offers.

Date _____ year

Signature and stamp:

(name and surname)

(position of the representative of the candidate)

ANNEX 2: LIST THE DOCUMENTS

ANNEX 3: EUROPEAN SINGLE PROCUREMENT DOCUMENT (ESPD)

ANNEX 4¹⁰: DECLARATION ACCORDING TO ART. 67, PARA 3 PPA¹¹

SECTION IX. DOCUMENTS FOR STAGE 2 – SUBMISSION OF OFFERS.

ANNEX 5: TECHNICAL OFFER

ANNEX 6: PRICE OFFER

ANNEX 7: DRAFT CONTRACT

Annex 7 a – Insurance schedule

Annex 7b – Schedule of sublimit

Annex 7c – Insurance Policy wording

¹⁰ The candidates can use the opportunity under art. 67, para 3 PPA, when there is provided direct and unlimited access in an electronic way to an electronic ESPD, which has been already prepared and signed electronically. In these cases instead of an ESPD shall e submitted a declaration according to a form, by which shall be confirmed the up-to-date data and the authenticity of the signatures in the published ESPD, and shall be specified the address, on which is provided an access to the document.

¹¹ The provision is cancelled, bu the cancellation shall be effective as from 01.11.2019