**Expression of the Interests**

**On attracting Investments to Attract Investments Offering Modern Technology for**

**Recycling Solid Household Waste and for Construction/Management of Waste**

**Recycling Plant(s) on the Territory of Batumi Municipality**

**General Information**

Batumi City Hall calls for the Expression of the Interests to attract investments offering modern technology for solid household waste recycling and construction/management of waste recycling plant(s).

Expression of Interests aims to attract investors to construct and manage solid household waste recycling plant(s) of modern technologies.

Any interested Georgian or Foreign legal body or amalgamation of legal bodies is entitled to participate in Expression of Interest meeting the defined requests.

Winner of the Expression of Interest shall be announced by the special committee created according to the ordinance of the Mayor of Batumi Municipality. The Memorandum of Collaboration shall be signed between Batumi City Hall and the winner of the expression of Interests.

**Requirements for the Candidate(s)**

In addition to the letter of Expression of the Interests, candidate(s) are required to submit the following information and documents:

1. Official Name and Address;
2. Statement from Business Register / Legal Body Registration Statement (and any other documents regarding registration, change of the name, etc.);
3. Notarized copies of the organization(s) charter
4. Company summary;
5. Description of the experience of the candidate or candidates’ sub-contractor confirming the compliance with the criteria of this document (regarding requested experience). If the candidate’s experience is mainly based on the experience of its sub-contractor, documents confirming readiness of each sub-contractor to participate in the project shall be submitted additionally. Description of the experience shall be supported with the relevant documents and notifications;
6. All parties involved in the project shall submit audited financial statements of the past 3 years including consolidating financial statements of the amalgamation of the legal bodies in which these parties participate;
7. Duly certified list of partners owning more than 5% of the shares of the Candidate;
8. Business Concept (including basic financial calculations);
9. List of plants already in action constructed by the Candidate using modern technologies with indication of contact information as well as list of current projects (if existed);
10. Information about the relevant no less than 3-year experience of working in the field of household waste recycling (submission of the document verifying the experience in the field is obligatory);
11. A letter confirming that company undertakes obligation that no less than 70% of the staff necessary to ensure the construction and operation of the plant(s) shall consist of Georgian citizens;
12. All the required documents in English submitted by the foreign company shall be apostilled by the authorities of the relevant country; Georgian translation of the documents shall be notarized.

**Winner announcement criteria**

1. Preferences shall be granted to the candidate proposing the offer not requesting fees (Gate/Tipping Fee) for waste submitted to the plant(s) for further recycling;
2. In case of all submitted offers requesting fees for recycling waste delivered to the plants, preferences shall be granted to the candidate proposing the offer with lowest fee.
3. Where more than one candidate are in the similar position due to their submitted offers, the Commission shall define additional time terms for them in order to submit improved offers regarding evaluation criteria for further consideration.

**Submitting Applications of Expression of Interests**

1. Application on Expression of the Interests (Georgian and English copies) should be submitted in the form of one printed and signed original document and one digital copy (PDF format). Application should be placed into the sealed envelope and submitted at Batumi City Hall no later than 18:00 Batumi local time, March 31, 2016 at the following address: # 25 L. Asatiani St., Batumi, Georgia. In the cases when there is a discrepancy between the printed original and the digital copy, preference shall be given to the printed original document.
2. Candidate(s) shall undertake responsibility for the accuracy of the submitted document.
3. Candidates may request clarifications regarding certain issues through the e-mail address: info@batumi.ge no later than March 10, 2016.
4. In the cases when upon the submitting of the application the candidate does not submit the requested information listed above or submits incomplete list of documents, the candidate shall not be considered. Applications received after the deadline shall remain unconsidered and Batumi City Hall shall send appropriate notification to the relevant candidate.

**Rights and obligations of Batumi City Hall**

1. Batumi City Hall undertakes the obligation to assist the interested bodies within its competence in finding the appropriate location necessary for construction of the waste recycling plant and transferring it into free use and equitable servitude for about 25 years under the frames of Memorandum on Building, Operation and Transfer (BOT). However, equitable servitude shall be transferred only if the requested obligations are met.
2. Batumi City Hall also undertakes the obligation to provide the waste recycling plant with the necessary communication systems.
3. Batumi City Hall is empowered to verify the authenticity of documents presented by the candidates and / or request additional documentation.
4. Batumi City Hall does not undertake any obligations concerning the procurement of the products produced by the waste recycling plant(s).
5. Batumi City Hall does not undertake any obligations towards the winner body concerning the composition of the delivered waste.
6. Batumi City Hall does not undertake any financial obligations towards the interested bodies concerning the taxes (Gate/Tipping Fee) due to the waste delivered to the waste recycling plant(s).
7. Batumi City Hall does not undertake any obligations towards the winner body concerning the transportation of the waste left after recycling to the waste polygon.

**Expression of the Interest and Selection Procedure**

1. The Commission shall determine the short list of the candidates within 45 calendar days after the deadline for the application of Expression of Interests. Short list shall consist of only those 5 candidates which the Commission finds to meet the requirements of the call for Expression of the Interests.
2. A letter notifying the candidates about being or not being shortlisted shall be sent to the candidates. No later than 90 calendar days upon receiving of the notification about being shortlisted interested candidates shall submit the detailed Business Plan and Feasibility Studies to the Commission for further consideration. The Commission shall consider the submitted documents within 30 calendar days. In the case of approval the candidate shall receive a written confirmation.
3. Shortlisted candidates shall submit to the Commission documents and feasibility studies providing the following information about:

* The products received after the recycling process, their type, amount and quality parameters;
* production capacity (daily volume of recycled waste – tones);
* approximate amount of investments for construction of the waste recycling plant(s);
* project duration (indicating duration of construction design and duration of construction works);
* applied standards;
* main technical parameters and description of the applied technologies (including certificates, if available);
* Estimated locations for construction of the waste recycling plant(s);
* Estimated scheme and markets to sell the products produced after recycling the waste;
* Information about the volume and composition of the waste left after recycling and the plan for discharge of industrial waste.

**Memorandum Provisions**

1. Memorandum shall be signed with the interested body which submits business plan with attached documentation that receives best evaluation than any other submitted business plan. Memorandum shall be signed within 30 calendar days upon the written notification of the interested body on the winning.
2. In order to sign the memorandum, interested body, in accordance with provisions of the Report on Evaluation of Environmental Impact and Memorandum, should submit to the Batumi City Hall unconditional, irrevocable bank-guarantee (pre-construction guarantee) amounting to 2% (two) of the total volume of the investment necessary for the construction of the solid household waste recycling plant(s) in the currency that the proposal is submitted within 30 calendar days upon receiving the written notification on the winning. Pre-construction guarantee should be issued by the Organization for Economic Cooperation and Development (OECD) member-state (verified by the National Bank of Georgia) or by any bank licensed in Georgia.
3. Violation of requested provisions (submission of the Report on Evaluation of Environmental Impact and acceptance of the Construction Permit accordance with the Memorandum) shall lead to fine imposition of fine to the violator body that amounts to 0,5% of the gross amount of the pre-construction guarantee for each overdue day. Imposed fines are due to be paid by the violator body no later than 15 calendar days upon receiving the relevant request from Batumi City Hall . If the imposed fines are not paid within the requested period, Batumi City Hall shall request to cover the sum of the fine from pre-construction guaranty.
4. When the sum of the fines imposed over the violator body amounts to 50% of the gross amount of the pre-construction guarantee, Batumi City Hall is authorized to unilaterally terminate the validation of the Memorandum. In such cases, Batumi City Hall shall request the gross amount of the pre-construction guarantee.
5. In order to ensure working process of the solid household waste recycling plant(s) and to hedge the possible risks during the investment period, the Commission may prepare and consider recommendations regarding the submission of additional guarantees by the investor.
6. When the only interested body submits the application that meets the defined requirements The Commission is authorized to announce the only applicant to be the winner.
7. Draft Memorandum and Contract to be signed with the winner of the Expression of the Interests shall be agreed with the Commission of Batumi City Hall and are signed according to the acting legislative rules.
8. In case when the Memorandum is not signed with the winner body, the Commission is authorized to sign the memorandum with the interested body that submitted the next best application in the list.
9. Supervision over the implementation of the Memorandum shall be preceded by the relevant service of Batumi City Hall and submits the relevant information to the Commission for further consideration.

**Powers of the Commission**

**The Commission is authorized to:**

* Request clarifications or additional documents regarding applications submitted by the candidates;
* Disqualify any candidate that submits the application inconsistent with the request of the instructions of the certain call for applications;
* Disqualify any candidate that misrepresents facts while submitting the application of Expression of the Interest;
* Withdraw the call for applications of expression of the interests or re-call for the applicants on the same or different basis by publication of the relevant information on the official web-page of Batumi City Hall.

**Applicable Legislation and Dispute Resolution**

1. Application of the Expression of the Interests and submission of the documents as well as any disputes emerged regarding this Expression of the Interests shall be regulated by Georgian legislation.
2. Any disputes emerged regarding this Expression of the Interests shall be considered at Georgian Courts.

**Contact Information:**

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| --- | --- | --- | --- |
| **Weight of waste delivered to the polygon** | | | |
|  | **2012** | **2013** | **2014** |
| **January** | 4,630.0 | 4,653.0 | 4,957.4 |
| **February** | 3,907.4 | 4,007.9 | 4,112.4 |
| **March** | 4,256.5 | 4,393.4 | 4,427.2 |
| **April** | 4,180.3 | 4,199.6 | 5,186.0 |
| **May** | 4,740.4 | 4,748.4 | 5,340.3 |
| **June** | 4,970.0 | 4,976.0 | 5,930.0 |
| **July** | 6,320.9 | 6,325.9 | 7,027.4 |
| **August** | 6,780.0 | 6,806.6 | 7,574.2 |
| **September** | 5,800.5 | 5,848.5 | 6,308.5 |
| **October** | 5,350.7 | 5,375.8 | 5,680.6 |
| **November** | 4,950.0 | 4,949.4 | 5,371.7 |
| **December** | 4,063.3 | 5,115.7 | 5,861.4 |
|  | **59,950.0** | **61,400.2** | **67,777.1** |
|  |  |  |  |

**Household Waste Composition**

Food Product – 62.76 %; Polyethylene – 6.68 %; Textile – 11.18 %; Plastic – 3.47 %; Paper – 7.60 %; Glass – 3.54 %; Construction Materials – 1.75 %; Metal – 1.19 %; Wood – 0.62 %; Leather, rubber – 0.61 %; Hazardous – 0.60 %.