



Montenegro
Ministry of Economy

According to Article 21 of the Law of Concessions (“Official Gazette of Montenegro”, No. 08/09), the Ministry of Economy is announcing:

PUBLIC ANNOUNCEMENT FOR CONCESSION AWARD TO EXPLOIT WATER STREAMS FOR CONSTRUCTION OF SMALL HYDROPOWER PLANTS IN MONTENEGRO

The Ministry of Economy of Montenegro (hereinafter referred to as: The Ministry) is inviting all interested investors to submit applications for the Public announcement for concession award to exploit water streams for construction of small hydropower plants in Montenegro (hereinafter referred to as: Public announcement). Concessions will be awarded on the basis of public bidding process through an open procedure as stipulated by the Law on Concessions. Objective of the public bidding process is selection of good-quality concessionaries to construct small hydropower plants (hereinafter referred to as: sHPP), on two water streams on which the concessionary activities will be conducted.

1. DESCRIPTION OF THE SUBJECT OF CONCESSION AND LOCATIONS WHERE THE CONCESSIONARY ACTIVITY WILL BE CONDUCTED

Subject of concession is design and planning, construction, use and maintenance of small hydropower plants on water streams. The list of the water streams, with clearly defined borders of locations, within which the concessionary activity are foreseen, with the length and gross downturn of water stream, is given in Table 1.

Table 1. Water streams - specific locations where the concession activity will be conducted

Ref.No.	Water stream	The length of the stream [km]	Gross downturn of the stream [m]	Height of the spring [masl]	Height of estuary [masl]
1	Bukovica	20,10	605	1440	835
2	Stitaricka	14,48	922	1760	838

A Bidder, either as a separate party or as a consortium member, is allowed to apply for 1 (one) out of 2 (two) water streams in the Table 1, at maximum. A Bidder, either as a separate party or as a consortium member, is allowed to submit only one bid for the same water stream.

2. MAIN COMPONENTS OF THE CONCESSIONARY ACT

The Concessionary Act for concession award to exploit water streams for construction of sHPP in Montenegro (hereinafter referred to as: The Concessionary Act), is the basic document used for initiating the process of concession award, which was adopted by the Government of Montenegro at its official Assembly held on 30th July, 2015. The Concession Act shall define the subject of the concession, the economic parameters for the assessment of the economical feasibility of the investment, duration of the concession, the amount of the concession fee, the criteria for selection of the most favourable bid, requirements and obligations to be fulfilled by concessionary when conducting concessionary activities and it contains data, information and analyses related to the concession award to exploit water streams for construction of small hydropower plants in Montenegro.

The Concession Act, as well as all the relevant technical documentation (including: Hydrologic Elaborates; Preliminary Elaborate of hydro potential on tributaries of main catchment areas of Piva and Lim, Rough preliminary analysis of hydro potential of Stitarica, as well as Technical recommendations of connection to the electricity distribution network of Stitarica 1 and Stitarica 2), are available on the website of renewable energy sources www.oie-res.me.

3. PUBLIC BIDDING PROCEDURE

The public bidding through an open procedure is stipulated by the Law on Concessions, as well as by the Regulation on the detailed method of the implementation of the public bidding procedure in an open and two-phased concession award process ("Official Gazette of Montenegro", No. 67/09). The public bidding procedure has been explained in details in the Instruction for the Bid Preparation (hereinafter referred to as: the Instruction).

3.1. Eligibility of the Bidder

Any domestic or foreign company or other legal entity, entrepreneurs or other individuals, a Consortium or any other form of business association that meets the requirements related to eligibility in the public bidding procedure in accordance with the Law on Concessions, shall be eligible to participate in the public bidding procedure for concession award to exploit water streams for construction of the sHPP.

3.2. Purchase of the Tender Documentation

Tender documentation shall contain the Instruction for the Bid Preparation and Draft Concession Agreement. Bidders who wish to participate in the public bidding shall first purchase the tender documentation from the Ministry. Along with the purchase of the Tender documentation, the interested party shall submit the evidence of payment for the purchase of the Tender documentation, stating on whose behalf it purchases the documents. If an interested party acts as an authorized representative of a company or Consortium, it is necessary to present the authorisation to represent the company or Consortium. The Ministry shall issue confirmation for the purchased Tender documentation, and it shall keep records of persons who have purchased the documentation, based on which the bidders, who are eligible to participate in the public bidding, shall be identified.

The price of Tender documentation is EUR 500.00 (five hundred euros), and shall be paid into the bank account of the Budget of Montenegro, Acc.No. 832-978-76, with the subject "Purchase of Tender Documents of sHPP". Tender documents may be purchased by the deadline for submission of bids.

If a Bidder pays a fee for purchasing Tender documentation from abroad, payment instructions may be obtained from the Contact person.

3.3. Submission of Application

Applications shall be submitted for each water stream separately. Applications shall be submitted in Montenegrin language. If the documentation from the application is submitted in any foreign language, bidder is required to submit certified translation to Montenegrin language. In case of the trial, certified translation will be used for the interpretation of information and evidence.

The bidder may submit the application directly to the Archive of the Ministry of Economy, or by post to the following address:

Ministry of Economy
46, Rimski trg , 81000 Podgorica,
Montenegro

The deadline for submission of applications is 5th of October 2015, until 10:00 o'clock.

Submission implies physical admission by the the Archive of the Ministry. The Ministry shall issue a certificate of the reception of application, which clearly states the date and the time of reception of application.

Bidder has the right, based on a written request, to withdraw the application by the expiry date of the deadline for submission of application, at the latest. Application shall be considered withdrawn once the written request for withdrawal of the application has been received, after which it shall be immediately delivered to the bidder, unopened. Application that is submitted after the deadline is considered void, and will not be taken into consideration and will be returned to the bidder unopened.

The procedure for submission of applications, as well as the required documents are further defined by the Instruction.

3.4. Bid Security

Each Bidder is to submit a bank guarantee of application, in the amount of € 25,000.00 (twenty-five thousand euro), payable on first demand without the right of objection, in the form set out in the Instruction, or evidence of cash deposit payment in the same amount. The validity of the bank guarantee or cash deposit is 180 days from the deadline for submission of applications.

3.5. Public opening of applications

Public opening of applications will be conducted by Tender Commission and will take place at the premises of the Ministry of Economy, Rimski trg 46, Podgorica, in Conference hall, on the day 05th of October 2015, starting at 14:00 o'clock.

Bidders or their authorized representatives have the right to attend the public opening of applications, as defined by the Instruction.

3.6. Criteria for selection of the most favorable application

Bids will be evaluated and ranked based on the criteria for selection of the most favourable bid. Ranking list of bidders is formed for each water stream individually. Criteria for selecting the most favourable application are shown in Table 2.

Table 2. Criteria for selection of the most favourable application

Red. No.	Criteria/sub-criteria	No. of Points
1.	Experience in the management of Hydro-energy facilities	30
2.	Financial capacity	30
3.	Technical solution	20
3.1	Installed capacity of sHPP	8
3.2	Annual production of electricity at the sHPP	12
4.	Experience/Participation in domestic market	12
5.	Multifunctional solutions	8

4. CHANGE IN TERMS AND CONDITIONS OF PUBLIC ANNOUNCEMENT AND DECISION-MAKING

Changes and/or amendments to the Public announcement must be published in a same manner as the original text of the Public announcement, with the extension of the application submission deadline for the period that has passed from the day the Public announcement was published.

The Ministry retains the right to amend, announce void or unsuccessful the Public announcement prior to the expiry date, as well as the right not to award concession to any bidder for water streams for the construction of sHPP.

5. CONTACT PERSONS AND ADDITIONAL INFORMATION

Interested investors may request additional information or clarifications regarding the preparation of the application and the bid, in a written form, at least 10 (ten) working days before the deadline for the submission of applications.

Contact E-mail: mhe.koncesije@mek.gov.me

Contact person: Nevena Kaluđerović, tel: 020 482 213, E-mail: nevena.kaludjerovic@mek.gov.me

Contact address: Ministry of Economy, 46, Rimski trg, 81000 Podgorica, Montenegro