

Contract No. with the Contractor:

Contract No. with the Client:

77-100-2006

CONTRACT OF WORK

Concluded pursuant to provisions of Section 536 et seq. of Act No. 513/1991 Coll.
Commercial Code as amended

*The Provision of Solutions to Selected Tasks under the Project Ref. No. NPOA/G32/2004
"Institutional Support of Integrated Water Pollution Control and Management in
Vojvodina Region in Compliance with EU Directives"*

Article I Contractual Parties

ФАКУЛТЕТ ТЕХНИЧКИХ НАУКА
са потпуном одговорношћу
НСВМ САД

Примљено	05.04.2006.
Оријент	603/1
Плати	5
Вредност	

1.1 Client:

Slovenský hydrometeorologický ústav (Slovak Hydrometeorological Institute, hereinafter referred to as "SHMÚ")
Jeséniova 17 P.O.Box 15
833 15 Bratislava 37 – Koliba, Slovakia

Person authorised to act in contractual matters: Ing. Peter Rončák, CSc.
Director General
Technical supervisor: Mgr. Róbert Chriaštel
Bank: Štátna Pokladnica (State Treasury)
Account number: 7000239662/8180
Company ID No (IČO): 156 884
Tax Reg. No (DIČ): 2020749852
VAT ID No: SK2020749852
Foundation Deed issued by the Decree of the Minister for Environment of the Slovak Republic dated 28 February 2005 No. 8/2005 – 1.9.

1.2 Contractor:

University of Novi Sad, Faculty of Technical Sciences
Trg Dositeja Obradovica 6
210 00 Novi Sad Serbia & Montenegro

Person authorised to act in contractual matters: Prof. Dr. Ilija Čosić
Dean of the Faculty
Technical supervisor: Prof. Mirjana Miloradov
Bank: METALS BANKA AD NOVI SAD
Account number: CS73335007010000747723
Company ID No (IČO): MBSOCS22
Tax Reg. No (DIČ): 8037104
VAT ID No:
Registration issued by Commercial Court Novi Sad. Date of registration: 2. February 1999 No. 5-22.

Article II Subject

The subject of the present Contract shall be the consultancy regarding selected tasks for the project referred to as NPOA/G32/2004 "Institutional Support of Integrated Water Pollution Control and Management in Vojvodina Region in Compliance with EU Directives". The specification of works is set forth Annex No. 1.

Article III Deadlines

Commencement: as of the day of this Contract
Termination: January 2007

Article IV. Place and Form of Delivery of Work

4.1 Contractor will delivery results of work as follows:

- a) Quarterly Reports in electronic form to the address *Robert.Chriastel@shmu.sk*.
- b) Technical reports in electronic form prepared according to Guidance of the Project Procedure to the address *Robert.Chriastel@shmu.sk* and 1 counterpart as a hardcopy to the address Slovenský hydrometeorologický ústav, Zelená 5, 975 90 Banská Bystrica.

Article V. Price of the Work and Payment Conditions

5.1 Price of the Work shall be stipulated in accordance with Price Act No. 18/1996 Coll. in the amount of:

SKK 1,173,000 (to wit: One million and one hundred seventy three thousand Slovak crowns) including collected taxes, duties and other charges in the country of contractor

5.2 The Client shall disburse payments to the Contractor as follows:

- a) an advance payment of 40 per cent of the price for the Work presenting SKK 469,200 incl. VAT shall be paid by the Client to the Contractor within 15 days from the date of this Contract.
- b) an interim payment in the maximum amount of 40 per cent of the price for the Work which represents SKK 469,200 incl. VAT may be invoiced by the Contractor to the Client in case that contractor will account all expenditures related to previous payment and that the Contractor will provide the Client with an invoice supported by necessary accounting documents (order of services, invoice from the service provider and payment made by the final beneficiary). The interim payment shall be paid by the

Client to the Contractor within 15 days from delivery of the invoice supported by necessary accounting documents.

- c) the final payment in the maximum amount of 20 per cent of the price for the Work presenting SKK 234,600 incl. VAT may be invoiced by the Contractor to the Client after finalization of report *Guidance on the stepwise identification of wastewater discharges containing dangerous substances* in case that the Contractor will account all expenditures related to previous payment. The final payment shall be paid by the Client to the Contractor within 15 days from delivery of the invoice supported by necessary accounting documents.

5.3 The payment of an invoice is subject to crediting of monetary funds to the Client from the part of NPOA to the SHMÚ's account. In the event that the above funds have not been credited to the Client's account as of the invoice due date, the due date of the invoice shall occur ten days following the crediting of the above-mentioned monetary funds.

5.4 The Client undertakes to pay the price in the amount and time period(s) as agreed herein.

Article VI Concluding Provisions

6.1 All amendments and/or modifications of this Contract shall be effective if they are executed in writing and signed by the authorised representatives of both Contractual Parties.

6.2 The following shall constitute part of the Contract:

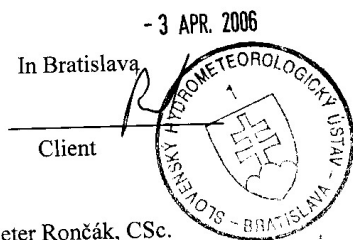
- Annex No. 1: Specification of works.

6.3 Unless otherwise agreed herein, the rights, obligations and legal relations under the Contract shall be governed by Slovak laws and provisions of the Commercial Code, in particular those applicable to a Contract.

6.4 The Contract shall be executed in 4 counterparts, of which the Client shall receive 2 and the Contractor 2 counterparts.

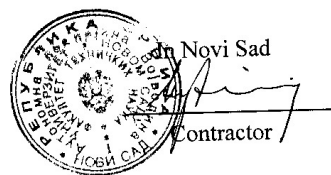
6.5 The Contractual Parties hereby acknowledge that the content of this Contract is sufficiently specific and comprehensible and that it has not been concluded in distress or under other unilaterally unfavourable conditions. In witness whereof the Parties have caused the Contract to be signed by their own hand.

- 3 APR. 2006
In Bratislava
Client



Ing. Peter Rončák, CSc.
Director General SHMÚ

Novi Sad
Contractor



Prof. Dr. Ilija Čosić
Dean of the Faculty

Annex No. 1: Specification of works

Objectives of the project

The main objective of the project is to support the Ministry of Science and Environmental Protection of Serbia and its supporting institutions in their capabilities to monitor influence of human activities to the state of waters in the country. The main purpose of the project is mapping and identification of the main water management and environmental issues in Serbia with regards to the future EU membership.

Results of the project

The main results of the project are expected as follows:

- a) Review of the existing legislation in water sector with regards to permitting process and water quality control;
- b) The List of main gaps and information needs in the field of issuing permits to fulfil the EU directives (91/271/EEC and 76/464/EEC);
- c) Guidance for stepwise investigation procedure for characterisation and evaluation of the industrial waste water and its testing in pilot area and later used in the accession process to EU;
- d) Staff of relevant institutions trained to apply the EU directives (urban waste water and dangerous substances).

Project activities

- a.1 Analysis of the current situation in the legislation of water sector in Serbia, focussing on the permitting process of waste water discharges and water quality control;
- a.2 Assessment of the water quality monitoring programmes both surface waters and wastewaters;
- b.1 Setting up of the main gaps in the field of the issuing of permits by the state administration body;
- b.2 Specification of the information needs to set up the proper water quality control programme for meeting the EU directives requirements;
- b.3 Comparison of the emission and imission limit values for dangerous substances in accordance with EU Directive (76/464/EEC);
- b.4 Seminar on the gaps in national legislation in water sector and EU Directives using the Open Planning approach;
- c.1 Evaluation of the existing assessment methods on national level of surface waters quality status and the effluent quality to quantify the real needs for data and information for reporting to EC;
- c.2 Development of the Guidance on the stepwise identification of waste water discharges containing dangerous substances;

- c.3 Testing of Guidance in the pilot industrial area in Autonomous Province of Vojvodina (AP Vojvodina);
- d.1 Training workshop of the relevant staff of state administration on the risk assessment of the dangerous substances in the aquatic environment as a tool for the permitting process;
- d.2 Study visit of the core state administration representative and experts on water quality control of the AP Vojvodina in the Slovak Republic.

Itemized budget

No. of activity	Activities/experts	Unit cost (SKK)	Quantity	Subtotal
For all project	Overheads			82 110.00
For all project	Honoraria – Serbian PL	3 835.00	120	460 200.00
a.1	Honoraria – Serbian experts	3 600.00	5	18 000.00
a.2	Honoraria – Serbian experts	3 600.00	10	36 000.00
b.1	Honoraria – Serbian experts	3 600.00	10	36 000.00
b.2	Honoraria – Serbian experts	3 600.00	5	18 000.00
b.3	Honoraria – Serbian experts	3 600.00	5	18 000.00
b.4	Honoraria – Serbian experts	3 600.00	10	36 000.00
b.4	Arrangements for seminar – room	1 945.00	2	3 890.00
b.4	Arrangements for seminar – study material for 20 experts	150.00	20	3 000.00
b.4	Arrangements for seminar – local travel expenses	200.00	20	4 000.00
b.4	Per diem for 20 experts x 2 days	175	40	7 000.00
b.4	Accommodation for 20 experts for 2 days	2 700.00	40	108 000.00
c.1	Honoraria – Serbian experts	3 600.00	10	36 000.00
c.2	Honoraria – Serbian experts	3 600.00	10	36 000.00
c.3	Honoraria – Serbian experts	3 600.00	20	72 000.00
d.1	Honoraria – Serbian experts	3 600.00	10	36 000.00
d.1	Arrangements for seminar – rent of premises	1 900.00	2	3 800.00

No. of activity	Activities/experts	Unit cost (SKK)	Quantity	Subtotal
d.1	Arrangements for seminar – study material for 20 experts	200	20	4 000.00
d.1	Arrangements for seminar – local travel expenses	200.00	20	4 000.00
d.1	Per diem for 20 experts for 2 days	175	40	7 000.00
d.1	Arrangements for seminar – accomodation for 20 experts for 2 days	2 700.00	40	108 000.00
d.2	Honoraria – Serbian experts	3 600.00	10	36 000.00
Total				1 173 000.00