

APPLICATION FOR PARTICIPATION IN THE PROCEDURE OF AWARDING FUNDS FOR FOSTERING DIRECT INVESTMENTS

Applicant – investor:

(Name and address of the entity/name and address of the entrepreneur)

Application is submitted for awarding funds for implementation of the investment project:

(Name and place of implementation of the investment project)

I. WRITTEN DECLARATION OF ACCEPTANCE OF CONDITIONS FOR AWARDING FUNDS

Applicant – investor:

Responsible person of the Applicant - the investor:

The Applicant for participation in the procedure of awarding funds for fostering investments (hereinafter referred to as the Application), hereby declares to accepts the conditions and requirements set out in the Public Announcement for participation in the procedure of awarding funds for fostering direct investments (hereinafter referred to as the Public Announcement) and the Decree on fostering direct investments (Official Gazette of Montenegro 8/15) (hereinafter referred to as the Decree).

In this regard, the Applicant declares to, among other things, meet the following requirements:

- registered in the Central Registry of Business Entities of Montenegro or the appropriate registry of the country in which the Applicant has a seat;
- submitted the investment project in accordance with the Decree;
- against which no bankruptcy or liquidation proceedings is initiated, except for reorganization in accordance with the law regulating bankruptcy of business entities;
- which is not convicted of a crime committed in the course of pursuing a business activity;
- which has settled all liabilities for taxes, customs and contributions;
- which has not reduced the number of employees in Montenegro by 10% and more in the previous 12 months prior to the submission of application;
- which was not awarded the funds from the Budget of Montenegro allocated for the same purposes;
- in which the state or a local government unit does not have a majority interest;
- which is not faced with difficulties in accordance with the regulations on state aid;
- which is not under the obligation to return illegally received state aid.

Place and date:	L.S.	Signature of authorized person:

II. GENERAL INFORMATION ABOUT THE INVESTOR

Name of business entity			
Type of organization			
Year of establishment			
Activity and activity code			
Seat (address)			
Identification number/TIN			
Phone, fax and e-mail			
Internet address			
Contact person			
Position/function of contact person			
Phone and e-mail of contact person			
Turnover in the preceding business year (in EUR)			
Turnover in the year in which the application is submitted (in EUR)			
Average number of permanently employed in the previous two years	20__	20__	
Number of permanently employed in the year in which the application is submitted			
Mission and vision of business entity			
The planned number of permanently employed in the next three years (by years)	1. year	2. year	3. year
Owners of 10% or more of shares	Name of shareholder	Seat/address of shareholder	% of shares

Table 1

The most important products, works and/or services:

The most important products, works and/or services	Share in total sale (%)	Share in total export (%)

Table 2

Data on the sale and markets on which the products, works and/or services are placed:

Year	Amount of sale/export in the previous two years (in EUR)		Current year
	20__	20__	20__
Total sales volume			
Export volume			
Market 1 _____			
Market 2 _____			
Market 3 _____			
Other markets			

Table 3

III. INFORMATION ABOUT THE INVESTMENT PROJECT

Value of the investment project: EUR _____ (in words: _____ euros)

Place and municipality in which the investment project is implemented: _____

Sector (activity) in which the investment project is implemented: _____

The deadline for implementation of the investment project and achievement of full employment envisaged by the investment project: _____

The total number of new jobs for an indefinite period which the business entity undertook to open under the Agreement on the utilization of funds for fostering direct investments:

Value of eligible investment costs in EUR				
Tangible investments				
Year	20__	20__	20__	Total
Land (area and type)				
Buildings and capacities				
Production plants and equipment				

Machinery and other equipment				
Rental costs of business premises				
Investments into leased land, buildings and production plants				
Intangible investments				
Year	20__	20__	20__	Total
Patents, licences or other				
TOTAL				

Table 4

Sources of financing of the investment project

Amount in EUR				
Year	20__	20__	20__	Total
Capital (foreign)				
Capital (domestic)				
Bank loan <i>(indicate the expected interest rate)</i>				
Securities <i>(indicate the expected interest rate)</i>				
Other sources of financing:				
<i>(indicate the type and the expected interest rate)</i>				
TOTAL				

Table 5

Lasting impact of the investment project on the economic development of Montenegro

Assessment of different impacts of the investment project in terms of cost - benefit analysis:

In millions of EUR	In the next three years			Total
	20__	20__	20__	
LABOR COSTS				
Total net earnings				
Total social insurance contributions (pension and				

disability insurance, health insurance and unemployment insurance)				
Total taxes on earnings				
INCOME TAX				
SERVICES TO BE PROCURED IN MONTENEGRO				
Electricity				
Telecommunication services				
Professional development/training				
Premises – rent				
Insurance premiums				
Fuel				
Other (specify)				
CONTINUOUS PROCUREMENT OF PRODUCTS AND SERVICES IN MONTENEGRO (specify)				

Table 6

The project team members

Provide information on the leader of the investment project and its references

First and last name	
Professional qualifications and occupation/working position	
Scope of work	
Experience in similar investment projects	
Total work experience	

Table 7

Provide information on the team members appointed for implementation of the investment project

First and last name	Business entity	Business activity/Type of activity

Table 8

I declare under full substantive and criminal liability that the information given in the Application is true and correct.

Place and date:

L.S.

Signature of authorized person:

The Applicants are required to submit the supporting documents together with the Application, as follows:

- 1) Investment project for the financing of which funds for fostering direct investments are requested (textual and graphic presentation), with details necessary for the evaluation of criteria referred to in art. 11 to 20 of the Decree, as follows:
 - a) information on the strategic orientation of business entity, with particular emphasis on past experience, references of the investor and data on implemented investment projects,
 - b) evidence of the competent body on the activities of the applicant on stock exchange,
 - c) information on the effects of investment project on the productivity of suppliers and other business entities, data on viability of investment project;
 - d) information on the estimated effects of investment project in connection with research and development;
 - e) information showing the estimated effects of investment project on human resources in relation to the level of knowledge and skills whose acquisition is provided with implementation of the investment project,
 - f) information on investment project environmental impact assessment;
 - g) information on international trade volume in terms of assessment whether the product or service is sold on the international market and to what extent;
 - h) information on the effects of investment project on the development of less developed local government units, and
 - i) submission of the Letter of intent of the local government where the applicant intends to invest.
- 2) a business plan which describes the economic justification and the dynamics of implementation of investment project with a description of the planned investment, draft technological process, marketing plan and assessment of competition in the market;
- 3) Balance Sheet and Income Statement for the previous three operating years, with an authorized auditor's report;
- 4) Total estimated value of investment project made by the authorized assessor based on which the amount of investment can be established as per Article 8 of the Decree;
- 5) evidence of the administration body in charge of tax affairs, or the competent body of the state in which the investor has a seat on the average number of permanently employed persons with the investors in the previous two years (the Tax Administration);
- 6) Projected Balance Sheet and Income Statement for the next three years from the date of application submission;
- 7) excerpt from the Central Registry of the Commercial Court (CRPS), or the excerpt from the appropriate registry of the country in which the investor has a seat, which may not be older than 30 days prior to the date of application submission;
- 8) evidence of the body in charge of tax affairs, i.e. customs affairs or other competent state body of the country in which the foreign investor has a seat of settled liabilities for taxes and contributions, i.e. customs (the Tax Administration);

- 9) confirmation of the competent body that no bankruptcy or liquidation proceedings is initiated against the business entity, except for reorganization in accordance with the law regulating bankruptcy of business entities (confirmation of the Commercial Court);
- 10) confirmation of the competent body that no criminal proceedings is initiated against responsible persons in the business entity (confirmation of the Basic Court);
- 11) confirmation of the competent body that business entity or responsible person in the business entity has not been found guilty in a court of law for an offence which is prosecuted ex officio, i.e. has not been convicted of a crime committed in the course of pursuing a business activity (confirmation of the Ministry of Justice for a responsible person in the business entity, i.e. confirmation of the Central Registry of the Commercial Court (CRPS) for a business entity);
- 12) evidence of the body in charge of tax affairs that the applicant has not reduced the number of employees in Montenegro by 10% and more in the previous 12 months prior to the submission of application (the Tax Administration);
- 13) evidence issued by the Commission for control of state aid that business entity was not awarded the funds from the Budget of Montenegro allocated for the same purposes;
- 14) evidence of the competent body that the state or a local government unit does not have a majority interest in the business entity (excerpt from the Central Registry of the Commercial Court (CRPS));
- 15) evidence issued by the Commission for control of state aid in charge of finance affairs that business entity is not faced with difficulties in accordance with the regulations on state aid;
- 16) evidence issued by the Commission for control of state aid that business entity is not under the obligation to return illegally received state aid.

Documents submitted by a foreign investor must be certified in accordance with the regulations of the country of their issue and translated into Montenegrin language by the certified court translator

Evidence of fulfilment of conditions for participation in the procedure of awarding funds for fostering direct investments must not be older than six months before the date of the public opening of applications, except for the excerpt from the CRPS, or excerpt from the relevant registry of the country in which the foreign investor has a seat, which must not be older than 30 days before the date of application submission.