

Municipal Infrastructure Agency
Programme,
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New Belgrade, 15th May 2006



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MIA PROGRAM

1. The concept of MIA was defined in 2003 with the EAR representatives within the EAR Program for technical and financial support
2. MIASP as an implementing team for providing technical support
3. Development and improvement of local infrastructure through financing of the projects (condition: preparing and presenting PIRs and BPDs to financial institutions and development organizations)
4. Development of inland credit market

CONCEPT OF MIA

1. MIA is a special governmental body in the public administration
2. It was constituted by the Amending and Modifying Act to the Law on Ministries (“Official Gazzette” No. 84/2004)



ACTIVITIES

1. MIA connects international financial institutions and banks with the municipalities and public utility companies (PUC) in the Republic of Serbia
2. MIA provides professional support to the municipalities and PUCs in preparation, development and implementation of infrastructure projects in the area of water supply, waste water treatment, solid waste management, heating and other utility services set forth by the Law on Public Services and Utilities
3. MIA provides initiatives and coordinates the activities with other bodies in defining directions for the improvement of PUC position and performance



INSTITUTIONAL REFORM DIRECTIONS

Municipality are a/an:

Territory (proprietor of land, public facilities and other fixtures and movables);

Administration (municipal duties and delegated affairs) and

Domain (form of a state and regional decentralization)

Public utility companies are a/an:

Independent, efficient and market orientated companies;

Temporarily or permanently improved performance and the position of PUC through delegated affairs or concession (up to 25-30 years), as well as credit loans or issuing securities (“burden of repayment”), or by establishing public-private partnerships (without direct “burden” but with less participation in decision making and profit)



IMPLEMENTATION OF THE PROGRAM

PREPARATION AND DEVELOPMENT OF:

- Technical documents (general, preliminary and main design);
 - Contract documents (Grant Contract)
 - Tenders (tender documents and Tender Award Contract)
- Financial and Technical Control Agreement (Monitoring Agreement)

IMPLEMENTATION IN A STRICT SENSE:

- Execution of works
- Financial and technical monitoring (MIASP/PUC)
 - Supervision (selected company)



IMPLEMENTATION IN LINE WITH THE NATIONAL REGULATION AND EAR RULES

NATIONAL REGULATION:

- Local self-government system

(The Constitution of the Republic of Serbia; the Law on Local Self-Government)

- Financing of local infrastructure

(The Law on Public Debt; The Budget System Law; the Law on Securities and Security Market)

- Designing and construction

(Planning and Construction Act)

- Public services and utilities

(The Law on Public Services and Utilities; the Law on Public Companies and Performing Activities of General Interest)

- Public procurements

(the Law on Public Procurement)

EAR RULES:

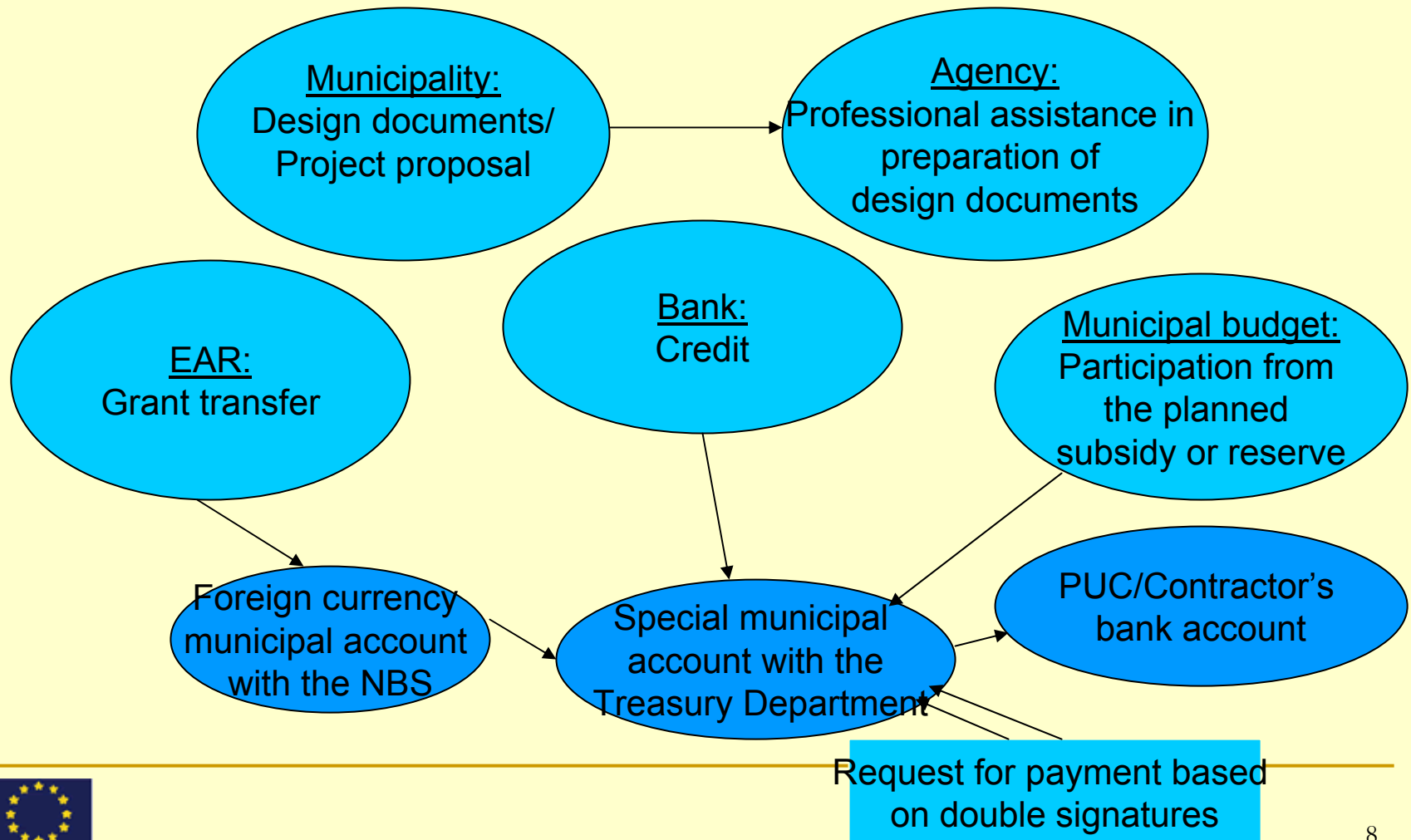
- Obligation;

- Public procurements.



DOCUMENTS FLOW AND TRANSFER OF RESOURCES

Grant Contract, Special conditions, Article 7.3



TENDER PROCEDURES

Grant Contract, Special conditions, Article 7.4, as well as Annex IV of the Contract

The rule of applying EAR regulations for public procurement procedures: tender preparation, public invitation to tender, stating eligibility of tenders, the right to tender, the origin of goods, grounds for exclusion, evaluation and award of the Contract.

Direct negotiated procedure. Obtaining three bids. Public announcement.

- I. Public procurement of works
(works and equipment)
- II. Public procurement of services
(supervision)
- III. Public procurement of services
(financial auditing)



MONITORING AND SUPERVISION

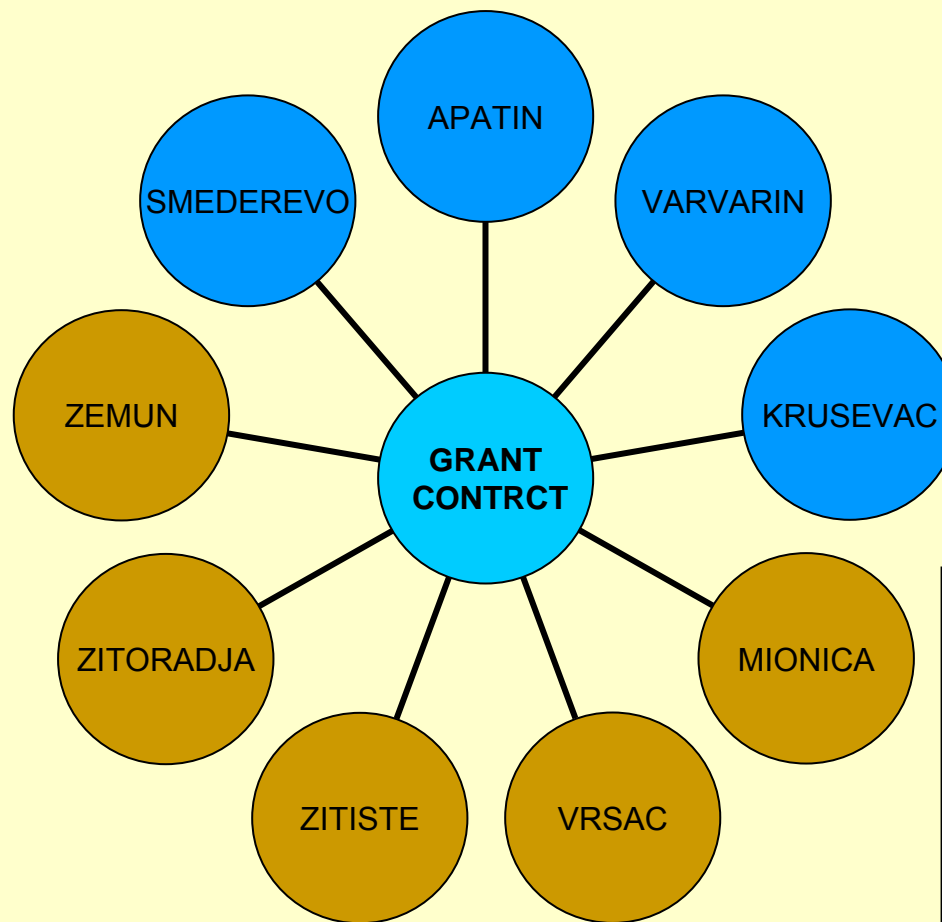
Grant Contract, Special Conditions, Article 7.5

Technical and financial aspects of a project monitoring during its implementation (control without the right to propose measures and to order implementation of the proposed measures) are performed by the Beneficiary (the Municipality) with advisory assistance of MIASP

Supervision (control with the right to propose measures and to order implementation of the proposed measures) is performed by the adequately qualified company (since these are local legal entities, fulfillment of the condition set by the local regulations is required) which has been awarded contract in the public procurement procedure.



Signed
Grant Contracts



Contracting Parties
MPALSG
MIA
EAR
MUNICIPALITY



To fully use all the advantages of the support provided by the MIA through Municipal Infrastructure Agency Support Program.

To initiate or use other MIA programs
(the new KfW program, the new SIDA/EAR program, the new IPA program)

To contemplate possibilities, advantages and shortcomings of joining of the municipalities at the county level or on broader scale in order to finance projects of common interest by founding of the suitable administrative body (“regional”/local MIA), public-private partnership (with the participation of local private or foreign capital of public companies or institutions), joint investment fund.

