



**GOVERNMENT OF MONTENEGRO  
PRIVATIZATION AND CAPITAL PROJECTS COUNCIL  
Tender Committee for Valorisation of Tourism Locations**

**announces**

**THE PUBLIC INVITATION  
for participation in public tender (“Tender”) for long-term lease of the location of  
Masline Cove – “Utjeha“, Odrač Cape, Bušat, Bar Municipality**

1. The Government of Montenegro hereby invites experienced local and international investors with substantial financial standing and proven track record in development and/or management of hotel and tourist resorts, interested in the long-term lease for the period of 30 years of the land and coastal zone on the location of the Masline Cove – “Utjeha“ - Odrač Cape, Bušat, Bar Municipality, to submit their bids, with the obligation to finance, design, construct and manage a tourist resort of at least a 4-star category.
2. The subject matter of the Tender is the long-term lease of:
  - a) Land with the total area of 29,829 m<sup>2</sup> registered in the Property Deed No. 1967, KO Kunje, Bar Municipality, State owned land, disposal right of the Government of Montenegro – encumbrance Coastal Zone, consisting of the following cadaster lots: 2876 with the area of 23.770 m<sup>2</sup>, 2877 with the area of 247 m<sup>2</sup> and 4085/3 with the area of 5,812 m<sup>2</sup> („Land“).
  - b) Coastal zone with the area of up to 5,812 m<sup>2</sup> of the cadaster lot No. 4085/3 registered in the Property Deed No. 1967, KO Kunje, Bar Municipality, (“Coastal zone“).

The total area of the Coastal Zone is determined and its use is regulated by a separate agreement between the Lessee and the Public Enterprise for Coastal Zone Management of Montenegro, whereas the annual rent for the use of Coastal Zone amounts to EUR 1.40 per m<sup>2</sup> of the cadaster lot no. 4085/3 KO Kunje, Bar Municipality.

The lease term is 30 (thirty) years starting from the date envisaged in the Lease Agreement.

Detailed information related to the location is given in the Tender Documents and will be made available to Tender Participants upon signing of the Confidentiality Statement and purchase of Tender Documents.

3. Participation in the Tender shall be enabled to interested parties (including consortia) that purchased the Tender Documents and signed a Statement of Confidentiality in accordance with this Public Invitation and Instructions to Bidders.
4. A Tender Applicant shall be qualified as a Bidder if it fulfils the following qualification criteria:
  - has in majority ownership or manages at least one 4-star hotel, or has signed Letter of Intent or Management Agreement with company managing at least one 4-star hotel;
  - in the course of previous 2 years has continuous experience in development or management of hotels with 4 or more stars or has signed Letter of Intent or Management Agreement with company fulfilling required condition;
  - has adequate financial standing and assets necessary for realization of Tender i.e. minimal assets of EUR 15 million (fifteen million euros) as of 31<sup>st</sup> December 2018;
  - has generated positive net financial result in 2018. and has generated revenues of at least EUR 7.5 million (seven million five hundred thousand euros) in 2018;
  - has created acceptable and adequate conceptual design.

The qualification criteria have to be fulfilled cumulatively. Fulfilment of qualification criteria shall be assessed after receiving and opening of Bid packages.

The documentation to be submitted for the purposes of evaluation of fulfilment of the qualification criteria is defined in Tender Documents which shall be made available to Tender Applicants in lines with articles 7 and 8 of this Public Invitation.

5. Tender Applicants that purchase Tender Documents may enter into a Consortium with other parties, and such a Consortium may submit a Bid under the condition that Consortium members jointly meet the requirements defined by this Public Invitation and it will be assumed that Consortium met the requirements if its members jointly fulfil such requirements even if its members individually do not fulfil such requirements, as well as that members of the Consortium shall be jointly and severally liable for the duties and liabilities of each member of the Consortium with regards the Bid.

6. Tender Applicants shall submit the Bids in lines with Instructions to Bidders from Tender Documents. The Bidders are, among other things, expected to offer the following minimal Bid elements:
  - the annual rent for the Land of at least EUR 190,000.00, whereas the rent for the initial four-year period of the lease shall amount to 30% of the offered rent;
  - the category of buildings of the hotel and tourist resort which cannot be lower than 4 stars;
  - the start of business of the hotel and tourist resort at latest in period of 5 years from the date of effectiveness of the Lease Agreement.

The Tender Committee for Valorization of Tourism Locations (hereinafter: "Tender Committee") shall not consider Bids which do not contain previously stated minimal Bid elements, which at the same time represent criteria for evaluation of Bids.

7. The Tender Committee hereby invites interested parties to submit written request for purchase of Tender Documents ("Request") with a clear note "Request for purchase of Tender Documents".

The Request may be sent by Tender Applicants by registered mail, e-mail or fax.

Tender Documents may be purchased until 24<sup>th</sup> June 2019, by 12.00 pm (local time).

8. Tender Applicants will receive by mail, e-mail or fax the instructions for paying the fee for purchase of Tender Documents in the amount of EUR 5,000.00 (five thousand euros) and a Statement of Confidentiality. Upon receipt of the instructions and statement, Tender Applicants shall promptly submit to the Secretary of the Tender Committee a signed Statement of Confidentiality, as well as perform payment of the fee for purchase of Tender Documents.

Upon receipt of the signed Statement of Confidentiality and proof of payment of the fee for purchase of Tender Documents, the Advisor shall submit the Tender Documents to the Tender Applicant by e-mail. The Tender Applicant shall acknowledge the receipt of Tender Documents in writing to the Secretary of Tender Committee.

9. Tender Applicants shall be enabled to visit the location and access the data room in period from 24<sup>th</sup> April 2019 to 12<sup>th</sup> July 2019 in coordination with Advisor and in accordance with the procedure specified in the Tender Documents.
10. Bids shall be submitted in accordance with the procedure defined in Tender Documents and delivered to the address of the Tender Committee no later than **17<sup>th</sup> July 2019**, by 12.00 pm (local time). The Tender Committee reserves the right to amend the stated deadline.

11. Together with the Bid, Bidder shall pay the deposit or shall submit a bank guarantee for the Bid to the benefit of the Government of Montenegro in the amount of EUR 100,000.00 (one hundred thousand euros), payable at first call, and issued by a bank that has at least BBB credit rating by Standard and Poor's, or a bank designated by the Tender Committee according to its discretion and based on the previously submitted application. The deposit shall be paid to the account of the Privatization and Capital Projects Council:
- ME25520420000013830093, Hipotekarna banka AD Podgorica, for payments from abroad, or
  - 520 – 2812 - 78 Hipotekarna banka AD Podgorica, for domestic payments.

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

Tender Documents define the terms and conditions for return of the Bid Bond / deposit.

12. The Tender Committee reserves the right to alter the provisions of this Public Invitation, including those provisions that define certain deadlines.
13. For any questions concerning this Public Invitation, or the Tender in general, it is necessary to contact the Tender Committee and Advisor, at the following addresses:

<b>TENDER COMMITTEE</b>	<b>ADVISOR</b>
Tender Committee IV Proleterske brigade, No. 19 81000 Podgorica, Montenegro Attn. Nada Pavićević Secretary of Tender Committee Tel: +382 20 446 386 Fax: +382 20 446215 e-mail: <a href="mailto:nada.mihailovic@mrt.gov.me">nada.mihailovic@mrt.gov.me</a>	Deloitte doo Belgrade Terazije, No. 8 11000 Belgrade, Republic of Serbia Attn. Vladimir Surla Director Tel: +381 11 381 2175 Mob: +381 60 818 3733 e-mail: <a href="mailto:vsurla@deloittece.com">vsurla@deloittece.com</a>