



**GOVERNMENT OF MONTENEGRO**  
**PRIVATISATION AND CAPITAL INVESTMENT COUNCIL**  
**Tender Committee for Valorisation of Tourism Locations**

announces

**PUBLIC INVITATION**

**for participation in the international public tender for long-term leasing of land and sea surface area at a location between Njivice and Sutorina River mouth, Municipality of Herceg Novi**

1. The Government of Montenegro hereby invites qualified domestic and international investors who are financially capable and have experience in design, construction and operation of touristic facilities, interested in long-term lease for a period of minimum 31 to maximum 90 years of land and sea surface area at a location between Njivice and the mouth of the Sutorina River, Municipality of Herceg Novi, including the obligation to provide financing, design, construction and management of a tourism resort, to submit their bids.
2. Basic information about the land subject to long-term lease

The location that is the subject of the Tender includes the **land** covering an area of 30,597 m<sup>2</sup> and the **sea surface area (aqua space)** of 17,313 m<sup>2</sup>. The land is located south-wise from the Sutorina River mouth and north-wise from Njivice village. It is about 5 km from the centre of Igalo if going along the country road and about 9 km from the centre of Herceg Novi. The location is outlined in detail in the Special Purpose Spatial Plan for the Public Maritime Domain and covers an area which is bounded by: the beach at the Pecine site in the north, by the Njivice-Kobila-Prevlaka road in the west; Njivice village in the south and seashore in the east.

With respect to its shape, the complex is almost regular, rectangular area about 580 m long and 60 to 80 m wide. Generally, it stretches in the direction north-south, or more precisely, in the direction north-northwest-south-southeast. Morphologically, the complex includes a hillside covered with underbrush that runs down to the sea and ends in a naturally formed beach.

The land that is the subject of the Tender is registered in the Deed of Title No. 1003, Cadastral Municipality of Sutorina, Municipality of Herceg Novi, as the property of the State of Montenegro, and includes the following cadastral parcels:

- Cadastral parcel 5827/2 of an area of 99 m<sup>2</sup>,
- Cadastral parcel 5828/9 of an area of 5,008 m<sup>2</sup>,
- Cadastral parcel 5828/10 of an area of 13,510 m<sup>2</sup>,
- Cadastral parcel 5828/11 of an area of 1,759 m<sup>2</sup>,
- Cadastral parcel 5828/12 of an area of 2,561 m<sup>2</sup>,
- Cadastral parcel 5828/13 of an area of 95 m<sup>2</sup>,
- Cadastral parcel 5828/14 of an area of 283 m<sup>2</sup>,
- Cadastral parcel 5828/16 of an area of 219 m<sup>2</sup>,
- Cadastral parcel 5828/17 of an area of 578 m<sup>2</sup>,
- Cadastral parcel 5828/18 of an area of 778 m<sup>2</sup>,
- Cadastral parcel 5828/19 of an area of 363 m<sup>2</sup>,
- Cadastral parcel 5829/2 of an area of 834 m<sup>2</sup>,
- Cadastral parcel 5829/3 of an area of 546 m<sup>2</sup>,
- Cadastral parcel 5829/4 of an area of 309 m<sup>2</sup>,
- Cadastral parcel 5829/5 of an area of 50 m<sup>2</sup>,
- Cadastral parcel 5829/6 of an area of 728 m<sup>2</sup>,
- Cadastral parcel 5829/7 of an area of 25 m<sup>2</sup>,
- Cadastral parcel 5829/8 of an area of 73 m<sup>2</sup>,
- Cadastral parcel 5829/9 of an area of 114 m<sup>2</sup>,
- Cadastral parcel 5829/10 of an area of 562 m<sup>2</sup>,
- Cadastral parcel 5829/11 of an area of 114 m<sup>2</sup>,
- Cadastral parcel 5829/12 of an area of 344 m<sup>2</sup>,
- Cadastral parcel 5829/13 of an area of 1,537 m<sup>2</sup>,
- Cadastral parcel 5829/14 of an area of 38 m<sup>2</sup> and
- Cadastral parcel 5985/2 of an area of 70 m<sup>2</sup>.

Detailed information regarding the complex is given in the Tender Documents that will be available to the Tender Participants upon signing of the Confidentiality Statement and purchase of the Tender Documents.

3. Participation is open to the interested parties (including Consortia) that have purchased the Tender Documents and signed the Confidentiality Statement in accordance with the Public Invitation ("Tender Participant").

4. A Tender Participant will be qualified as a Bidder if it fulfils the Qualification Requirements defined as Group A or Group B.

A.

- The Bidder must be an international hotel operator and brand that is known and recognized internationally as a successful operator of at least 2 (two) minimum 4-star hotel resorts.
- The Bidder must have at least 5 (five) years of continuous experience in planning, developing and managing hotels of at least 4-star category under international standard.
- The Bidder must demonstrate that it has the financial capability and resources necessary for the complete and timely implementation of the envisaged project under the terms stipulated in the Tender Documents and the Bid.
- The Bidder must demonstrate that in the past year it achieved positive financial results and that in the past year it had a turnover of at least EUR 10,000,000 (ten million euro).

The Qualification Requirements under A. must be met cumulatively. The fulfilment of Qualification Requirements will be evaluated upon the receipt and opening of the bids.

or

B.

- The Bidder must have capital or assets under its management of at least EUR 50 million (fifty million euro).
- The Bidder must prove that it achieved a positive financial result in the last business year.
- The Bidder must prove that in the last business year it had a total turnover of at least EUR 30 million (thirty million euro).
- The Bidder must have a Letter of Intent or a signed management contract with a reputable company that manages at least 2 (two) hotel resorts of international standard at least 4 stars.

Qualification Requirements under B. must be met cumulatively. The fulfilment of Qualification Requirements will be evaluated upon the receipt and opening of the bids.

5. A Tender Participant who purchases the Tender Documents may form a Consortium with other entities and such Consortium may submit a Bid under the condition that all the Consortium member collectively meet the Qualification Requirements so that the Consortium shall be considered to meet the Qualification Requirements if its members meet those requirement together, even if some of the members individually do not meet them, as well as that members of the Consortium share unlimited joint and several liability for all of them with respect to the subject-matter of their Bid.

6. Among other things, the Bidders are expected to:

- propose the Lease Term which shall be neither shorter than 31 nor longer than 90 years. The proposed Lease Term will be one of the criteria for the evaluation of the Bid;
- propose the amount of Fixed Rent per square meter, the guaranteed amount of which in any case, shall not be less than EUR 1 (one euro) per square meter of land and EUR 0.60 (sixty euro-cents) per square meter of sea surface area per year. The amount of the offered Fixed Rent will be one of the criteria for the evaluation of the Bid;
- propose the amount of the Variable Rent during any year, expressed as a percentage of total annual income achieved by the Lessee. The amount of the offered Variable Rent will be one of the criteria for the evaluation of the Bid;
- deliver the Preliminary Investment Program and Business Plan with a minimum investment commitment of EUR 20,000,000 (twenty million euro) that precisely define the structure, dynamics and amount of investments by years and planned source of investment capital. The Preliminary Investment Program and Business Plan will be one of the criteria for the evaluation of the Bid, and they must be in compliance with the Detailed Elaboration. The Preliminary Investment Program and Business Plan, in the form of Investment Program and Business Plan, must be in compliance with the State Location Study (SLS) for "Sector 1", in accordance with the Agreement. The Investment Program must be secured by a Performance Bond. The Preliminary Investment Program and Business Plan must also include the plan for investing in the infrastructure (water supply, waste water management, solid waste disposal, energy and transport infrastructure) that will cover the needs of the Tourism Resort;
- within 4 (four) years of the Investment Program Commencement Date, fully meet the commitments indicated in the Investment Program, which will be an integral part of the Lease Agreement.

7. Request for the purchase of the Tender Documents clearly marked with "Request for the purchase of the Tender documents - the land between Njivice and the Sutorina River mouth" ("Zahtjev za otkup Tenderske dokumentacije – zemljište između Njivica i usca Sutorine"), may be sent by interested bidders to the Tender Committee for Valorisation of Tourism Locations ("The Tender Committee") via registered mail, e-mail or fax.

The final date and time for the purchase of the Tender Documents is June 8<sup>th</sup> 2015 at 16.00h (local time).

8. Interested Tender Participants shall receive instructions for payment of a fee for Tender Documents in the amount of EUR 10,000 (ten thousand euro) via mail, e-mail or fax to the account of the Privatisation and Capital Investment Council (referred to in paragraph 11 of this Invitation) as well as the Confidentiality Statement. Tender Participants shall, upon receipt of the payment instructions and the Confidentiality

Statement, submit to the Tender Committee the signed Statement and evidence of payment of the fee for Tender Documents.

Immediately upon receipt of the signed Confidentiality Statement and evidence of payment of the fee for the Tender Documents, the Tender Committee shall send the Tender Documents to the Tender Participants by personal delivery, mail, e-mail or internet. In case that Tender Documents are received by Tender Participant via mail or e-mail, the Tender Participant shall send back a written acknowledgment of receipt to the address referred to in paragraph 10 of this Invitation.

9. The Tender Participants will be given the opportunity to visit the location between Njivice and the Sutrina River mouth in accordance with the procedure laid down in the Tender Documents.

10. The Bids shall be submitted personally or via registered mail at the following address:

Privatisation and Capital Investment Council  
Tender Committee for Valorisation of Tourism Locations  
Ulica Karadjordjeva bb  
81000 Podgorica

The Bids must be received by no later than June 15th 2015, at 12.00h (local time) at the specified address, regardless of the way of sending.

11. Together with the Bid, the Bidder must pay a Deposit or submit a Bid Bond in favour of the Privatisation and Capital Investment Council in the amount of EUR 200,000 (two hundred thousand euro) payable at first demand, issued by a bank that has a credit rating of at least BBB awarded by Standard and Poor's agency or the bank approved by the Tender Committee, at its discretion, based on prior written request. The deposit shall be paid to the account of the Privatisation and Capital Investment Council:

- ME25520420000013830093, Hipotekarna Banka AD Podgorica, for foreign payments, or
- 520-2812-78 Hipotekarna Banks AD Podgorica, for domestic payments.

The cost of the Bid Bond / deposit shall be borne by the Bidder.

12. For any questions regarding this Public Invitation or the Tender, it is necessary to contact the Tender Committee at the following address:

*Privatisation and Capital Investment Council  
Tender Committee for Valorisation of Tourism Locations  
Karadjordjeva bb, 81000 Podgorica, Montenegro  
Tel: +382 20 446 390  
Fax: +382 20 446 215  
E-mail: tamara.pesic@mrt.gov.me*

*Contact person: Tamara Pesic, Secretary of the Tender Committee*

13. The Tender Committee reserves the right to change certain provisions of this Public Invitation and Tender Documents, including the provisions that prescribe certain timeframes.