

**JKP "Vodovod i Kanalizacija", Loznica**

c/o Mr. Dragan Pavlović

Fax No.: +381 (0)15 888-068

+381 (0)15 882-430

**Water****Waste Water****Water Loss Analysis****Network Calculation****Mapping****Your Reference:****Our Reference: LO-06032012-DS****Date: 6.3.12****Project:** *Water and Sewerage Programme in Medium-Sized Municipalities in Serbia - Open Programme ("Programme I, Phase 2")***Projekat:** *Otvoreni program vodosnabdevanja i odvođenja otpadnih voda u opštinama srednje veličine u Srbiji ("Program I, Faza 2")***Subject:** Your letter No. 197 from 05.03.2012**Naslov:** Vaš dopis br. 197 od 05.03.2012.**Poštovani gospodine Pavlović,**

Obraćam Vam se povodom Vašeg dopisa br. 197 od 05.03.2012. odnosno zahteva da Vam dostavimo obrazloženje za povećanje cena vaših usluga u skladu sa usvojenom ažuriranom tarifnom studijom u svetlu odredbi novog Zakona o komunalnim delatnostima.

Naveli ste članove 25, 26 i 28 Zakona o komunalnim delatnostima. Mišljenja smo da je ažurirana tarifna studija izrađena u II fazi KfW Programa unapređenja vodosnabdevanja u opštinama srednje veličine u skladu sa navedenim članovima Zakona o komunalnim delatnostima. Sastavni deo ažurirane tarifne studije jeste i lista ulaznih pretpostavki za izradu modela.

Pored toga, podsećamo Vas i na Zakon o ratifikaciji Ugovora o zajmu i finansiranju objavljenog u Sluzbenom glasniku RS br. 19-10 koji potvrđuje Ugovor o zajmu i finansiranju između KfW, Frankfurt na Majni i Republike Srbije - Program vodosnabdevanja i kanalizacije u opštinama srednje veličine u Srbiji I - Faza 2, potpisan 21. decembra 2009. godine u Beogradu. Posebno Vas podsećamo na član 1.6 Ugovora o zajmu i finansiranju: „Zajmoprimac će se starati da opštinama koje učestvuju u Programu ne bude smanjen transfer sredstava iz republičkog budžeta u slučaju da one u skladu sa zahtevima Programa izmene cene pijaće vode i otpadne vode“.

Posebni Ugovor o sprovođenju Ugovora o zajmu i finansiranju od 24.08.2010. (između KfW i Republike Srbije koju koju su predstavili Ministar finansija i Ministar za NIP kao i predstavnik grada Loznica i predstavnik JP „Vodovod i kanalizacija“ Loznica) pruža detalje o Programu unapređenja vodosnabdevanja u opštinama srednje veličine (Program I, faza 2). Član 1.3 ovog Ugovora se odnosi na izbor opština koje učestvuju u Programu i posebno Aneks 2 koji predstavlja kriterijume koje su opštine i JKPa ispunile za ulazak u fazu II. Tarifni model je u potpunosti urađen u skladu sa kriterijumima iz Aneksa 2 Posebnog Ugovora o sprovođenju Ugovora o zajmu i finansiranju (posebno kriterijum za JKP broj 3).

U prilogu Vam dostavljam:

1. Izvod iz Zakona o potvrđivanju Ugovora o zajmu i finansiranju, Službeni glasnik RS 19-10 (posebno gore navedeni član 1.6)
2. Pretpostavke za projekciju Tarifnog modela (sastavni deo Tarifne studije)
3. Listu kriterijuma za ulazak u fazu II Programa (Aneks 2 Posebnog Ugovora o sprovođenju Ugovora o zajmu i finansiranju).

Srdačan pozdrav

**Sledi jedino relevantna i potpisana verzija gorenavedenog prevoda na engleskom jeziku.**

**Please, find in the following the relevant and signed original English version of the above Serbian translation.**

**Dear Mr. Pavlović,**

Reference is made to your letter ref.no. 197 dated 5 March 2012 and your request to send you explanation for increase of your service tariff in line with the updated Tariff Study approved in the light of provisions of the new Law on Utility Activities.

You mentioned Articles 25, 26 and 28 of the Law on Utility Activities. We think that the updated Tariff Study elaborated in Phase II of the KfW Water and Sewerage Programme in Medium-Sized Municipalities in Serbia is in accordance with the mentioned articles of the Law on Utility Activities. List of input assumptions for production of the Tariff Model is an integral part of the updated Tariff Study.

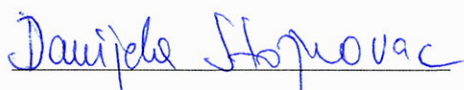
In addition, we kindly remind you of the Law on Ratification of the Loan and Financing Agreement, published in Official Gazette of RS, no. 19-10 which confirms the Loan and Financing Agreement between KfW, Frankfurt am Main, and Republic of Serbia - Water and Sewerage Programme in Medium-Sized Municipalities in Serbia –Phase 2, signed on 21 December 2009 in Belgrade. We notably remind you of the Article 1.6 of the Loan and Financing Agreement: "the Borrower shall take special care that there is no reduction of transfer funds from the republic budget to the Municipalities participating in the Programme, in the event that these Municipalities increase potable water and waste water tariffs in line with the Programme requirements".

Separate Agreement on Implementation of the Loan and Financing Agreement, dated 24 August 2010 (between KfW and Republic of Serbia, represented by the Minister of Finance and Minister for NIP and a representative of the City of Loznica and a representative of the PC Vodovod i kanalizacija Loznica) provides further details on Water and Sewerage

Programme in Medium-Sized Municipalities in Serbia (Programme I, Phase 2). The Article 1.3 of this Agreement refers to selection of Municipalities participating in the Programme; notably, the Annex 2 provides criteria met by the Municipalities and PUC for entering Phase 2. The Tariff Model is fully in accordance with the criteria listed in the Annex 2 of the Separate Agreement on Implementation of the Loan and Financing Agreement (especially, the criterion no.3 to be met by the PUC).

Attached, please, find:

1. Excerpt from the Law on Confirmation of Loan and Financing Agreement, Official Gazette of RS no. 19-10 (notably, the above mentioned Article 1.6)
2. Assumptions for Tariff Model projections (integral part of the Tariff Study)
3. List of criteria for entering Phase II of the Programme (Annex 2 to the Separate Agreement on Implementation of Loan and Financing Agreement).



Danijela Stojkovic

(Services B Commercial Expert / Deputy Team Leader, KfW-Project "Medium Sized Municipalities")

**SETEC Engineering**