

Call III

3rd Market survey for the conclusion of a “construct to use” agreement within Watertruck+

date of publication: December 1, 2017

Deadline for receipt of candidacies
January 15th, 2018 at 10 a.m.



Table of contents

1	What is Watertruck?	3
2	Watertruck+	3
3	Public-private collaboration	4
4	Reason for Call II	5
5	Procedure	6
6	Methodology	7
7	Template for submission.....	10
8	Timing	10



1 What is Watertruck?

Watertruck is an innovative concept for goods transport on small waterways (CEMT I-IV) that can unlock the economic potential of a region through the use of small, self-propelled or unpropelled, standardised barges.

Combined with large or small environmentally friendly barges, used for convoy transport, the concept ensures maximum flexibility of operations while maintaining maximum regional coverage by connecting small inland waterways with the TEN-T network.

The Watertruck concept provides a universal standard design for various types of small inland barges that can be modified to satisfy the operational requirements of a specific goods flow (cargo flow). Propulsion, hatches, lifting (pumping) systems, a small crane, etc. can be added or removed without having a major impact on the overall hull structure.

The standard barges are designed to ship various types of goods and to have an increased carrying capacity (both in terms of weight as well as volume).

The operational and economic feasibility of the concept was investigated during the Interreg project Watertruck (<http://watertruck.be/>) that was executed between 2010 and 2014. Amongst the conclusions were the findings that there is a need for innovation and for a master plan for the future of transport on small waterways in Europe, that will improve the competitive position of inland shipping vis-a-vis road transport.

2 Watertruck+

The Watertruck+ project, a TEN-T/CEF-project, aims to provide a solution that is complementary to the existing inland waterways. The aim is to equip the market with business cases for a large European fleet of vessels by rolling out the Watertruck concept in various European regions.

As a first step, certain standards are to be developed to improve the interoperability of the vessels, both in terms of sailing area as well as cargo type. Within this first stage of the European rollout, a small fleet shall be built and deployed during a trial phase, in which a specified volume of goods will be shipped each year.

The vessels are specifically built for use on identified cargo flows. The aim of the project is to use the new Watertrucks on cargo flows that are not transported by the existing fleet, thereby increasing the market share of inland waterways in the European modal split.

In addition, the construction of the vessels shall be subject, during the execution of the test phase, to a best efforts obligation to lower the CO₂ emission by at least 25% in comparison to the emissions of the existing inland waterways fleet, and to achieve a



noxious substances emission level that at least meets the emission criteria of EURO VI standards for road transport, or equivalent.

This trial phase shall provide us with more information about:

- ✓ The construction costs, through efforts to achieve greater standardisation and a modular structural design.
- ✓ The operating costs, as a result of efforts to implement a different logistical organisation and more efficient propulsion systems.

These parameters shall be combined with a financial toolbox. This financial toolbox shall contain available financial tools that will support the roll-out of the concept in Europe. The operational parameters and the financial toolbox will result in a master plan consisting of business cases for the new construction of a fleet of Watertrucks throughout Europe, under the impulse of private investments.

Under the stimulus of private investments, the emergence of a large fleet of uniform, standardised vessels on the market that are capable of modular deployment, will transform the nature of the sector. A large fleet of Watertrucks shall thereby become a standard investment within the inland waterways transport sector (comparable to investments in goods trailers in road transport), rather than a one-time investment based on a specific situation (such as customised vessels designed to handle a specific region or cargo flow).

3 Public-private collaboration

The following parties are currently represented within the Watertruck+ project.

Flemish government

On 11th September 2014, the European Commission made a Call for proposals within the 2014 CEF Transport Calls - Multi-Annual Work Programme. On 26th February 2015, the Flemish Government, represented by the Flemish Minister Ben Weyts, submitted an application for the Watertruck+ project.

This led to the signing of a Grant Agreement between INEA and the Flemish government on 4th December 2015, under which Waterwegen & Zeekanaal nv shall act as lead partner.

Implementing bodies - bvba Watertruck+

The Flemish government mandated VIM (Flanders Institute for Mobility) vzw, Waterwegen & Zeekanaal nv and nv De Scheepvaart to execute the project, in which a Special Purpose Vehicle (SPV) bvba Watertruck+ was established.

Bvba Watertruck+ is responsible for the project development, the design (standardisation, design, innovation), the construction and the delivery of the vessels to the operators, the creation of a master plan, the dissemination of the project results and communication.



The public parties are the initiators of the Watertruck+ project and were involved in the preceding Interreg project. They are the founders of bvba Watertruck+.

Operators

As a result of Call I and II, operators De Cloedt and André Celis signed the 'Design and construct to use'. Through these individual agreements, they commit themselves to the Watertruck+ project by cofinancing for at least 50% of the construction of 10 self-propelled CEMT I barges, 6 CEMT IIL barges, 2 CEMT IIS barges and a small pusher. They will deploy 10 CEMT-I barges and to use these vessels in their operations.

Shippers

Within Call I, shipper and Waterwegen & Zeekanaal (Project Nieuwe Stede) signed an agreement in which they commit themselves to appoint, through a public tendering procedure, an operator for the transportation of 415,000 tons /7 years, thereby encouraging the modal shift of cargo flows to waterborne transportation.

4 Reason for Call III

With the view to submit a project proposal to CEF, VIM, from amongst the public partners, organised a market survey.

As many public as well as private stakeholders as possible were contacted for this purpose, in two phases. The initial phase took place late 2014, during which these stakeholders were approached in various ways, such as through participation in events, presentations at international trade fairs and conventions, but also by directly contacting parties, after which meetings were held with interested parties and information was shared.

This first phase led to negotiations and the conclusion of a "construct to use" agreement with three operators/private partners. This agreement is conceived as a standard agreement which is similar for the three operators.

In a second phase, a number of possibly interested contacts were contacted again, notified about the standard agreement and provided with the opportunity to join the Watertruck+ project by signing this standard agreement.

No additional standard agreements were signed before the submission of the proposal, so that the proposal was submitted from the perspective of a collaboration with, at that moment, three private parties. In addition, during this market survey, two shippers (IOK and W&Z) declared that they would transport the volumes that they currently have at their disposal (transport of waste containers and removal of earth for the Nieuwe Stede project) via Watertruck+, on a project basis. The tendering procedures also provided the option to submit, in addition to the base quotation, free variants.

As a result of these public tendering procedures, the contract for the Nieuwe Stede project was awarded to one of the three existing operators.

During the execution of the project, three operators decided to withdraw themselves as they failed to keep their financial commitments.

In view of these recent findings, as well as the decisions of the Steering Committee and the Board of Directors of bvba Watertruck+ concerning available budgets, the bvba Watertruck+, as the legal successor of the aforesaid public partners, wishes to organise a new Call, hereinafter referred to as Call III. This offers market parties again an opportunity to, under the conditions as laid down under '5. Procedure' submit a candidacy and, under condition of approval by bvba Watertruck+, to participate in the project.

5 Procedure

Based on case law, the European Commission issued an interpretative communication in 2006 concerning the Community law applicable to contract awards that are not, or not fully, subject to the provisions of the Public Procurement Directives (2006/C179/02, PB., 01.08.2006).

This interpretative statement provides a guideline concerning the manner in which an appropriate publication shall be ensured, and how, ultimately, a contract shall be concluded after appropriate publication,

Bvba Watertruck+ employs this statement for the organisation of Call III. It is primarily oriented towards contracting authorities that wish to award contracts which are not subject to the legislation concerning public procurement. Hereby are applicable:

a) The appropriate publication

The principles relating to equal treatment and non-discrimination imply an obligation to maintain transparency whereby each potential candidate is guaranteed an appropriate amount of public visibility to ensure that the market is opened up to competition. Call II is published on websites and through a newsletter. In addition, this document shall be made available to the widest audience possible via mail communication.

b) The "awarding of the contract"

Of specific relevance to the organisation of a Call, is that all participants should have advance information of the applicable terms (conditions for participation, selection criteria and assessment criteria).

These terms and conditions and criteria shall be discussed below.

The current Call cannot be considered as a publication of a public procurement procedure. As a result, Law governing public procurement procedures are NOT applicable.

6 Methodology

Bvba Watertruck+ publishes its Call III on its website <http://www.watertruckplus.eu/> and on the websites of the waterway authorities, in which the following items are described in detail:

- The subject matter of the Call;
- The deadline for receipt of candidacies;
- The preconditions for candidature (see exclusion and selection criteria);
- The assessment criteria;
- The procedural steps that have to be followed (Timing).

a) The subject matter of the Call

Below, there is a description of the lots for which we accept candidacies in order to close a 'construct to use' agreement. A draft version of this 'construct to use' can be consulted [via this link](#).

The subject matter of the Call concerns the following:

- CEMT I barges, self-propelled or not,
- CEMT IIS barges
- CEMT IIL barges, self-propelled or not,
- small pusher
- large pusher

The most important (estimated) specifications of these vessels are shown in the table below:

	Dimensions (afmetingen)						Payload capacity				
	LOA (lengte)	BOA (breedte)	Height (holte)	Airdraft (vrije hoogte)	Light ship	Max draft	Hold volume	Hold length	Max payload	TEU	TPC / immersion
	(m)	(m)	(m)	(m)	(ton)	(m)	(m ³)	(m)	(ton)	(TEU)	(ton)
CEMT I	38,50	5,05	2,95	3,70	100,06	2,80	486	29,75	412	8	1,83
CEMT I (self-propelled)	38,50	5,05	2,95	3,70	117,28	2,80	486	29,75	395	8	1,83
CEMT II long	50,00	6,60	2,95	4,20	137,19	2,80	899	41,25	745	24	3,15
CEMT II long (self-propelled)	50,00	6,60	2,95	4,20	156,38	2,80	899	41,25	725	24	3,15
CEMT II short	40,00	6,60	2,95	4,20	115,89	2,80	681	31,25	580	20	2,49
Small pusher	12,00	5,05		3,70		1,60	overall height, elevated: 6 m				
Large pusher	16,50	8,20		4,20		2,80					

The available quantities of each vessel type are determined in relation to the available budget of subsidies and the project's goals. Vessels may be subsidized up to 50% of the construction costs, with an upper limit per vessel type.

As an indication only, and without any commitment, the following estimated construction costs and upper limits of applicable subsidies are shared:

	Estimated construction cost	Available subsidy
CEMT I	300 000 €	150 000 €
CEMT I (self-propelled)	750 000 €	287 500 €
CEMT II long	375 000 €	187 500 €
CEMT II long (self-propelled)	850 000 €	350 000 €
CEMT II short	325 000 €	162 500 €
Small pusher	1 250 000 €	500 000 €
Large pusher	2 000 000 €	1 000 000 €

The subject cannot, under any circumstances, be guaranteed. Watertruck+ reserves the right to allocate above-mentioned vessels not or only partially.

b) The deadline for receipt of candidacies

In view of the familiarity of the market with the project and the urgency to identify the last operators and to include them during the negotiations concerning the award of building contracts for the barges and pushers (planned for the end of 2018), the deadline for submission of a candidacy is set on January 15th, 2018, 10 a.m.

c) The preconditions for candidature (see Exclusion criteria - selection criteria)

The candidates shall meet the preconditions so that their candidacy can be assessed.

- By submitting a candidature for this Call, the candidate declares that he is not in a state that is a ground for exclusion, as stipulated in Section 61 of the Royal Decree of 18th April 2017 on awarding public contracts in traditional sectors.
- The candidate provides a shipping guarantee via the realisation of new flows, at least for the duration of the project.
- The candidate demonstrates that he possesses adequate capacity and is in a position to transport the goods as soon as the vessels are available.
- He shall demonstrate (by every means possible) that he has sufficient financial resources to co-finance at least 50% of the investment in the construction of the vessels.

d) The assessment criteria

The candidatures of the candidates that meet the preconditions, shall be assessed on the basis of the following assessment criteria, all of which shall have a separate weightage.

1) Guaranteed tonnage (25 points)

It is important that a sufficiently large flow of goods is present. The candidate shall specify the proposed annual volume that he can guarantee to be transported via the inland waterways. The greater the tonnage, the higher the value that will be assigned to this criterion. The assessment shall be made in accordance with the following formula:

$$C_{1,i} = T_i \times 25 / T_{max}$$

Where:

$C_{1,i}$ = quotation of candidature, and "i" for this criterion

T_{max} = Tonnage corresponding to the candidature with the highest number of guaranteed tonnages.

T_i = Guaranteed tonnages by candidature "i"

Note: The specified guaranteed tonnages shall be included as a firm commitment in the construct to use agreement that shall be concluded between the bvba Watertruck+ and the private partner, whereby a penalty clause shall also be included.

2) Modal shift (25 points)

The proportion of the cargo flow that makes the modal shift to waterways in comparison to the total cargo flow of the candidate mentioned under criterion 1, shall be ascertained. The higher this percentage, the higher the value which is assigned to this assessment criterion.

3) Efficiency of the subsidies (20 points)

To ensure a maximal impact of the used subsidies, the relationship between the guaranteed tonnage (assessment criterion 1) and the invested subsidies (cfr. The indicative amounts mentioned in the subject matter of the Call) is computed.

This relation, expressed as tons per euro, will be assessed as follows:

$$C_{3,i} = T_i \times 20 / T_{max}$$

Where:

$C_{3,i}$ = assesment of candidature "i" for this criterion

T_{max} = score corresponding to the candidature with the highest efficiency of the subsidies.

T_1 = Ton/Euro for candidature “i”

4) Added value (30 points)

In a separate note, the candidate specifies the extent to which this project offers a generic solution with regard to mobility, potential for inland waterways, the environment, etc.

7 Template for submission

A template for submission is available [via this link](#). The completed document has to be delivered via info@watertruck.eu. The candidate will be receiving a confirmation e-mail. Should this not be the case, the candidate should contact the Watertruck+ team via 011 24 60 00 in order to verify receipt of his candidacy.

8 Timing

The procedural steps that shall be taken are as follows:

- Announcement on the Watertruck+ website on November 30th 2017.
- Submission of applications no later than January 15th, 2018, 10 a.m.
- Assessment of applications according to the basic conditions, exclusion and selection criteria by January 30th, 2018
- Assessment of candidates (shortlisted candidates) based on assessment criteria, and
- Possible negotiations concerning the signature of a ‘construct to use’ agreement
- Decision by the Board of Directors of Watertruck+ no later than February 15th 2018.