



GOVERNMENT OF MONTENEGRO
PRIVATIZATION AND CAPITAL INVESTMENT COUNCIL
Tender Commission for Valorisation of Tourism Locations

announces

PUBLIC INVITATION
for participation in an international public tender
for long-term lease of the locality
"Mrkovi-Bijela Stijena" Luštica, Municipality of Herceg Novi

1. Description

The Government of Montenegro, through public announcement, invites experienced investors with proven financial capacity, as well as experience in designing, construction and operating large and complex tourist complexes of mixed use, interested in long-term lease for a period which cannot be shorter than 30 years of the locality "Mrkovi-Bijela Stijena" Luštica, Municipality of Herceg Novi, including the construction and management of this tourist complex as well as appertaining facilities and contents, all in accordance with the Spatial Plan for Special Purpose for the Coastal Zone - Detailed Development of the Locality "Mrkovi-Bijela Stijena", in Municipality of Herceg Novi, to submit their bids.

2. Basic data on the land given for the long-term lease

The location that is the subject of the Tender covers the localities registered for tourist valorisation, which are in the scope of the Spatial Plan for Special Purpose for the Coastal Zone - Detailed Development of the Locality "Mrkovi-Bijela Stijena" Luštica, Municipality of Herceg Novi:

1. Cadastral parcels 1537/1, 1537/8, 1537/9, 1537/10, 1537/11, 1537/12, 1537/13, 1537/14, 1537/16 KO Mrkovi, total area of 138,574 m², registered in Title Deed no. 375 KO Mrkovi, Municipality of Herceg Novi, property of Montenegro, right of disposal Government of Montenegro;
2. Cadastral parcel 1537/17 and 1537/18 KO Mrkovi, total area of 24,732 m², registered in Title Deed no. 185 KO Mrkovi, Municipality of Herceg Novi, property of Montenegro, right of disposal Government of Montenegro; and
3. Cadastral parcels 41/1, 41/2, 41/3, 41/4, 41/5, 41/6, 41/7, 41/8, 41/9, 41/11 KO Mrkovi, total area of 54,719 m², registered in Title Deed no. 24 KO Mrkovi,

Municipality of Herceg Novi, property of Montenegro, right of disposal Municipality of Herceg Novi;

The location has been elaborated in the Detailed Development of the Locality "Mrkovi-Bijela Stijena", in Municipality of Herceg Novi, in which the mentioned Cadastral parcels are located.

More detailed information about the locality is given in the Tender Documents, which will be available to interested investors on the Tender, after signing the Non-Disclosure Statement and purchase of the Tender Documents.

3. Bidders

Participation in the Tender will be available for interested parties (including consortia) who have purchased the Tender Documents and signed the Non-Disclosure Statement in accordance with this Public Invitation (hereinafter: "**Tender Participant**").

4. Qualification Requirements

The Tender Participant shall qualify as a Bidder if it meets the following Qualification Requirements:

1. The Bidder must be a well-known hotel brand – operator and internationally recognized as a successful operator of at least five hotel complexes, level 4 or 5 stars;
2. The Bidder must have at least ten years of continuous experience in the planning, development and management of hotels that are in accordance with the international standard level 4 or 5 stars;
3. The Bidder must submit proofs that in the last two business years it achieved a positive financial result and must prove that during the last business year it made a total turnover of at least 50 million EUR;
4. The Bidder must submit proof that it has a capital value under management of at least 80 million EUR; and
5. The Bidder must submit proof that it possesses the financial capacity and means necessary for the realization of the project envisaged in a full and timely manner under the conditions stated in the Tender Documents and Bid.

Qualification Requirements must be met cumulatively. The fulfilment of the Qualification Requirements will be evaluated after the receipt and opening of the bid packages.

5. Tender Participant

The Tender Participant which has purchased the Tender Documents can be:

1. A Consortium with other parties, and such Consortium can submit a Bid, provided that at least one member of the Consortium meets the conditions defined in this Public Invitation or that the Consortium meets the requirements cumulatively, and that the members of the Consortium take over unlimited joint and several liability for the obligations of each of them. Responsibilities and obligations of each member of the consortium with respect to the subject of the Bid must be explicitly defined and stated in the Bid.
2. A company which meets the conditions from Point 4.

6. Terms and Conditions of the Bid

Among other things, the Bidder is expected to:

- offer a Lease Term that cannot be shorter than 30 years.
- offer the amount of the Fixed Lease per square meter, the guaranteed amount of which should in no case be less than 1.00 EUR (one euro) per square meter of the land. The amount of the offered Fixed Lease will be one of the criteria for evaluating the Bid.
- offer the amount of the Variable Lease, expressed as a percentage of the total annual income of the Lessee. The amount of the offered Variable Lease will be one of the criteria for evaluating the Bid.
- submit an investment program that accurately states the structure and dynamics of investments according to the phases, with planned source of funds. The investment program must be secured with an acceptable bank guarantee. The proposed investment program will be one of the criteria for evaluating the Bid.
- submit a comprehensive and coherent development and design concept for the locality "Mrkovi-Bijela Stijena" Luštica, municipality of Herceg Novi, which is in accordance with the requirements of spatial planning documents as well as with the highest international standards of excellence and innovations in architecture, design, planning, technical implementation, using space and sustainability. In this respect, the project is expected to be in line with the development strategy of that part of the Boka Kotorska Bay, as well as to be fully integrated into the natural environment. It is expected that the project will complement and not be in contrast to the natural surroundings and the environment.

7. Purchase of the Tender Documents

Requests for the purchase of Tender Documents with a clear indication "Request for the purchase of Tender Documents" may be sent by interested bidders to the Tender Commission for the Valorisation of Tourism Locations (hereinafter "**Tender Commission**") by post, email or fax.

Tender Documents can be purchased until 9 May 2019.

Instructions for the payment of the Tender Documents' fee in the amount of EUR 10,000 to the account of the Privatization and Capital Investment Council (referred to in item 10 of this Public Invitation), as well as the Non-Disclosure Statement shall be sent to the interested Bidders by post, email or fax. Bidders will submit to the Tender Commission a signed non-disclosure statement and proof of payment of the fee for the purchase of the Tender Documents.

The Tender Commission will submit the Tender Documents to the Participant in person, by post or via email, as soon as it receives a signed statement and proof of payment for the purchase of Tender Documents. In case of delivery of the Tender Documents by post or by email, the Bidder shall submit a written confirmation of receipt to the address from item 11 of this Public Invitation.

8. Visit to the Locality

Participants in the Tender will be allowed to visit the locality "Mrkovi-Bijela Stijena" Luštica, Municipality of Herceg Novi, in accordance with the procedure envisaged in the Tender Documents.

9. Bid Submission

Bids shall be submitted in person or by registered mail to the address specified in item 11 of the Public Invitation.

The bid must arrive at the latest until 24 June 2019 until 12:00 (local time) at the indicated address, regardless of the way it is sent.

10. Bid Guarantee

The Bidder must submit a Bank Guarantee for a bid for the benefit of the Privatization and Capital Investment Council in the amount of 30,000 EUR, payable on first demand, issued by a bank with a credit rating of at least BBB according to *Standard and Poor's* Agency or a bank approved by the Tender Commission, at its sole discretion, on the basis of a pre-submitted request, or as a deposit on the same value to the account of the Privatization and Capital Investment Council:

- ME25520420000013830093, Hipotekarna banka AD Podgorica, for payments from abroad, or
- 520 – 2812 - 78 Hipotekarna banka AD Podgorica, for payments in Montenegro.

The expenses of the Guarantee payment are borne by the Bidder.

11. Information regarding the Tender

For all questions related to this Public Invitation, or Tender in general, it is necessary to contact the Tender Commission at the following address:

Privatization and Capital Investment Council
Tender Commission for Valorisation of Tourism Locations

Karađorđeva b.b.

81000 Podgorica

Contact person: Nada Pavićević, Secretary

Tel: +382 20 446 386

Fax: +382 20 446 215;

E-mail: nada.mihailovic@mrt.gov.me

12. Amendments

The Tender Commission reserves the right to amend the provisions of this Public Invitation before the deadline for submitting the Bid, including the provisions defining the deadlines.