According to Article 41a, paragraph 2 of the Law on Public-Private Partnership and Concessions ("Off. Gazette of RS", No. 88/11, 15/16 and 104/16), the Government of the Republic of Serbia adopted the Decree on the Manner of Granting Concessions in Phases ("Off. Gazette of RS", no. 1/2017, hereinafter the "Decree"). The Decree entered into force on January 7th, 2017 and is applicable to the concessions which the public body decides to carry out in phases, under the condition that the estimated value of the concession exceeds EUR 50,000,000.00.

The Decree sets forth two phases of granting concessions.

In the first phase, interested parties deliver an application for participation in the procedure to the competent public body, with the evidence on fulfilment of conditions set forth in the public invitation, signed non-disclosure agreement, proof of payment of the price of the tender documents and other documents included in the public call.

If the participants meet the requirements set forth in the public invitation, the public body shall deliver them tender documents and grant access to documentation which includes, among other things, an information memorandum about the subject of concession, an overview of tender
procedure, guidance to applicants in the first phase, request for submission of a full list of affiliates of the applicant, form and content of non-binding offers, the value of bank guarantee, etc.

In the first phase, the applicants submit a non-binding offer with a proposal for the realization of the concession, evidence on fulfilment of conditions for participation in the second phase and other documents. Based on this documentation, the public body shall make a decision on the recognition of qualification for applicants who are eligible to participate in the second phase, rank the applicants and deliver them documentation for the second phase (instructions, the draft of public agreement and other relevant information).

Participants who have met the qualification criteria will be able to access data and documentation for legal, financial and technical analysis, cooperate with the participants in the procedure in preparing the final text of the public agreement, visit relevant locations and organize meetings with representatives of the public body, if necessary.

Prior to expiration of the deadline for submitting binding bids, the public body delivers the final text of the public agreement to all participants who take part in the second phase of the procedure.

Binding offers must be in accordance with the public invitation and tender documentation for the second phase of the procedure and the deadline for their submission cannot be less than 60 days from the day of electronic delivering of decision on the recognition of qualifications of applicants who are eligible to participate in the second phase.

When submitting the binding bid, bidders are required to submit a bank guarantee in accordance with instructions provided in the tender documents, and to bear all bank fees connected with the guarantee.

The public body may extend the deadline for submission of binding bids and notify in writing all the bidders that were selected in the first phase, no later than three days before expiration of the deadline for submission of bids. If the deadline were to be extended, the validity period of the deposited bank guarantee, must also be extended accordingly.