



GOVERNMENT OF MONTENEGRO
PRIVATISATION COUNCIL
Tender Committee for Tourism Development of Velika Plaza

ANNOUNCES

**PUBLIC INVITATION
for Bids for the Development, Construction, Funding and Operations of the Exclusive Tourist Complex
and Long-Term Lease of State-Owned Land at Velika Plaza**

The Tender Committee for Tourism Development of Velika Plaza and the Privatisation Council, on behalf of the Government of Montenegro, invite experienced international investors and developers with demonstrated financial capacity and experience in the design, construction, operation and marketing of exclusive tourist properties to submit bids for the development of a complex and the corresponding long-term lease of Velika Plaza. The objective of the Government of Montenegro is to develop the Velika Plaza area as an exclusive tourist complex and resort incorporating hotel, leisure and sports facilities, residential villas and apartments as well as other community facilities including education, health and wellbeing, business and event centres, designed as a sustainable community in harmony with the existing community of Ulcinj and the un-spoiled environment, in a manner that would attract numerous wealthy residents and guests, offering them a wide range of special activities and services.

Velika Plaza is located in the farthest south of Montenegro, between the town of Ulcinj and the nature reserve and tourist resort of Ada Bojana. The river Bojana, navigable all the way, connects Velika Plaza with the Skadar Lake, one of the largest water areas in Europe and an important habitat for protected birds. Velika Plaza, with a 13 km long sandy beach of 60-100m in width, offers a unique opportunity for the building of an impressive tourist resort of grand proportions and natural beauty, easily accessible and visible.

The development area of 1.357 ha consists of State-owned and private land. The Government of Montenegro offers a 90-year lease of 903 ha of the State-owned land. Appropriate concessions will be offered in respect of infrastructure and utilities.

Participation in the Tender will be allowed to all legal entities (individual or consortia) that have purchased the Tender Documents and signed the Confidentiality Statement.

Bids will be only accepted from the Qualified Tender Participants that have:

- experience with regard to large scale mixed-use real estate development projects, that include either hotel and tourist, recreation and cultural facilities, shopping malls, education facilities, residential or office buildings, with a total minimum area of 750,000 sq. m. and a total minimum investment value of EUR 1,000,000,000 (one billion Euro), within the years 2000-2008. The experience needs to include infrastructure and marina facilities;
- experience in construction within the years 2000-2008 either hotel and tourist, recreation and cultural facilities, shopping malls, education facilities, residential or office buildings with a total minimum area of 750,000 sq. m. and a total minimum investment value of EUR 1,000,000,000 (one billion Euro). The experience needs to include infrastructure and marina facilities;
- operated within the years 2000-2008 for a minimum period of three years either hotel and tourist, recreation and cultural facilities, shopping malls, education facilities or office buildings with a total minimum area of 200,000 sq. m. and a total minimum investment value of EUR 300,000,000 (three hundred million Euro). The experience needs to include operation of marina facilities;
- no less than five years of a continuous market presence in real estate development and construction, in at least three different countries;
- obtained a letter of intent from an international hotel/resort management company known to the target market;
- demonstrable international experience in successful marketing and selling residential properties located in the large high-level tourist complexes/areas; and
- an annual turnover of a sole bidder or the consortium leader of no less than EUR 400,000,000 for each year within the period of years 2006 to 2008.

In the event the Tender Participant is a Consortium, the Qualification Requirements must be met by members of the Consortium jointly. Therefore the Consortium shall be deemed to meet the Qualification Requirements if its members viewed together meet such requirements, even if its members individually do not meet such requirements.

The Tender Participants shall submit the Application for Participation (including the Qualification Documents) in accordance with the Instructions to Tender Participants no later than **28th May 2009** at 17:00 local time ("Application Deadline"). The Tender Committee will notify the Tender Participants on the results of the qualifications within 15 working days of the Application Deadline and the Qualified Tender Participants will be expected to submit the Bid by the Bid Submission Deadline.

The Bidders are, *inter alia*, expected:

- to submit a design concept Velika Plaza Complex that includes architecture, design and engineering of the highest international standard, and that reflects a style and aesthetic sensibility entirely consonant with, and complementary to, the local community and natural environment, and offering a unique and enduring appeal to even the most discerning of international customers;
- to propose a structure and level of annual rent and any additional payment, subject to a guaranteed minimum rent which in any shall not be lower than EUR 0.15 per square meter.
- to develop and operate infrastructure and services in the area;
- to propose an investment programme which specifies the nature and timing of investment, and the anticipated source of required investment capital. In any case, it is expected that a minimum of EUR 1,000,000,000 will be required during the first three years of the investment cycle to effect the quality of development anticipated and desired.

Detailed information on Velika Plaza and on the tender process is included in the Tender Documents (Instructions to Tender Participants, Information Memorandum, and Draft Complex Development and Lease Agreement). These Tender Documents are available for purchase by interested parties for EUR 50,000. Upon receipt of a request for the purchase of Tender Documents, the Tender Committee will forward to the applicant instructions for payment of the Tender Documentation Fee and a Confidentiality Statement. Upon receipt of the fee payment and signed the Confidentiality Statement, the Tender Documents will be forwarded in paper or electronic form, as requested.

The Tender Documents may be purchased between the date of publication of the Public Invitation and the date of the Application Deadline on working days in regular office hours.

The deadline for submission of the final binding Bids by the Bidders is 1st September 2009 at 17:00 (local time).

Along with the Bid, the Bidder will have to submit a Bid Bond in favour of the Privatisation Council in the amount of EUR 1,000,000 in the form of an unconditional bank guarantee payable on first demand and issued by a reputable international bank, or in the form of a deposit in the same amount paid into the account of the Privatisation Council, as specified under the Tender Documents.

All communications and inquiries relating to this Public Invitation should be forwarded to:

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www.velikaplaza.info