**REPUBLIC OF CROATIA**

**MINISTRY OF PHYSICAL PLANNING, CONSTRUCTION AND STATE ASSETS**

**EARTHQUAKE RECOVERY AND PUBLIC HEALTH PREPAREDNESS PROJECT**

**TERMS OF REFERENCE
FOR SUPERVISION SERVICES OF WORKS FOR RECONSTRUCTION OF CROATIAN INSTITUTE FOR PUBLIC HEALTH BUILDING IN NAZOROVA 53**

Proc.ref.no.: MoPPCSA/ER&PHPP/C1.2.39/CS-CQS

# PROJECT BACKGROUND

The Government of Croatia and the International Bank for Reconstruction and Development (IBRD) have signed Loan Agreement (Loan No. 9127-HR) for a loan in a total amount of EUR 183,9 million (approx. USD 200 million) for the implementation of the Earthquake Recovery and Public Health Preparedness Project. The Loan Agreement was ratified and published in Official Gazette No. 04/2020 on August 14, 2020. The Croatia Earthquake Recovery and Public Health Preparedness Project became effective on December 16, 2020, and will be implemented over the course of four years (until June 30, 2024) with extension pending approval.

The World Bank is assisting the government of Croatia to deal with a multi-layered emergency linked to the physical effects of the March 22, 2020, and December 28-29, 2020, earthquakes and the COVID-19 pandemic as well as to the socio-economic and fiscal implications of these calamities.

The Project Development Objective (PDO) is to assist Croatia with earthquake reconstruction efforts in Zagreb and the surrounding areas, Karlovac County and Sisak-Moslavina County to restore critical service delivery; to prevent, detect, and respond to the threat posed by COVID-19 and to strengthen national systems for public health preparedness.

The Ministry of Physical Planning, Construction and State Assets (hereinafter the Client), with the World Bank coordination, has prepared these Terms of Reference (hereinafter the ToR) for the purpose of a tender for the engagement of a consultant (hereinafter the Consultant) to provide construction project management services described in this ToR.

**I.I. Croatian Institute for Public Health Building in Nazorova 53**

The CIPH building is located at 53 Nazorova Street in Zagreb, cadastral unit 1256, cadastral municipality Centar on a parcel of 817 m2. The parcel is of the same size as the building footprint and is surrounded by the cadastral unit 1257/1 that is shared with other two users: Home for Children and Faculty of Law. It was designed in 1941 by architect Stjepan Planić. The building holds no individual protection, but the area is situated in Historical Urban Entity of the City of Zagreb that is protected cultural heritage (Register of Cultural Property no. Z-1525). It previously housed the Center for Education Vinko Bek – center for blind children – up to 2016 and now the building is vacant.

It is a single building with total gross area of 3,270 m2 divided into a basement, ground floor and 3 floors. The building has a reinforced concrete frame structure with solid brick infill. The ceiling structure of the northern and southern volumes are fine-ribbed ceilings and ceiling structure of the central volume are reinforced concrete slabs. The building sustained moderate damage after the March & December 2020 earthquakes. Due to lack of maintenance, improper use of building in the past few years and the recent earthquakes the building requires rehabilitation.

The building is planned to be retrofitted, rehabilitated, and converted into multi-function building of the CIPH to house the Department for Occupational Health including diagnostic capacities and teaching rooms.

According to the Conservation Guidelines (Konzervatorske smjernice), Class 612-03/22-005/513, Reg.no 251-14-02/007-22-2, 31 August 2022, City of Zagreb Institute for Conservation of Cultural and Natural Heritage the building is valorized as a historical building of a certain architectural quality and degree of preservation of the original features, which essentially determines the historical physiognomy and image, as well as the ambient characteristics of the surroundings and the city. The system of protection measures for the building mandates the preservation and re-establishment of the original features in the exterior and interior, standards, design characteristics, especially the roof and staircase, as well as the basic structural system and preserved original elements of design and equipment of common parts of the building. Furthermore, it mandates the possibility and obligation of interventions with the aim of removing later interventions that degraded the values of the original, as well as non-invasive interventions in the interior of the building to adapt it to modern needs of use or new purpose. First conceptual solution has been developed in 2022 and its amendments and upgrades have been developed in July 2023 by JV Ing4Studio and Toding (attached in **ANNEX 1**) with accompanying special requirements that have been obtained. Main design has been completed in November 2023 (**ANNEX 4**) and Building permit is pending issuing with estimation to be obtained in January 2024, along with completion of Detailed Design and Bill of Quantities.

**I.II. Consultant’s assignment**

The Consultant’s assignment (hereinafter: Assignment) is to provide works supervision services for the retrofitting of Croatian Institute for Public Health Building in Nazorova 53 in Zagreb.

# SERVICES OBJECTIVE

The objective of the services is supervision over the reconstruction of Croatian Institute for Public Health Building in Nazorova 53carried out in full compliance with this Contract, relevant legislation of the Republic of Croatia and the World Bank`s Environmental and Social Framework (ESF) and relevant Environmental and Social Health and Safety Guidelines, general and industry specific.

The works contract shall be implemented according to World Bank provided General Conditions of Contract[[1]](#footnote-2) (**ANNEX 2**) as amended by the Particular Conditions of Contract prepared by the Client which include the management of Environmental and Social Risks as per the adopted management instruments overall for the Earthquake Recovery and Public Health Preparedness Project and for this activity specifically. Prior to start of provision of services, the Client shall appoint the Project Manager – a person responsible for monitoring the execution of the Works and administering the Contract.

Supervision of works consists of professional construction supervision according to the Construction Act (OG 153/13, 20/17, 39/19, 125/19), Act on activities in Physical Planning and Civil Works (OG 78/15, 118/18, 110/19) and any relevant subsidiary legislation. Supervision of works also consists of ensuring the fulfilment of Contractor's contractual obligations to the Client, including those deriving from the commitments made through the Environmental and Social Management instruments.

According to the Construction Act, the Supervising Engineer is in the implementation of professional construction supervision obliged to:

* supervise the construction so that it is in accordance with the Building Permit, i.e., the Main Design, Construction Act, special regulations, and rules of the profession;
* determine whether the Contractor and the responsible person conducting the construction or works meets the conditions prescribed by a special act;
* determine whether the setting out of the building was performed by a person authorized to perform state survey and surveying activities according to a special act;
* determine the implementation of control tests of certain parts of the building for the purpose of verification, i.e. proof of compliance of basic requirements for construction and/or other requirements, i.e. conditions provided by the Main Design or report on performed design control and verification obligations regarding construction products;
* without delay inform the Client of all deficiencies or irregularities noticed in the Main Design and during construction, and the Client and the construction supervision of measures taken;
* compose a final report on the construction.

The scope of the supervision services under this contract and in addition to legal obligations includes the following:

* monitoring and controlling the spending of funds by purpose, dynamics, and amount (control of measurements, calculation of quantities, Interim Payment Certificates (IPC) certification, calculation of unforeseen and subsequent/additional works i.e. Variations);
* maintaining the agreed deadlines (monitoring the progress of works according to time plans and intervention in case of deviations, control of the qualification structure of the Contractor's personnel and appropriate equipment);
* monitoring and controlling quality of works (visual inspection, control, and review of documentation by which the Contractor proves quality in terms of test results and test frequency, presence when taking samples for testing, taking measures to eliminate defects);
* construction control according to Building Permit and Main and Detail Design (control of height and length elevations, setting out, use of materials in accordance with the project, interpretation of ambiguities in the project, solving individual details);
* monitoring ESMP Checklist implementation and timely reporting on ESMP Checklist /WB ESF compliance;
* other (control of data entry in the construction log, control and certification of construction book, proof of quantities, certification of Interim Payment Certificates (IPC’s), various reports and analyses, arranging documentation on the construction site for technical inspection, participation in Taking Over of the Works and other legal and other tasks if and when authorized by the Client),
* supervise, monitor and report on the environmental and social performance of the Contractor in areas of inter alia, labor and working conditions, OHS, community health and safety, life and fire safety, etc. in line with the adopted ESMP Checklist.

Project Manager may also delegate to Consultant any task arising from the General and Particular Conditions of Contract, especially obligations and rights from the following clauses:

* 9. Personnel and Equipment;
* 13. Insurance;
* 16. The Works to Be Completed by the Intended Completion Date;
* 17. Approval by the Project Manager;
* 28. Program;
* 31. Delays Ordered by the Project Manager;
* 32. Management Meetings;
* 33. Early Warning;
* 34. Identifying Defects;
* 35. Tests;
* 36. Correction of Defects;
* 37. Uncorrected Defects;
* 40. Variations;
* 42. Payment Certificates;
* 44. Compensation Events;
* 57. Final Account.

Project Manager may also delegate any other task or obligation arising from any other clause of the General and Particular Conditions of Contract, not stated above.

# SCOPE OF SERVICES AND TASKS

## **III.I. PHASES OF THE ASSIGNMENT**

All tasks will be performed in compliance with the requirements of Croatian legislation and in accordance with the obligations of this Contract, which includes implementation of material measures and actions so that the Project is implemented in accordance with the ESCP, LMP and ESF.

Prior to start of the Assignment, Consultant shall develop the Procedures Manual – a document which presents methodology of Consultant's work, containing form templates, elaborated procedures, reporting plan, quality control plan and any other obligation that arises during execution of works. When preparing the Procedures Manual, Consultant shall comply with relevant legislative framework as well as the obligations arising from this ToR, the General and Particular Conditions of the Contract for Construction works and the relevant Environmental and Social Management Instruments (i.e. ESMP Checklist).

The Assignment consists of three phases:

### III.I.I. Preparation phase

Preparation phase implies the period between conclusion of this Contract and the Start Date (Commencement of Works).

During the Preparation phase Consultant shall:

* establish a functional organization of experts in the supervision team and enable instant mobilization of staff to engage in the implementation of Contract which includes also official appointing Supervising Engineers by works disciplines;
* assess the conditions on the construction site and warn the Client of potential risks in the execution of works;
* support the Client in the process of giving the Contractor right of access to, and possession of, all parts of the construction site within the time period defined in the works contract (including production of As-Is Minutes/Report) and introduce the Contractor into works;
* assist the Client in reviewing and approving all necessary certificates, guarantees, insurance policies, competences etc. of the Contractor and sub-contractors for the start of construction works;
* review Contractor’s Program (including any revision thereof) and determine initial time and financial plan provided by the Contractor;
* monitor and control the preparation of administrative deliverables of the Contractor.

### III.I.II. Execution phase

Execution phase implies the period between Start Date and issuing of the Certificate of Completion.

During the Execution phase Consultant shall:

* supervise the implementation of the Contractor's activities, and ensure their compliance with terms and conditions of the works contract, quality requirements and the general scope of the project, from the conclusion of the works contract, execution of works to the implementation of Tests, issuance of Certificate of Completion and Taking Over of the Works;
* supervise the preparation and timely delivery of Contractor’s deliverables;
* carry out professional supervision over all activities of the Contractor in accordance with the applicable regulations of the Republic of Croatia;
* carry out coordination and administration of the works contract;
* initiate, lead and coordinate on-site and monthly progress meetings and prepare and issue minutes of these meetings in a timely manner and ensure that all issues are resolved quickly;
* monitor the progress of works and timely inform the Client about all risks and issues that may arise and affect the achievement of project objectives;
* verify the construction log of the Contractor and certify the calculation of quantities submitted as executed by the Contractor;
* participate in implementation of tests and control the installation of significant materials and equipment;
* conduct daily inspections of construction site to check the quality of work and ensure the implementation of Safety at Work measures;
* approve materials nominated by the Contractor for installation;
* propose possible adaptations of the project (if needed in collaboration with the designer) and alternative technical solutions to the Client, which may become necessary or useful during or after the execution of works;
* advise the Client on possible ways to reduce project costs, reduce execution time or improve the quality of works, review any Variation proposed by the Contractor and advise the Client in the decision-making process for Variations (quantity review, quality suggestions, unit prices review, alignment with project documents etc);
* prepare reports as defined in ChapterIV.of this ToR, prepare all reports in accordance with the applicable legislation of the Republic of Croatia and prepare all prescribed reports for technical inspection and participate in the technical inspection procedure;
* supervise the execution of any works Variations i.e. unforeseen and subsequent works during construction;
* participate accordingly during Identifying defects;
* have at their disposal a person who will perform the duties of Safety at Work Coordinator in accordance with the Safety at Work Act (OG 71/14, 118/14, 154/14, 94/18, 96/18) and any relevant subsidiary legislation;
* carry out supervision of (sub-)project’s ESMP Checklist implementation, including monitoring of required parameters.

### III.I.III. Completion phase

Completion phase corresponds to the period from issuing Taking-Over Certificate for Works until approval of Final Payment Certificate. During this phase the Consultant is required to perform following sub-tasks:

* review and approve As-Built Design documentation;
* supervise completion of any work outstanding on the Date of Completion;
* supervise remediation of any identified defects;
* participate in any administrative activities regarding Defects after Taking-Over;
* review and approve Final Payment Certificate.

## **III.II. OBLIGATIONS OF SUPERVISING ENGINEERS**

Supervising Engineers are obliged to comply with the Regulation on the manner of conducting professional construction supervision, form, conditions and manner of keeping the construction log and the content of the final report of Supervising Engineer (OG 131/2021).

Also, the obligations of Supervising Engineers in the implementation of professional supervision under this Agreement are as follows:

* construction supervision in accordance with the Main Design, Building Permit and Detail Design;
* performing professional supervision in accordance with this ToR and performing tasks of coordinator of safety at work in the construction phase;
* performing supervision in line with relevant national environmental and social legislation and specific Environmental and Social Management Plan Checklist (ESMP Checklist) for the project, hence with World Bank Environmental and Social Policies, Environmental, Health and Safety Guidelines and Good International Industry Practice, and the Contractor’s performance in implementation of the national labor, OHS code and the Labor Management Procedures (LMP);
* monitor ESMP Checklist implementation and submit regular (monthly) E&S compliance reports to PIU 1 and Project Manager;
* continuous daily presence on the construction site and construction monitoring;
* receive and promptly communicate any concerns or grievances to PIU’s Project Grievance Redress Mechanism (GRM), coordinating direct communication between concerned parties and PIU GRM specialist, and supporting additional document/evidence collection as needed;
* provide material corrective measures to instruct the Contractor to remedy any E&S non-compliance;
* control of material supply - certificates of conformity, certificates of constancy of performance, other certificates;
* monthly verification of calculation of quantities and certification of IPC’s;
* control and price evaluation for subsequent and unforeseen works;
* keeping minutes of coordination meetings;
* participation in the certification of the Final Payment Certificate, Taking Over of the Works, technical inspection and in the procedure of obtaining usage permits;
* organize and conduct photo documentation of construction progress.

# SUBMISSION AND TIME SCHEDULE FOR DELIVERABLES, CONTRACT DURATION, AND REPORTING REQUIREMENTS

After the conclusion of works contract, the Consultant shall review all existing relevant documentation and develop Inception Report with appropriate material discussing special problems, risks, and opportunities. Inception report shall include description of monitoring and controlling processes of the works execution, but also definition of monthly reports content.

Results of monitoring and controlling activities shall be included in Monthly Reports which shall be developed in accordance with the defined scope within Inception Report. Submitted reports will be reviewed by the Client and approved or returned for revision and/or resubmission. Monthly Reports shall be submitted through the e-mail in appropriate format (.docx, .xls, .pdf).

The Consultant also shall develop any other Specific Reports according to the Client’s requirements whose content will be determined and agreed between the Consultant and the Client, as well as submission deadline.

At the end of the consultancy service engagement the Consultant shall develop Final Report which shall include project summary, project execution analysis, cost analysis, list of verified as-built designs, verified results of Tests conducted, reports on commissioning of various mechanical and electrical components of works and other as needed.

Reports shall be written in Croatian language and each report (Inception Report, Monthly Reports, Specific Reports, Final Report) shall have one page summary in English language. All reports shall be submitted through e-mail in appropriate format (.docx .xls, .pdf). Any other deliverable shall be written and submitted in Croatian.

During the Assignment, Consultant shall prepare and submit appropriate deliverables to the Client for approval. All deliverables shall be submitted through the e-mail in appropriate format (.docx, .xls, .pdf).

Time schedule for deliverables is as follows (days listed below are calendar days):

| **No.** | **Deliverable** | **Delivery deadline** | **Timeline for approval** |
| --- | --- | --- | --- |
|  | Inception Report (including As-Is Minutes/ Report) | 14 days after conclusion of works contract | 7 days after submission |
|  | Procedures Manual | 14 days after conclusion of works contract | 7 days after submission |
|  | Monthly Report | 7 days after the end of the reporting period | 7 days after submission |
|  | Minutes of coordination meetings | The following day | The following day |
|  | Specific Report according to Client’s requirements | as agreed during implementation | 7 days after submission |
|  | Final Report | 14 days before the end of services | 14 days after submission |

Consultant shall ensure completion of services on time and without any delay. Also, all deliverables prepared in connection with the services shall immediately upon completion be submitted to the Client for its review and approval. The Client will review and approve or return deliverables for revision and/or resubmission within previously defined period in the table or any other period defined by the Client upon receiving each of the deliverables.

In the Contract, the Consultant shall assign all intellectual property rights of its work to the Client, including intellectual property rights of any deliverable which Client finds unacceptable and for which it refuses payment.

The estimated period for providing the services is seventeen (17) months after Commencement of Services (i.e., one month before commencement of works, 15 months during execution of works and one month after completion of works) but in any case, the Assignment ends one month after the completion of the works, i.e., issuing of Certificate on Completion.

# TEAM COMPOSITION, MINIMUM QUALIFICATION AND EXPERIENCES

The supervision of works service can be performed by a certified architect or a certified engineer independently in their own office, joint office or legal entity registered for that activity.

The Consultant (legal entity, certified architect or certified engineer’s own or joint office) shall prove the experience in implementing similar services. The experience that the Consultant shall have and is of relevance for the conduction of these services shall be experience in performing supervision of works service in the year in which this procurement is conducted and the previous five (5) years:

* the Consultant shall have a minimum of three (3) project references related to the performance of similar tasks (supervision of works), with a single construction investment value of more than EUR 3 mil (without VAT);
* experience in supervision over construction or reconstruction works of buildings with gross surface area exceeding 3,000 m2 is an advantage;
* experience in supervision over the construction or reconstruction works of public buildings is an advantage;
* experience in supervision of buildings protected as cultural heritage is an advantage;
* experience with FIDIC construction contracts or World Bank provided General Conditions of Contract for Works.

The Consultant’s team is required to include experts who have relevant skills, experience, and qualifications to perform previously defined tasks as follows:

1. Chief Supervising Engineer – a person responsible for integrity and mutual compliance of professional supervision of works and is respectively obligated to prepare a final report. Professional construction supervision in the capacity of a responsible person (Supervising Engineer and Chief Supervising Engineer) within the tasks of his profession may be performed by a certified architect or a certified engineer in accordance with a special law governing association in the chamber.

The expert proposed for the Chief Supervising Engineer position shall have following experience:

* minimum of three (3) references in the performing of supervision of works service with an investment value of more than EUR 3 mil (without VAT);– relevant experience in each project shall include the implementation of works contract under FIDIC General and Particular Conditions or World Bank provided General Conditions of Contract for works;
* performing supervision of works service for at least three (3) building projects with an area larger than 3.000,00 m2;
* experience in supervision of buildings protected as cultural heritage is an advantage.
1. The Consultant shall appoint the Construction Supervising Engineer. Professional construction supervision in the capacity of a responsible person (Supervising Engineer) within the tasks of his profession may be performed by a certified architect or a certified engineer in accordance with a special law governing association in the chamber.

The expert proposed for the Construction Supervising Engineer position shall have following experience:

* minimum of three (3) references in the performing of supervision of works service with an investment value of more than EUR 2 mil (without VAT);
* performing supervision of works service for at least three (3) building projects with an area larger than 2.000,00 m2;
* experience in supervision over the reconstruction works of public buildings is an advantage.
1. The Consultant’s experts shall have knowledge of relevant standards and procedures, Croatian legislation and norms in the construction, civil engineering, spatial planning, and environmental protection domains.
2. The Consultant shall have advanced computer skills of using Office applications, architectural/engineering/design programs, and communication software.

Beside the Chief Supervising Engineer and Construction Supervising Engineer, Consultant’s team shall have following additional experts at disposal: Mechanical Supervising Engineer, Electrical Supervising Engineer, Safety at Work Coordinator (HRV: *Koordinator zaštite na radu u fazi izvođenja radova*). Additional experts will not be evaluated, however, upon Commencement of services, the Consultant shall nominate the experts and obtain the Client’s approval before their engagement.

In addition to the minimal required project staff defined above, the Consultant shall assess and provide other supporting and administrative staff.

Consultant will be responsible for the execution of all tasks under this ToR.

Chief Supervising Engineer is required to be present in project implementation at least 60% of time. Presence in Contract implementation implies presence on construction sites, participation in meetings and remote work.

Chief Supervising Engineer is required to be present on construction sites at least two (2) times per week. Chief Supervising Engineer is also required to participate in all of the meetings during Contract implementation.

Construction Supervising Engineer is required to be present in project implementation at least 90% of time. Presence in Contract implementation implies presence on construction sites and participation in meetings. Construction Supervising Engineer is required to be present on the construction site daily.

# INPUT DOCUMENTS AND SUPPORT TO BE PROVIDED BY THE CLIENT

Input documents provided by the Client are Conceptual Solution with obtained special requirements (**ANNEX** **1**), template of contract for construction works (**ANNEX 2**) and draft ESMP Checklist for Croatian Institute for Public Health Building in Nazorova 53 (**ANNEX** **3**). The Consultant shall return to the Client all documents if any received from the Client following the completion of the services to be performed.

The Client shall be responsible for the coordination of all project activities. The Client shall appoint Project Coordinator, who will have the overall responsibility for implementation of activities. The Consultant shall report to the Project Coordinator.

# OFFICIAL LANGUAGE

The language for communication and for project deliverables shall be Croatian.

# LIST OF ANNEXES

All of the Annexes are due to their size attached to this ToR as separate files.

* **ANNEX 1** – Conceptual solution with obtained special requirements for Croatian Institute for Public Health Building in Nazorova 53
* **ANNEX 2** – Template of contract for construction works

Available at: <https://pubdocs.worldbank.org/en/679291616012282325/SPD-RequestforBids-SMALLWORKS-OneEnvelope-March-2021.docx>

* **ANNEX 3** – Draft ESMP Checklist for Croatian Institute for Public Health Building in Nazorova 53
* **ANNEX 4** – Main Design for reconstruction of Croatian Institute for Public Health Building in Nazorova 53
1. *Part 3 – Conditions of Contract and Contract Forms* of the Standard Bidding Documents – Procurement of Small Works, available at <https://pubdocs.worldbank.org/en/679291616012282325/SPD-RequestforBids-SMALLWORKS-OneEnvelope-March-2021.docx> [↑](#footnote-ref-2)