

13 Jul-Plantaže ad Podgorica

No: 6410/1

Place and date: Podgorica, 25.01.2019.

**REQUEST FOR COLLECTION OF THE BIDS FOR  
THE PROCUREMENT PROCEDURE  
of the drip irrigation system**

## I Data on the Procurer

Procurer: <b>13 Jul Plantaže a.d.</b>	Contact person: Presiding of the Committee
Adress: <b>Put Radomira Ivanovića br.2</b>	Postal No. <b>81000</b>
Main office: <b>Podgorica</b>	Fiscal Ident.No.(Comp.Reg.No.). <b>02016281</b>
Tel: <b>0038220658 051</b>	Fax: <b>00382 20 658 051</b>
E-mail:	goran.milic@plantaze.com

## II Subject of the procurement

### a) Type of the procurement subject

☐ Goods

### b) Description of the procurement subject:

Procurement of the material for establishment of the drip irrigation system

## III Manner of the determination of the subject and assessed value of the procurement

### ☐ Assessed value of the procurement subject

The procurement subject is procured:

☒ By lots:

Lot 1:Lateral, assessed value without VAT included, 36.700,00 € with VAT included the amount of 44.407,00 €

Lot 2: Pipes, assessed value without VAT included 23.000,00 € with included VAT amounts to 27.830,00 €

Lot 3: other components of the assessed value without VAT included 26.500,00 € with VAT included 32.065,00 €.

**TOTAL:**

VAT not included: 86.200,00 €

with VAT included: 104.302,00 €

<b>IV Conditions for taking part in the procurement procedure</b>
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**a) Compulsory conditions**

Only a bidder who meets the following requirements may take part in the procurement procedure :

- 1) Must be registered with the competent public authority for the registration of the business entities;
- 2) Must prove that he or his legal representative has not been convicted by judgement absolute for any criminal offence as members of the organized crime with the corruption, money laundry and fraud;

**Proof of the fulfillment of the compulsory conditions**

The fulfillment of the compulsory conditions shall be proved by submitting the following proofs:

- 1) Proof on the registration with the competent public authority for the registration of the business entities with the data on the authorized persons of the bidder;
- 2) Proof by the competent authority, issued on the grounds of the criminal record which must not be older than 6 months by the day of public opening of the bids;

**b) Facultative conditions****b2) professional-technical and human resources capacity**

**Whether conditions of professional-technical and human resources capacity are met in the public procurement procedure for goods is evidenced by submitting one or more evidences, and so as follows:**

☐ **x** the list of main deliveries, made in previous two years, with values, dates and receivers, with enclosing the confirmations of the effected deliveries, issued by Purchaser or in case that the confirmations cannot be provided for the reasons, not caused by bidder, only the statement of the bidder on the effected deliveries with the statement of the reasons for which they cannot submit the confirmations,

**x** samples, descriptions, ie photos of the goods which are the subject of the delivery and the authenticity of which the bidder is obliged to confirm , in case that the Procurer requires it :

x other certificates, confirmations, issued by the organs or bodies for the evaluation of the compliance , the competence of which has been recognized and by which the conformity of goods has been confirmed with clearly determined related statement of the proper specifications or standards:

*For Lot 1*

- *Declaration of the compliance with the standard EN ISO 9261: 2004*
- *Accompanying annex with the Declaration of Compliance with the standard EN ISO 9261 : 2004*
- *Results of the test of the dripper for the item lateral*
- *Technical sheet of the offered goods*

*For all lots*

- *Technical sheets for each offered item of the goods*
- *Attests and results of the material, used for the production of all offered parts*

☐x measures for providing the quality management system:

For all lots

Bidder is obliged to provide international ISO 9001 standard

x declarations on the intention and subject of subcontracting with the subcontractors list, ie subcontractors with the close details (title, address, percentage participation and similar).

#### **V Validity period of the bid**

Validity period of the bid is 60 days from the day of the public opening of the bids.

#### **VI Time limit and place of execution of the Contract**

- Time limit for the execution of the Contract is 120 days from the day of the conclusion of the Contract.

- o Time limit of delivery: selected bidder is obliged to deliver the goods successively to procurer ,not later than the 25<sup>th</sup> of February 2019.
- o Manner of delivery: successively in accordance with the needs of the Procurer

-The place of the execution of the Contract is Procurer's warehouse Podgorica.

#### **VII Language of the bid**

x Montenegrin language and other language, used officially in Montenegro in accordance with the Constitution and law

x English and Italian language

## **VIII Criteria for the selection of the most favourable bid:**

Criteria for the selection of the most favourable bid for Lot 1, Lot 2 and Lot 3 is:

☒ economically the most favourable bid

1. Functional characteristics of the products- 20 points
2. Guarantee time limit- 10 points
3. Price- 70 points

Category 1 will be scored as follows:

- self-compensating dripper – 10 points
- composition of the lateral material – 10 points

Category 2 will be calculated by the formula:  $X \text{ offered} / X \text{ max} * \text{number of points}$

Category 3 will be calculated by the formula:  $C \text{ the lowest price} / C \text{ offered price} * \text{number of points}$

For lots 2,3

Category 1 will be scored as follows:

- Material composition – 20 points

Category 2 will be calculated by the formula:  $X \text{ offered} / X \text{ max} * \text{number of points}$

Category 3 will be calculated by the formula:  $C \text{ the lowest price} / C \text{ offered price} * \text{number of points}$

## **IX Time limit and place of submitting the bids and opening of the bids**

The bids shall be submitted on working days from 7 to 14 hrs, closing on the day of the year by the 30<sup>th</sup> of January 2019 at 12:30 hrs.

The bids may be submitted:

☐ directly, in person at the Procurer's archive to the following address: Put Radomira Ivanovića No.2, 81 000 Podgorica, Montenegro.

☒ by registered mail with the advice of receipt to the following address: Put Radomira Ivanovića No.2, 81 000 Podgorica, Montenegro.

Public opening of the bid, which may be attended by the authorized representatives of the bidders with enclosed power of attorney, signed by the authorized person, will be held on the

14 th of December 2018 at 13:00 hrs in the premises of 13 jul-Plantaže a.d., located in Put Radomira Ivanovića Str, No.2, 81 000 Podgorica, Montenegro.

<b>X Time limit for bringing a decision on the selection of the most favourable bid</b>
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The decision on the selection of the most favourable bid will be made within 30 days from the day of the public opening of the bids.

<b>XI Other data and conditions which are important for the implementation of the procurement procedure</b>
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**The deadline and method of payment**

The payment deadline is:

For lot 1,2,3: advance payment 20%, remaining amount 120 days ,delayed from the invoice date

Method of payment: by bank transfer

**☐The means of financial securing of the Contract on Procurement :**

Prior to signing the contract, the bidder whose bid would be selected as the most favorable is obliged to provide the Procurer with the following:

☐ **x** an advance payment guarantee in the amount of the agreed advance payment with the validity for the whole duration of the Contract

☐ **x** a good performance guarantee for the execution of the Contract in the amount of 5% of the contract value

**TECHNICAL CHARACTERISTICS OR SPECIFICATIONS OF THE SUBJECT OF  
THE PROCUREMENT, I.E. BILL OF QUANTITIES**

**Lot 1- Lateral**

<b>Ord.No.</b>	<b>Description of the subject of the procurement, ie a part of the subject of procurement</b>	<b>Important characteristics of the subject of the procurement concerning quality, performances and/or measures</b>	<b>Unit of measure</b>	<b>Quantity</b>
1	Lateral (PE hose)	Nominal diameter 20mm external diameter 20,1 internal diameter 17.7 mm thickness of pipes 1.15 mm drippers at the distance of 0.80 m capacity of dripper 2,1 lit/h (Multibar) with work range and stable dripping on the projected length of the lateral 416,8 m hydraulic loss 25,07 (m) at the inlet pressure 3 bars	m	206.720

**x Warranty time limit period:**

- For the item 1 from the technical specification – 7 years

**x Warranty of quality which should be delivered with the delivery of goods:**

- ISO 9001
- Attests of the material that passed the tests and influence on the water quality
- Technical sheets and WRAS

**x Manner of implementation of the quality control**

1. Control of the compliance of the provided certificates on analyses by bidders with the specified „ essential characteristics of the subject of purchase concerning quality, performances and/or dimensions ‘ from the part ‘technical characteristics or specification of the subject of procurement, ie bill of quantities’ of the Request for collection of the bids.

**TECHNICAL CHARACTERISTICS OR SPECIFICATIONS OF THE SUBJECT OF  
THE PROCUREMENT, I.E. BILL OF QUANTITIES**

**Lot 2- Pipes**

<b>Ord.No.</b>	<b>Description of the subject of the procurement, ie a part of</b>	<b>Important characteristics of the subject of the procurement</b>	<b>Unit of measure</b>	<b>Quantity</b>
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	<b>the subject of procurement</b>	<b>concerning quality, performances and/or measures</b>		
1	Pipes made of polyethylene of high density HDPE PE-100	D(mm) 125/10 bars S 7.4 SDR 17 (S-8) PN10	m	180
2	Pipes made of polyethylene of high density HDPE PE-100	D(mm) 110/10 bars S 6.6 SDR 17 (S-8) PN10 The pipes should be delivered in coils of 50 meters	m	1.500
3	Pipes made of polyethylene of high density HDPE PE-100	D(mm) 90/10 bars S 5.4 SDR 17 (S-8) PN10 The pipes should be delivered in coils of 50 meters	m	2.800

**x Warranty time limit:**

- For each item from the technical specification – warranty time limit 30 years

**x Warranty of quality which should be delivered with the delivery of goods:**

- ISO 9001
- Attests of the material that passed the tests and influence on the water quality
- Technical sheets and WRAS

**x Manner of implementation of the quality control**

1.Control of the compliance of the provided certificates on analyses by bidders with the specified „ essential characteristics of the subject of purchase concerning quality, performances and/or dimensions ‘ from the part ‘technical characteristics or specification of the subject of procurement, ie bill of quantities’ of the Request for collection of the bids.



**TECHNICAL CHARACTERISTICS OR SPECIFICATIONS OF THE SUBJECT OF THE  
PROCUREMENT, I.E. BILL OF QUANTITIES**

**Lot 3-**

<b>Ord.No.</b>	<b>Description of the subject of the procurement, ie a part of the subject of procurement</b>	<b>Important characteristics of the subject of the procurement concerning quality, performances and/or measures</b>	<b>Unit of measure</b>	<b>Quantity</b>
1	Clip	DN 110 X 3/4’’ Clips should be made and attested for the pipes in compliance with EN 12201 Warranty time limit 5 years	pc	900
2	Clip	DN 90 X 3/4’’ Clips should be made and attested for the pipes in compliance with EN 12201 Warranty time limit 5 years	pc	1.300
3	Arch 90 ° Elbow 90° PE100	DE 125 SDR 17 PN 10/S8	pc	10
4	Arch 90 ° Elbow 90° PE100 arch with joint	DE 110 SDR 17 PN 10/S8	pc	30
5	Cast iron RRF reduction	125/100		42
6	Cast iron arch 90 °	DN 125	pc	12
7	‘Tuljak’ flange	DE 125 mm SDR 17	pc	20
8	Flange	DE 125 mm	pc	20
9	Reduction	DE 110/90 PE100 SDR 17 PN 10/S8	pc	22

10	Closure end cap	DE 90 PE100 SDR 17 PN 10/S8	pc	20
11	Reducer joint with fastening ring	Ø110/90 PN 10	pc	30
12	Cast iron TT piece	DN 125	pc	11
13	Joint closure (end cap) with fastening ring	Ø 90 PN 10	pc	60
14	PE hose	DE 32 mm PE 100	m	4.500
15	Multi joint semi joint	DN 250	pc	4
16	Multi joint semi joint	DN 150	pc	4
17	Multi joint semi joint	DN 125	pc	4
18	Flat valve	DN 125	pc	20
19	Screw M 16 x 70		pc	1.000
20	Screw M 16 x 90		pc	1.000
21	Screw M 18 x 80		pc	600
22	Cast iron FF piece	DN 125 L 200	pc	15
23	Cast iron FF piece	DN 125L 300	pc	10
24	Cast iron FF piece	DN 100 L 200	pc	2
25	Cast iron FF piece	DN 100 L 300	pc	2
26	Air valve with two balls without central valve	DN 50 PN 10	pc	2
27	Air valve with two balls without central valve	DN 80 PN 10	pc	2
28	Reduction	Plastics PN10 1 "x 3/4"	pc	500
29	Clamp	PN 16 25x25	pc	20
30	Clamp	PN 16 32x32	pc	20
31	Clamp	PN 16 63x63	pc	20
32	Adapter	20 x 3/4"	pc	2.500
33	T piece with ring	20 x 20 x20	pc	1.00

34	Joint with ring	20 x 20	pc	15.000
35	Joint with ring	16 x 16	pc	1.000
36	Pin	Ø 20	pc	1.800
37	Filter 5'' with flange	DN 125	pc	6
38	Rubber gasket	DN 125 PN10	pc	150
39	Glycerine manometer	0-10 bars	pc	12
40	Compression Flange Adaptor with metal flange	100-110	pc	50

**x Warranty time limit:**

-as stated in the technical specification

**x Warranty of quality which should be delivered with the delivery of goods:**

- ISO 9001
- Attests of the material that passed the tests and influence on the water quality
- Technical sheets and WRAS

**x Manner of implementation of the quality control**

Control of the compliance of the provided certificates on analyses by bidders with the specified „essential characteristics of the subject of purchase concerning quality, performances and/or dimensions ‘ from the part ‘technical characteristics or specification of the subject of procurement, ie bill of quantities’ of the Request for collection of the bids.

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**FORM OF THE BID WITH THE FORMS, PREPARED BY THE BIDDER**

**COVER PAGE OF THE BID**

(title of the Bidder)

Submits to

(title of Procurer)

**BID**

**By the Request for Collection of the Bids No. \_\_\_\_\_ dated from \_\_\_\_\_ year  
for procurement**

\_\_\_\_\_  
*(description of the subject of the procurement)*

**FOR**

☐ subject of the procurement by lots

## DATA ON THE BID AND BIDDER

Title and main office of the Bidder	
Fiscal Identification Number	
VAT	
Account No and title of the Bidder's bank	
Address	
Telephone	
Fax	
E-mail	
Entity/-ies authorized for signing the financial part of the bid and documents in the bid	<i>(Name, surname and function)</i>
	<i>(signature)</i>
Name and surname of the entity in charge for information	

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<sup>1</sup>  
Or National Identification No.by the country which is the seat of the Bidder

**FINANCIAL PART OF THE BID FOR LOT 1**

Ord.No.	description of the subject	essential characteristics of the offered subject of procurement	measure unit	quantity	unit price without VAT	total amount without VAT
1						
2						
3						
.....						
Total price without VAT						

**Conditions of the Bid :**

Time limit for the Contract execution	
Place for the Contract execution	
Manner and dynamics of delivery/execution	
Guarantee time limit	
Guarantee of quality	
Manner of implementation of control quality	
Time limit for payment	
Method of payment	
Validity period of the bid	

Authorised entity of the Bidder

*(name, surname and function)*

\_\_\_\_\_

*(signature by own hand)*

\_\_\_\_\_

PLACE OF SEAL

**FINANCIAL PART OF THE BID FOR LOT 2**

Ord.No.	description of the subject	essential characteristics of the offered subject of procurement	measure unit	quantity	unit price without VAT	total amount without VAT
1						
2						
3						
.....						
Total price without VAT						

**Conditions of the Bid :**

Time limit for the Contract execution	
Place for the Contract execution	
Manner and dynamics of delivery/execution	
Guarantee time limit	
Guarantee of quality	
Manner of implementation of control quality	
Time limit for payment	
Method of payment	
Validity period of the bid	

Authorised entity of the Bidder

*(name, surname and function)*

\_\_\_\_\_

*(signature by own hand)*

\_\_\_\_\_

PLACE OF SEAL



**FINANCIAL PART OF THE BID FOR LOT 3**

Ord.No.	description of the subject	essential characteristics of the offered subject of procurement	measure unit	quantity	unit price without VAT	total amount without VAT
1						
2						
3						
.....						
Total price without VAT						

**Conditions of the Bid :**

Time limit for the Contract execution	
Place for the Contract execution	
Manner and dynamics of delivery/execution	
Guarantee time limit	
Guarantee of quality	
Manner of implementation of control quality	
Time limit for payment	
Method of payment	
Validity period of the bid	

Authorised entity of the Bidder

*(name, surname and function)*

\_\_\_\_\_

*(signature by own hand)*

\_\_\_\_\_

PLACE OF SEAL

**FINANCIAL PART OF THE BID FOR LOT 4**

Ord.No.	description of the subject	essential characteristics of the offered subject of procurement	measure unit	quantity	unit price without VAT	total amount without VAT
1						
2						
3						
.....						
Total price without VAT						

**Conditions of the Bid :**

Time limit for the Contract execution	
Place for the Contract execution	
Manner and dynamics of delivery/execution	
Guarantee time limit	
Guarantee of quality	
Manner of implementation of control quality	
Time limit for payment	
Method of payment	
Validity period of the bid	

Authorised entity of the Bidder

*(name, surname and function)*

\_\_\_\_\_

*(signature by own hand)*

\_\_\_\_\_

PLACE OF SEAL

<p><b>PROOFS OF THE FULFILLMENT OF MANDATORY CONDITIONS FOR PARTICIPATION IN THE PROCEDURE OF PUBLIC COMPETITION</b></p>
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**To submit:**

- proof of the registration, issued by the body, competent for the registration of the business companies with the data on the authorized persons of the Bidder;
- proof of the competent body, issued by the Criminal records that must not be older than six months until the day of the public opening of the bids, that a bidder, namely, its legal representative has not been convicted by final judgement for any of the criminal acts of the organized crime with the elements of corruption, money laundry and fraud;

<b>PROOFS ON THE FULFILLMENT OF THE CONDITIONS OF THE ECONOMIC-FINANCIAL CAPABILITY</b>
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**It is not required.**

<b>PROOFS ON THE FULFILLMENT OF CONDITIONS OF THE EXPERT-TECHNICAL AND PERSONNEL CAPABILITY</b>
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☐ **x** the list of main deliveries, made in previous two years, with values, dates and receivers, with enclosing the confirmations of the effected deliveries, issued by Purchaser or in case that the confirmations cannot be provided for the reasons, not caused by bidder, only the statement of the bidder on the effected deliveries with the statement of the reasons for which they cannot submit the confirmations,

**x** samples, descriptions, ie photos of the goods which are the subject of the delivery and the authenticity of which the bidder is obliged to confirm , in case that the Procurer requires it :

Bidder is obliged to enclose, on the memorandum of the producer, for Lot 1, against the bid the technical sheet of the product that he offers, corresponding to the drawing, found in the part ‘technical characteristics or specifications of the subject of the public procurement, ie bill of quantities’.
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The technical sheet of the product must be signed and sealed by bidder.
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**x** other certificates, confirmations, issued by the organs or bodies for the evaluation of the compliance , the competence of which has been recognized and by which the conformity of goods has been confirmed with clearly determined related statement of the proper specifications or standards:

<i>For Lot 1</i>
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- |                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>- <i>Declaration of the compliance with the standard EN ISO 9261: 2004</i></li><li>- <i>Accompanying annex with the Declaration of Compliance with the standard EN ISO 9261 : 2004</i></li><li>- <i>Results of the test of the dripper for the item lateral</i></li><li>- <i>Technical sheet of the offered goods</i></li></ul> |
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<i>For all lots</i>
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- |                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>- <i>Technical sheets for each offered item of the goods</i></li><li>- <i>Attests and results of the material, used for the production of all offered parts</i></li></ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

☐ **x** measures for providing the quality management system:

For all lots
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Bidder is obliged to provide the international ISO 9001 standard
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**x** declarations on the intention and subject of subcontracting with the subcontractors list, ie subcontractors with the close details (title, address, percentage participation and similar).

## **DRAFT OF THE CONTRACT ON THE PROCUREMENT OF THE LATERALS AND FILTERS - LOT 1**

This Contract is concluded by and between:

**Procurer** , **13 jul-Plantaže a.d. Podgorica**, Put Radomira Ivanovića No.2, Company Registration No/Tax identification No 02016281,VAT: 20/31-00021-4, Giro account No: 550-1092-08 at Societe Generale Montenegro, represented by the executive director Verica Maraš, grad.econ.(hereinafter referred to as: PROCURER), on one hand and

**Bidder** \_\_\_\_\_ based in \_\_\_\_\_, address \_\_\_\_\_  
Registration No: \_\_\_\_\_Tax Identification No: \_\_\_\_\_, giro account No: \_\_\_\_\_  
at \_\_\_\_\_ bank, represented by \_\_\_\_\_(hereinafter referred to as :SUPPLIER), on the other hand.

### **BASE OF THE CONTRACT**

Request for collecting the bids for the procedure of procurement of the system for drip irrigation, complied with the technical characteristics or specification, enclosed in the request for collecting the bids for Lot 1, No.\_\_\_\_\_/18, dated from \_\_\_\_\_ 2018..

Decision on the selection of the most favourable bid for the Lot 1, No. \_\_\_\_\_dated from \_\_\_\_\_2018.

Bid of the bidder No. \_\_\_\_\_dated from: \_\_\_\_\_2018.

### **Article 1**

The subject of this Contract is the procurement and delivery of the lateral to the Procurer complied with the technical characteristics/ specification, enclosed in the Request for collecting the bids for Lot 1, No:\_\_\_\_\_/18, dated from \_\_\_\_\_2018, Decision on the selection of the most favourable bid No.for Lot 1 \_\_\_\_\_dated from \_\_\_\_\_2018 and accepted Bid of the Supplier No. \_\_\_\_\_ dated from: \_\_\_\_\_ 2018 which makes the integral part to this Contract.

### **Article 2**

Supplier is obliged to deliver the concerned goods, pursuant to Art.1 of this Contract to the Procurer, complied completely with the technical characteristics /specification and other conditions from the accepted bid such as:

#### **1. Lateral (PE hose) 206.720 m**

Nominal diameter 20mm  
external diameter 20,1  
internal diameter 17.7 mm

thickness of pipes 1.15 mm  
drippers at the distance of 0.80 m  
capacity of dripper 2,1 lit/h (Multibar) with work range and stable dripping on the projected  
length of the lateral 416,8 m hydraulic loss 25,07 (m) at the inlet pressure 3 bars.

### Article 3

The total value of the goods complied with the accepted bid-proof the Supplier No:\_\_\_\_\_ dated from 2018, amounts \_\_\_\_\_ € without VAT, ie with included VAT(read as:\_\_\_\_\_Euros).

The contracting price is fixed and unmodified for the validity period of the Contract.

### Article 4

Supplier is obliged to effect the the agreed delivery of the goods successively , depending on the needs of the Procurer, not later than the 25<sup>th</sup> of February 2018,Procurer's warehouse, Podgorica,parity of delivery is DAP Podgorica (Incoterms 2010).

Parity of delivery for a foreign entity (foreign supplier), concerning the payment of VAT may be determined pursuant to Art. 12, par.1, point 2 Law on the Value Added Tax (Official Gazette of Republic of Montenegro, No. 65/01....04/06 and Official Gazette No.16/07, 40/11), by which it is defined,as follows:

As far as a foreign entity, operating its business activities in Montenegro through a **business unit**, is concerned in accordance with the Art.28 of the Rules on Application of VAT (Official Gazette Republic of Mne, No. 65/02.....16/06, 64/08), **that business unit shall calculate and pay VAT**, in accordance with the Rules ( Business unit of a foreign entity represents in the name and on behalf of a foreign entity and it must use the firm of the mother enterprise,its seat and its title);

Pursuant to Art.12 and in accordance with the par.3 of the Law on Value Added Tax, **a** foreign person which is not obliged, in accordance with the regulations, to establish a business unit and effects the turnover in Montenegro, it is entered into the Register of Tax payers for VAT and may appoint the tax representative who will ,in his name, settle all the obligations, stipulated by the Rules.

Pursuant to Art.12, par.2 Law on Value Added Tax, if a tax payer who does not have the main office in Montenegro, does not appoint its tax representative, VAT shall be paid by the receiver of the products, ie services(Procurer).

Delivery of goods will be effected and confirmed by the written act on transfer.

Contracting parties agree that the qualitative and quantitative receipt of the concerned goods shall be done at the place (warehouse) of the Procurer and at the moment of taking over the goods by Procurer, by which the delivery shall be considered completed, provided there have not been any comments by Procurer.

### Article 5

Supplier of goods is obliged that the quality of goods shall be completely in accordance with the EU regulations covering this field and that the quality of the concerned goods shall be completely identical with the requested technical characteristics/specification and characteristics, stated in the Supplier's bid.

The manner of conducting quality control is effected by checking the compliance of the provided certificates on the analyses by Supplier with the specified „essential characteristics of the subject

of procurement, concerning quality, performances and/or dimensions from the part „technical characteristics/specification of the subject of procurement.”

Supplier is obliged to provide Supplier with the following:

- Declaration of the compliance with the standard EN ISO 9261: 2004
- Accompanying annex with the Declaration of Compliance with the standard EN ISO 9261 : 2004
- Results of the test of the dripper for the item lateral
- Technical sheet of the offered goods
- Technical sheet for each offered item of the goods
- Attests and results of the material, used for the production of all offered parts

Contracting parties agree that the delivery of the concerned goods will be the subject of the receipt quality control, complied with the control plans of the Procurer.

A qualitative receipt of the goods shall be made on the delivery day, during the validity of the Contract, for each delivery of goods, implying the control of parameters, given in the technical characteristics/specification and accepted bid by the Supplier.

#### **Article 6**

Warranty time limit of the concerned goods is 7 (seven) years.

Warranty of quality:

- ISO 9001
- Attests of the material that passed the tests and influence on the water quality
- Technical sheets and WRAS

#### **Article 7**

Supplier is obliged, at his own expense, to remove all defects on the concerned goods, shown during the warranty time limit, if the defects are in accordance with the warranty conditions.

In case that Supplier does not act pursuant to par.1 of this Article, Supplier has the right, at Supplier's cost, to engage other person for removing all defects on the executed works and Supplier is obliged , within 10 days from the day of delivering the invoice by the other person , to effect the payment for the invoiced amount for the works, performed by that other person in removing the defects which was the obligation of the Supplier.

#### **Article 8**

In the case that the Procurer determines ,at the receiving control, that the quality of the concerned goods which is the subject of this Contract, deviates from the agreed quality, namely from the offered quality in the Bid, he draws up himself the Claim Minutes, without obligatory presence of the Supplier and notifies the Supplier of the return –claim on goods which has arrived at the Procurer's warehouse and which the Supplier is obliged to accept .

In case of any doubt in the quality of the delivered goods, based on the use of such goods in the process of production, Procurer notifies the Supplier of the stated defects and problems that occurred in the production.



In that case, the expert persons of the Procurer make up the Claim Minutes which they deliver, together with the notification to the Supplier by email who is obliged within 1 (one) working day to notify Procurer in the written form whether he will respond to the call or not, by email.

In case that the Supplier responds to the call, he should send his representative, within 48 hours, at the latest, an expert, responsible person who will, together with the responsible person from the quality control and production determine the problem that occurred and draw up the mutual Minutes on further handling with the goods.

In case that the Supplier does not respond to the call in due time and the mutual Minutes is not drawn up, it shall be considered that he has accepted the claim of the goods, by Procurer, ie that he accepts the claim of goods. In case of return of the delivery, Supplier is obliged to deliver a new quantity of the claimed goods, stated in the Claim Minutes of the Procurer (title, type, quantity and similar that he accepts without objection) within 7 (seven) days, at the latest, which will not have any defects and which will be in compliance with the agreed quality and technical characteristics/specification, stated in the tender documentation.

Three claimed deliveries shall be the legal grounds for the termination of this Contract.

#### **Article 9**

In the case that the Supplier does not deliver the goods upon the claim, described in the Art. 8 of this Contract, he is obliged to compensate the damage to the Procurer in the manner, as defined by the Art. 12 of the Contract.

#### **Article 10**

In case that the Supplier delivers the concerned goods of the improper quality to the Procurer three times, the Contract immediately ceases to be valid (terminates) and Procurer does not have any right to pay for the invoiced price of the concerned goods and Supplier bears the responsibility and sanctions, stipulated by the Art. 12 of the Contract.

#### **Article 11**

Delivery of goods implies transfer of the accompanying documentation, such as: Supplier's invoice, dispatch note and certificates, stated in the Art. 5 of the Contract.

The place of execution of the Contract, ie the place of the delivery of the goods is the warehouse of Procurer, Podgorica, Čemovsko polje.

#### **Article 12**

In the case that the Supplier does not deliver the concerned goods to the Procurer within the time limit, pursuant to the Art. 4 of this Contract, he is obliged to pay to the Procurer the contractual penalty for each day of delay in the amount of 2% of the total value of the ordered goods.

In case that Supplier does not deliver the concerned goods at all, he is obliged to compensate for the real and suffered material damage to the Procurer due to the undelivered, concerned goods and Procurer has the right to realize the bank guarantee.

The level of the material damage shall be determined by the Committee, consisted of 4 (four) experts, out of whom 2 (two) by the Procurer and 2 (two) by the Supplier of which they will draw up the Minutes, signed by the Committee.

In that case, Supplier will compensate to the Procurer a certain level of the material damage within 30 (thirty) days commencing from the day of the appraisal of the material damage.

In case that Supplier does not take part, for any reason, in the work of the Committee for the assessment of the material damage, he is obliged to accept the Minutes, made of expert persons of the Procurer only as well as he accepts the obligation to compensate to Procurer a certain level of the material damage within 30 (thirty) days, commencing from the day of the appraisal of the material damage.

In case that the parties do not agree on the appraisal of the material damage, it shall be the subject of court decision making at the Economic court in Podgorica.

### **Article 13**

Procurer is obliged to effect the payment of the agreed price by bank transfer, as follows:

- 20% advance payment immediately upon the conclusion of the Contract with the provision of the guarantee by Supplier for the advance payment in the amount of the agreed advance payment with the valid time limit within the whole duration of the Contract.

- remaining amount of 80% within 90 days from the day of issuance of the invoice, ie from the day of qualitative and quantitative receipt of the concerned goods.

In case that Supplier does not provide the bank guarantee for the advance payment, Procurer retains the right not to effect the advance payment until the Supplier does not provide the bank guarantee within the time limit, not longer than 10 days from the day of the conclusion of the Contract.

### **Article 14**

Supplier is obliged to submit to the Procurer , at the moment of signing this Contract, irrevocable, unconditional and at first call payable bank guarantee for the good execution of the Contract in the amount of 5% of the total value of the Contract with the validity period 30 (thirty) days longer than the validity period of this Contract ,pursuant to Art.18 of this Contract and which may be activated by Procurer, at any moment when any of the reasons for the termination of the Contract occur.

The guarantee must be issued by a business bank of the Supplier, located in Montenegro or by the business bank of the Supplier, located in any foreign country which will be reliable for the collection by a bank guarantee.

Procurer is obliged to return to the Supplier the submitted bank guarantee for good execution of the Contract,directly and within the time limit, immediately upon the fulfillment of the contractual obligations, namely, upon good execution of the Contract by Supplier, in the manner and by the conditions from this Contract and without any remarks by Procurer.

### **Article 15**

Supplier states and guarantees to the Procurer, under the threat of criminal and substantive responsibility of the legal person and its signatory the following:

- That it has been legally founded and registered as the legal person and the business company complied with the regulations of the country where it has its registered seat.

- That it may conclude legally and with full force this Contract as well as all other legal instruments concerning the Contract.

- That the signatory of the Contract has all the authorities for the Contract conclusion pursuant to the legal regulations of the country where it has its registered seat.

### **Article 16**

The contracting parties shall not be obliged to execute their obligations in accordance with this Contract during the force majeure, such as: war and war action and natural disasters (fire, flood, mobilisations, explosion and other natural disasters, declared by the state as such), in case that the non-fulfillment of the stated obligations has been caused by the occurrence of force majeure and provided that they notify, immediately, within three working days, at the latest, the other contracting party of the occurrence of force majeure.

Otherwise, the contracting party to which the occurrence of force majeure relates, cannot refer to it unless it notifies the other contracting party of the action of force majeure, except in the case when the circumstance of force majeure prevents him to send such a notice.

The contracting party, not affected by the force majeure is entitled to unilateral termination of the Contract in case that the action of force majeure lasts over two months commencing from the day of giving such a notice to the other contracting party.

### **Article 17**

The interpretation of the Contract by the contracting parties will be based on the principle of consciousness and fairness, as the basic principle of the obligations' relations.

With the signatures on this Contract, the contracting parties confirm that the conditions of the Contract are comprehensible and clear to them and that the Contract has been concluded with the good will of the contracting parties, without any force and compulsion.

The contracting parties agree that the provisions of the Contract must be interpreted in accordance with the provisions of the Positive legal regulations which are effective in Montenegro.

### **Article 18**

This Contract is concluded for the period of 120 (one hundred and twenty) days and is applicable from the day of its conclusion.

This Contract may be terminated unilaterally also before expiry of the time period for which it has been concluded, if one of the contracting parties does not execute its contractual obligations.

Procurer is entitled to terminate the Contract unilaterally in case that Supplier:

-does not execute its obligations within the time limits and in the manner, stipulated by this Contract

-when Supplier determines that the quality of the goods which is the subject of this Contract or the manner by which the goods is delivered deviates from the agreed, namely offered quality from the Supplier's bid

- does not follow the agreed method and time limit of the delivery

- and in other cases, stipulated by this Contract.

Termination of the Contract does not release Supplier from the responsibility and payment of the compensation of the real and suffered material damage as well as from the return of the previously paid financial means within 7 days from the time limit, determined for the goods delivery,

Otherwise, Procurer has the right to realize the bank guarantee , delivered to the Procurer by Supplier for the advance payment at the moment of conclusion of the Contract.

Supplier is entitled to unilateral termination of the Contract in case that the Procurer does not effect the payment for the invoiced price in the determined time limit, namely within the time limit, denoted in the Supplier's invoice,as well as in other cases, stipulated by this Contract.

#### **Article 19**

In case of any status modifications by the contracting parties during the validity period of this Contract, all rights and obligations of the contracting party at which the modification occurred, shall be assigned to its legal inheritor.

The contracting parties are obliged to notify immediately the other contracting party in the written form about the occurrence of status changes, if any, upon the conclusion of this Contract.

#### **Article 20**

The contracting parties agree that the provisions of the Law on Obligations of Montenegro and other Positive law regulations,valid in Montenegro, shall be applied on any matters,not defined by this Contract.

#### **Article 21**

The contracting Parties agree to settle the disputes amicably, if any, and otherwise, the Economic court in Podgorica shall be competent.

#### **Article 22**

Supplier is obliged to sign this Contract within 8 (eight) days, commencing from the day of its taking over, namely, delivery and within the same time limit he is obliged to return to the Procurer the signed Contract with the bank guarantee, defined in the Art.12 of this Contract.

In case that Supplier refuses to conclude the Contract, Procurer is entitled to claim the compensation of the damage by Supplier in the amount of 10% of the agreed amount and Supplier is obliged to compensate the damage within 10 days.

The compensation of the damage, pursuant to the par.2 of this Article shall be realized without filing the lawsuit for the compensation of the damage and without bringing the court decision.

#### **Article 23**

The Contract is made in 6 (six) identical copies, 3 (three) copies for each contracting party, respectively.

#### **Article 24**

Contracting parties have read this Contract and accordantly, state that this Contract is the expression of their free wills and that none of them are under fraud, threat, force, illusion and similar, so they put their signatures by their own hand as the sign of its legal validity.

**PROCURER,**

**SUPPLIER,**

13 Jul-Plantaže ad Podgorica  
Executive director  
Verica Maraš, grad.econ.

\_\_\_\_\_

### **I AGREE WITH THE DRAFT OF THE CONTRACT**

Authorised person of the bidder \_\_\_\_\_  
(name and surname)

( position)

- Note: The final text of the Contract on Procurement and Delivery of the Laterals shall be made in accordance with the Bidder, the Bid of which has been selected as the most favourable.

## DRAFT OF THE CONTRACT ON THE PROCUREMENT OF THE PIPES - LOT 2

This Contract is concluded by and between:

**Procurer** , **13 jul-Plantaže a.d. Podgorica**, Put Radomira Ivanovića No.2, Company Registration No/Tax identification No 02016281,VAT: 20/31-00021-4, Giro account No: 550-1092-08 at Societe Generale Montenegro, represented by the executive director Verica Maraš, grad.econ.(hereinafter referred to as: PROCURER), on one hand and

**Bidder** \_\_\_\_\_ based \_\_\_\_\_ in \_\_\_\_\_, address \_\_\_\_\_, Registration No: \_\_\_\_\_ Tax Identification No: \_\_\_\_\_, giro account No: \_\_\_\_\_ at \_\_\_\_\_ bank, represented by \_\_\_\_\_ (hereinafter referred to as :SUPPLIER), on the other hand.

### BASE OF THE CONTRACT

Request for collecting the bids for the procedure of procurement of the system for drip irrigation, complied with the technical characteristics or specification, enclosed in the request for collecting the bids for Lot 2, No. \_\_\_\_\_/18, dated from \_\_\_\_\_ 2018..

Decision on the selection of the most favourable bid for the Lot 2, No. \_\_\_\_\_ dated from \_\_\_\_\_ 2018.

Bid of the bidder No. \_\_\_\_\_ dated from: \_\_\_\_\_ 2018.

### Article 1

The subject of this Contract is the procurement and delivery of the pipes to the Procurer complied with the technical characteristics/ specification, enclosed in the Request for collecting the bids for Lot 2, No: \_\_\_\_\_/18, dated from \_\_\_\_\_ 2018, Decision on the selection of the most favourable bid No.for Lot 2 \_\_\_\_\_ dated from \_\_\_\_\_ 2018 and accepted Bid of the Supplier No. \_\_\_\_\_ dated from: \_\_\_\_\_ 2018 which makes the integral part to this Contract.

### Article 2

Supplier is obliged to deliver the concerned goods, pursuant to Art.1 of this Contract to the Procurer, complied completely with the technical characteristics /specification and other conditions from the accepted bid such as:

#### 1. High density polyethylene pipes HDPE PE -100, 1.80 m

D (mm) 125/10 bars

S 7.4

SDR17 (S-8) PN10

#### 2. High density polyethylene pipes HDPE PE -100, 1.500 m

D (mm) 110/10 bars

S 6.6

SDR17 (S-8) PN10

The pipes should be delivered in coils of 50 meters .

**3. High density polyethylene pipes HDPE PE -100, 2800 m**

D (mm) 90/10 bars

S 5.4

SDR17 (S-8) PN10

The pipes should be delivered in coils of 50 meters .

**Article 3**

The total value of the goods complied with the accepted bid-proof the Supplier No:\_\_\_\_\_ dated from 2018, amounts \_\_\_\_\_€ without VAT, ie with included VAT(read as:\_\_\_\_\_Euros).

The contracting price is fixed and unmodified for the validity period of the Contract.

**Article 4**

Supplier is obliged to effect the the agreed delivery of the goods successively , depending on the needs of the Procurer, not later than the 25<sup>th</sup> of February 2018,Procurer's warehouse, Podgorica,parity of delivery is DAP Podgorica (Incoterms 2010).

Parity of delivery for a foreign entity (foreign supplier), concerning the payment of VAT may be determined pursuant to Art. 12, par.1, point 2 Law on the Value Added Tax (Official Gazette of Republic of Montenegro, No. 65/01....04/06 and Official Gazette No.16/07, 40/11), by which it is defined,as follows:

As far as a foreign entity, operating its business activities in Montenegro through a **business unit**, is concerned in accordance with the Art.28 of the Rules on Application of VAT (Official Gazette Republic of Mne, No. 65/02.....16/06, 64/08), **that business unit shall calculate and pay VAT**, in accordance with the Rules ( Business unit of a foreign entity represents in the name and on behalf of a foreign entity and it must use the firm of the mother enterprise,its seat and its title);

Pursuant to Art.12 and in accordance with the par.3 of the Law on Value Added Tax, **a** foreign person which is not obliged, in accordance with the regulations, to establish a business unit and effects the turnover in Montenegro, it is entered into the Register of Tax payers for VAT and may appoint the tax representative who will ,in his name, settle all the obligations, stipulated by the Rules.

Pursuant to Art.12, par.2 Law on Value Added Tax, if a tax payer who does not have the main office in Montenegro, does not appoint its tax representative, VAT shall be paid by the receiver of the products, ie services(Procurer).

Delivery of goods will be effected and confirmed by the written act on transfer.

Contracting parties agree that the qualitative and quantitative receipt of the concerned goods shall be done at the place (warehouse) of the Procurer and at the moment of taking over the goods by Procurer, by which the delivery shall be considered completed, provided there have not been any comments by Procurer.

### **Article 5**

Supplier of goods is obliged that the quality of goods shall be completely in accordance with the EU regulations covering this field and that the quality of the concerned goods shall be completely identical with the requested technical characteristics/specification and characteristics, stated in the Supplier's bid.

The manner of conducting quality control is effected by checking the compliance of the provided certificates on the analyses by Supplier with the specified „essential characteristics of the subject of procurement, concerning quality, performances and/or dimensions from the part „technical characteristics/specification of the subject of procurement.”

Supplier is obliged to provide Supplier with the following:

- Technical sheet for each offered goods
- Attests and results of the material, used for the production of all offered parts

Contracting parties agree that the delivery of the concerned goods will be the subject of the receipt quality control, complied with the control plans of the Procurer.

A qualitative receipt of the goods shall be made on the delivery day, during the validity of the Contract, for each delivery of goods, implying the control of parameters, given in the technical characteristics/specification and accepted bid by the Supplier.

### **Article 6**

Warranty time limit of the concerned goods is 30 (thirty) years.

Warranty of quality:

- ISO 9001
- Attests of the material that passed the tests and influence on the water quality
- Technical sheets and WRAS

### **Article 7**

Supplier is obliged, at his own expense, to remove all defects on the concerned goods, shown during the warranty time limit, if the defects are in accordance with the warranty conditions.

In case that Supplier does not act pursuant to par.1 of this Article, Supplier has the right, at Supplier's cost, to engage other person for removing all defects on the executed works and Supplier is obliged , within 10 days from the day of delivering the invoice by the other person , to effect the payment for the invoiced amount for the works, performed by that other person in removing the defects which was the obligation of the Supplier.

### **Article 8**

In the case that the Procurer determines ,at the receiving control, that the quality of the concerned goods which is the subject of this Contract, deviates from the agreed quality, namely from the offered quality in the Bid, he draws up himself the Claim Minutes, without obligatory presence of the Supplier and notifies the Supplier of the return –claim on goods which has arrived at the Procurer's warehouse and which the Supplier is obliged to accept .



In case of any doubt in the quality of the delivered goods, based on the use of such goods in the process of production, Procurer notifies the Supplier of the stated defects and problems that occurred in the production.

In that case, the expert persons of the Procurer make up the Claim Minutes which they deliver, together with the notification to the Supplier by email who is obliged within 1 (one) working day to notify Procurer in the written form whether he will respond to the call or not, by email.

In case that the Supplier responds to the call, he should send his representative, within 48 hours, at the latest, an expert, responsible person who will, together with the responsible person from the quality control and production determine the problem that occurred and draw up the mutual Minutes on further handling with the goods.

In case that the Supplier does not respond to the call in due time and the mutual Minutes is not drawn up, it shall be considered that he has accepted the claim of the goods, by Procurer, ie that he accepts the claim of goods. In case of return of the delivery, Supplier is obliged to deliver a new quantity of the claimed goods, stated in the Claim Minutes of the Procurer (title, type, quantity and similar that he accepts without objection) within 7 (seven) days, at the latest, which will not have any defects and which will be in compliance with the agreed quality and technical characteristics/specification, stated in the tender documentation.

Three claimed deliveries shall be the legal grounds for the termination of this Contract.

#### **Article 9**

In the case that the Supplier does not deliver the goods upon the claim, described in the Art. 8 of this Contract, he is obliged to compensate the damage to the Procurer in the manner, as defined by the Art. 12 of the Contract.

#### **Article 10**

In case that the Supplier delivers the concerned goods of the improper quality to the Procurer three times, the Contract immediately ceases to be valid (terminates) and Procurer does not have any right to pay for the invoiced price of the concerned goods and Supplier bears the responsibility and sanctions, stipulated by the Art. 12 of the Contract.

#### **Article 11**

Delivery of goods implies transfer of the accompanying documentation, such as: Supplier's invoice, dispatch note and certificates, stated in the Art. 5 of the Contract.

The place of execution of the Contract, ie the place of the delivery of the goods is the warehouse of Procurer, Podgorica, Ćemovsko polje.

#### **Article 12**

In the case that the Supplier does not deliver the concerned goods to the Procurer within the time limit, pursuant to the Art. 4 of this Contract, he is obliged to pay to the Procurer the contractual penalty for each day of delay in the amount of 2% of the total value of the ordered goods.

In case that Supplier does not deliver the concerned goods at all, he is obliged to compensate for the real and suffered material damage to the Procurer due to the undelivered, concerned goods and Procurer has the right to realize the bank guarantee.

The level of the material damage shall be determined by the Committee, consisted of 4 (four) experts, out of whom 2 (two) by the Procurer and 2 (two) by the Supplier of which they will draw up the Minutes, signed by the Committee.

In that case, Supplier will compensate to the Procurer a certain level of the material damage within 30 (thirty) days commencing from the day of the appraisal of the material damage.

In case that Supplier does not take part, for any reason, in the work of the Committee for the assessment of the material damage, he is obliged to accept the Minutes, made of expert persons of the Procurer only as well as he accepts the obligation to compensate to Procurer a certain level of the material damage within 30 (thirty) days, commencing from the day of the appraisal of the material damage.

In case that the parties do not agree on the appraisal of the material damage, it shall be the subject of court decision making at the Economic court in Podgorica.

### **Article 13**

Procurer is obliged to effect the payment of the agreed price by bank transfer, as follows:

- 20% advance payment immediately upon the conclusion of the Contract with the provision of the guarantee by Supplier for the advance payment in the amount of the agreed advance payment with the valid time limit within the whole duration of the Contract.

- remaining amount of 80% within 90 days from the day of issuance of the invoice, ie from the day of qualitative and quantitative receipt of the concerned goods.

In case that Supplier does not provide the bank guarantee for the advance payment, Procurer retains the right not to effect the advance payment until the Supplier does not provide the bank guarantee within the time limit, not longer than 10 days from the day of the conclusion of the Contract.

### **Article 14**

Supplier is obliged to submit to the Procurer, at the moment of signing this Contract, irrevocable, unconditional and at first call payable bank guarantee for the good execution of the Contract in the amount of 5% of the total value of the Contract with the validity period 30 (thirty) days longer than the validity period of this Contract, pursuant to Art.18 of this Contract and which may be activated by Procurer, at any moment when any of the reasons for the termination of the Contract occur.

The guarantee must be issued by a business bank of the Supplier, located in Montenegro or by the business bank of the Supplier, located in any foreign country which will be reliable for the collection by a bank guarantee.

Procurer is obliged to return to the Supplier the submitted bank guarantee for good execution of the Contract, directly and within the time limit, immediately upon the fulfillment of the contractual obligations, namely, upon good execution of the Contract by Supplier, in the manner and by the conditions from this Contract and without any remarks by Procurer.

### **Article 15**

Supplier states and guarantees to the Procurer, under the threat of criminal and substantive responsibility of the legal person and its signatory the following:

- That it has been legally founded and registered as the legal person and the business company complied with the regulations of the country where it has its registered seat.

- That it may conclude legally and with full force this Contract as well as all other legal instruments concerning the Contract.

- That the signatory of the Contract has all the authorities for the Contract conclusion pursuant to the legal regulations of the country where it has its registered seat.

### **Article 16**

The contracting parties shall not be obliged to execute their obligations in accordance with this Contract during the force majeure, such as: war and war action and natural disasters (fire, flood, mobilisations, explosion and other natural disasters, declared by the state as such), in case that the non-fulfillment of the stated obligations has been caused by the occurrence of force majeure and provided that they notify, immediately, within three working days, at the latest, the other contracting party of the occurrence of force majeure.

Otherwise, the contracting party to which the occurrence of force majeure relates, cannot refer to it unless it notifies the other contracting party of the action of force majeure, except in the case when the circumstance of force majeure prevents him to send such a notice.

The contracting party, not affected by the force majeure is entitled to unilateral termination of the Contract in case that the action of force majeure lasts over two months commencing from the day of giving such a notice to the other contracting party.

### **Article 17**

The interpretation of the Contract by the contracting parties will be based on the principle of consciousness and fairness, as the basic principle of the obligations' relations.

With the signatures on this Contract, the contracting parties confirm that the conditions of the Contract are comprehensible and clear to them and that the Contract has been concluded with the good will of the contracting parties, without any force and compulsion.

The contracting parties agree that the provisions of the Contract must be interpreted in accordance with the provisions of the Positive legal regulations which are effective in Montenegro.

### **Article 18**

This Contract is concluded for the period of 120 (one hundred and twenty) days and is applicable from the day of its conclusion.

This Contract may be terminated unilaterally also before expiry of the time period for which it has been concluded, if one of the contracting parties does not execute its contractual obligations.

Procurer is entitled to terminate the Contract unilaterally in case that Supplier:

-does not execute its obligations within the time limits and in the manner, stipulated by this Contract

-when Supplier determines that the quality of the goods which is the subject of this Contract or the manner by which the goods is delivered deviates from the agreed, namely offered quality from the Supplier's bid

- does not follow the agreed method and time limit of the delivery

- and in other cases, stipulated by this Contract.

Termination of the Contract does not release Supplier from the responsibility and payment of the compensation of the real and suffered material damage as well as from the return of the previously paid financial means within 7 days from the time limit, determined for the goods delivery,

Otherwise, Procurer has the right to realize the bank guarantee , delivered to the Procurer by Supplier for the advance payment at the moment of conclusion of the Contract.

Supplier is entitled to unilateral termination of the Contract in case that the Procurer does not effect the payment for the invoiced price in the determined time limit, namely within the time limit, denoted in the Supplier's invoice,as well as in other cases, stipulated by this Contract.

#### **Article 19**

In case of any status modifications by the contracting parties during the validity period of this Contract, all rights and obligations of the contracting party at which the modification occurred, shall be assigned to its legal inheritor.

The contracting parties are obliged to notify immediately the other contracting party in the written form about the occurrence of status changes, if any, upon the conclusion of this Contract.

#### **Article 20**

The contracting parties agree that the provisions of the Law on Obligations of Montenegro and other Positive law regulations,valid in Montenegro, shall be applied on any matters,not defined by this Contract.

#### **Article 21**

The contracting Parties agree to settle the disputes amicably, if any, and otherwise, the Economic court in Podgorica shall be competent.

#### **Article 22**

Supplier is obliged to sign this Contract within 8 (eight) days, commencing from the day of its taking over, namely, delivery and within the same time limit he is obliged to return to the Procurer the signed Contract with the bank guarantee, defined in the Art.12 of this Contract.

In case that Supplier refuses to conclude the Contract, Procurer is entitled to claim the compensation of the damage by Supplier in the amount of 10% of the agreed amount and Supplier is obliged to compensate the damage within 10 days.

The compensation of the damage, pursuant to the par.2 of this Article shall be realized without filing the lawsuit for the compensation of the damage and without bringing the court decision.

### **Article 23**

The Contract is made in 6 (six) identical copies, 3 (three) copies for each contracting party, respectively.

### **Article 24**

Contracting parties have read this Contract and accordantly, state that this Contract is the expression of their free wills and that none of them are under fraud, threat, force, illusion and similar, so they put their signatures by their own hand as the sign of its legal validity.

**PROCURER,**

13 Jul-Plantaže ad Podgorica  
Executive director  
Verica Maraš, grad.econ.

**SUPPLIER,**

\_\_\_\_\_

### **I AGREE WITH THE DRAFT OF THE CONTRACT**

Authorised person of the bidder \_\_\_\_\_  
(name and surname)

( position)

- Note: The final text of the Contract on Procurement and Delivery of the Pipes shall be made in accordance with the Bidder, the Bid of which has been selected as the most favourable.

## **DRAFT OF THE CONTRACT ON THE PROCUREMENT OF OTHER COMPONENTS – FLANGE,REDUCTION, JOINT AND OTHER ACCOMPANYING MATERIAL - LOT 3**

This Contract is concluded between:

**Procurer , 13 jul-Plantaže a.d. Podgorica**, Put Radomira Ivanovića No.2, Company Registration No/Tax identification No 02016281,VAT: 20/31-00021-4, Giro account No: 550-1092-08 at Societe Generale Montenegro, represented by the executive director Verica Maraš, grad.econ.(hereinafter referred to as: PROCURER), on one hand and

**Bidder** \_\_\_\_\_ based in \_\_\_\_\_, address \_\_\_\_\_  
Registration No: \_\_\_\_\_Tax Identification No: \_\_\_\_\_, giro account No: \_\_\_\_\_  
at \_\_\_\_\_ bank, represented by \_\_\_\_\_(hereinafter referred to as :SUPPLIER), on the other hand.

### **BASE OF THE CONTRACT**

Request for collecting the bids for the procedure of procurement of the drip irrigation system, complied with the technical characteristics or specification, enclosed in the request for collecting the bids for Lot 3, No. \_\_\_\_\_/18, dated from \_\_\_\_\_ 2018.

Decision on the selection of the most favourable bid for the Lot 3, No. \_\_\_\_\_dated from \_\_\_\_\_2018..

Bid of the bidder No. \_\_\_\_\_dated from: \_\_\_\_\_2018.

### **Article 1**

The subject of this Contract is the procurement and delivery of the cast iron elements ,complied with the technical characteristics/ specification, enclosed in the Request for collecting the bids for Lot 3, No: \_\_\_\_\_/18, dated from \_\_\_\_\_2018, Decision on the selection of the most favourable bid for the Lot 3, No. \_\_\_\_\_dated from \_\_\_\_\_2018 and accepted Bid of the Supplier No. \_\_\_\_\_ dated from: \_\_\_\_\_ 2018 which makes the integral part to this Contract.

### **Article 2**

Supplier is obliged to deliver the concerned goods, pursuant to Art.1 of this Contract to the Procurer, complied completely with the technical characteristics /specification and other conditions from the accepted bid by : name, type and quantites , stated precisely in the technical characteristics/specification from the Request for Collecting the Bids.

### Article 3

The total value of the goods by the accepted offer of the Supplier No. \_\_\_\_\_, dated from \_\_\_\_\_ 2018, amounts \_\_\_\_\_ € (read as: \_\_\_\_\_ euros) without VAT included, ie \_\_\_\_\_ € with VAT included.

The contractual price is fixed and unmodified for the validity period of the Contract.

### Article 4

Supplier is obliged to effect the the agreed delivery of the goods successively , depending on the needs of the Procurer, not later than the 25<sup>th</sup> of February 2018,Procurer's warehouse, Podgorica,parity of delivery is DAP Podgorica (Incoterms 2010).

Parity of delivery for a foreign entity (foreign supplier), concerning the payment of VAT may be determined pursuant to Art. 12, par.1, point 2 Law on the Value Added Tax (Official Gazette of Republic of Montenegro, No. 65/01....04/06 and Official Gazette No.16/07, 40/11), by which it is defined,as follows:

As far as a foreign entity, operating its business activities in Montenegro through a **business unit**, is concerned in accordance with the Art.28 of the Rules on Application of VAT (Official Gazette Republic of Mne, No. 65/02.....16/06, 64/08), **that business unit shall calculate and pay VAT**, in accordance with the Rules ( Business unit of a foreign entity represents in the name and on behalf of a foreign entity and it must use the firm of the mother enterprise,its seat and its title);

Pursuant to Art.12 and in accordance with the par.3 of the Law on Value Added Tax, **a** foreign person which is not obliged, in accordance with the regulations, to establish a business unit and effects the turnover in Montenegro, it is entered into the Register of Tax payers for VAT and may appoint the tax representative who will ,in his name, settle all the obligations, stipulated by the Rules.

Pursuant to Art.12, par.2 Law on Value Added Tax, if a tax payer who does not have the main office in Montenegro, does not appoint its tax representative, VAT shall be paid by the receiver of the products, ie services(Procurer).

Delivery of goods will be effected and confirmed by the written act on transfer.

Contracting parties agree that the qualitative and quantitative receipt of the concerned goods shall be done at the place (warehouse) of the Procurer and at the moment of taking over the goods by Procurer, by which the delivery shall be considered completed, provided there have not been any comments by Procurer.

### Article 5

Supplier of goods is obliged that the quality of goods shall be completely in accordance with the EU regulations covering this field and that the quality of the concerned goods shall be completely identical with the requested technical characteristics/specification and characteristics, stated in the Supplier's bid.

The manner of conducting quality control is effected by checking the compliance of the provided certificates on the analyses by Supplier with the specified „essential characteristics of the subject

of procurement, concerning quality, performances and/or dimensions from the part „technical characteristics/specification of the subject of procurement.”

Supplier is obliged to provide Supplier with the following:

- Technical sheet for each offered goods
- Attests and results of the material, used for the production of all offered parts

Contracting parties agree that the delivery of the concerned goods will be the subject of the receipt quality control, complied with the control plans of the Procurer.

A qualitative receipt of the goods shall be made on the delivery day, during the validity of the Contract, for each delivery of goods, implying the control of parameters, given in the technical characteristics/specification and accepted bid by the Supplier.

#### **Article 6**

Warranty time limits are in accordance with the technical characteristics/specification of the Request for collecting the bids.

Warranty of quality:

- ISO 9001
- Attests of the material that passed the tests and influence on the water quality
- Technical sheets and WRAS

#### **Article 7**

Supplier is obliged, at his own expense, to remove all defects on the concerned goods, shown during the warranty time limit, if the defects are in accordance with the warranty conditions.

In case that Supplier does not act pursuant to par.1 of this Article, Supplier has the right, at Supplier's cost, to engage other person for removing all defects on the executed works and Supplier is obliged, within 10 days from the day of delivering the invoice by the other person, to effect the payment for the invoiced amount for the works, performed by that other person in removing the defects which was the obligation of the Supplier.

#### **Article 8**

In the case that the Procurer determines, at the receiving control, that the quality of the concerned goods which is the subject of this Contract, deviates from the agreed quality, namely from the offered quality in the Bid, he draws up himself the Claim Minutes, without obligatory presence of the Supplier and notifies the Supplier of the return –claim on goods which has arrived at the Procurer's warehouse and which the Supplier is obliged to accept.

In case of any doubt in the quality of the delivered goods, based on the use of such goods in the process of production, Procurer notifies the Supplier of the stated defects and problems that occurred in the production.

In that case, the expert persons of the Procurer make up the Claim Minutes which they deliver, together with the notification to the Supplier by email who is obliged within 1 (one) working day to notify Procurer in the written form whether he will respond to the call or not, by email.

In case that the Supplier respond to the call, he should send his representative, within 48 hours, at the latest, an expert, responsible person who will, together with the responsible person from the quality control and production determine the problem that occurred and draw up the mutual Minutes on further handling with the goods.



In case that the Supplier does not respond to the call in due time and the mutual Minutes is not drawn up, it shall be considered that he has accepted the claim of the goods, by Procurer, ie that he accepts the claim of goods. In case of return of the delivery, Supplier is obliged to deliver a new quantity of the claimed goods, stated in the Claim Minutes of the Procurer (title, type, quantity and similar that he accepts without objection) within 7 (seven) days, at the latest, which will not have any defects and which will be in compliance with the agreed quality and technical characteristics/specification, stated in the tender documentation.

Three claimed deliveries shall be the legal grounds for the termination of this Contract.

#### **Article 9**

In the case that the Supplier does not deliver the goods upon the claim, described in the Art. 8 of this Contract, he is obliged to compensate the damage to the Procurer in the manner, as defined by the Art. 12 of the Contract.

#### **Article 10**

In case that the Supplier delivers the concerned goods of the improper quality to the Procurer three times, the Contract immediately ceases to be valid (terminates) and Procurer does not have any right to pay for the invoiced price of the concerned goods and Supplier bears the responsibility and sanctions, stipulated by the Art. 12 of the Contract.

#### **Article 11**

Delivery of goods implies transfer of the accompanying documentation, such as: Supplier's invoice, dispatch note and certificates, stated in the Art. 5 and 6 of the Contract.

The place of execution of the Contract, ie the place of the delivery of the goods is the warehouse of Procurer, Podgorica, Ćemovsko polje.

#### **Article 12**

In the case that the Supplier does not deliver the concerned goods to the Procurer within the time limit, pursuant to the Art. 4 of this Contract, he is obliged to pay to the Procurer the contractual penalty for each day of delay in the amount of 2% of the total value of the ordered goods.

In case that Supplier does not deliver the concerned goods at all, he is obliged to compensate for the real and suffered material damage to the Procurer due to the undelivered, concerned goods and Procurer has the right to realize the bank guarantee and the Contract immediately ceases to be valid and it terminates.

The level of the material damage shall be determined by the Committee, consisted of 4 (four) experts, out of whom 2 (two) by the Procurer and 2 (two) by the Supplier of which they will draw up the Minutes, signed by the Committee.

In that case, Supplier will compensate to the Procurer a certain level of the material damage within 30 (thirty) days commencing from the day of the appraisal of the material damage.

In case that Supplier does not take part, for any reason, in the work of the Committee for the assessment of the material damage, he is obliged to accept the Minutes, made of expert persons of the Procurer only as well as he accepts the obligation to compensate to Procurer a certain level of the material damage within 30 (thirty) days, commencing from the day of the appraisal of the material damage.

In case that the parties do not agree on the appraisal of the material damage, it shall be the subject of court decision making at the Economic court in Podgorica.

### **Article 13**

Procurer is obliged to effect the payment of the agreed price by bank transfer, as follows:

- 20% advance payment immediately upon the conclusion of the Contract against submission of the guarantee by Supplier for the advance payment in the amount of the agreed advance payment within the valid time limit of the Contract.

- the remaining amount of 80% within 90 days from the day of issuance of the invoice, ie from the day of qualitative and quantitative receipt of the concerned goods.

In case that Supplier does not provide the bank guarantee for the advance payment, Procurer retains the right not to effect the advance payment until the Supplier does not provide the bank guarantee within the time limit, not longer than 10 days from the day of the conclusion of the Contract.

### **Article 14**

Supplier is obliged to submit to the Procurer, at the moment of signing this Contract, irrevocable, unconditional and at first call payable bank guarantee for the good execution of the Contract in the amount of 5% of the total value of the Contract with the validity period 30 (thirty) days longer than the validity period of this Contract, pursuant to Art.18 of this Contract and which may be activated by Procurer, at any moment when any of the reasons for the termination of the Contract occur.

The guarantee must be issued by a business bank of the Supplier, located in Montenegro or by the business bank of the Supplier, located in any foreign country which will be reliable for the collection by a bank guarantee.

Procurer is obliged to return to the Supplier the submitted bank guarantee for good execution of the Contract, directly and within the time limit, immediately upon the fulfillment of the contractual obligations, namely, upon good execution of the Contract by Supplier, in the manner and by the conditions from this Contract and without any remarks by Procurer.

### **Article 15**

Supplier states and guarantees to the Procurer, under the threat of criminal and substantive responsibility of the legal person and its signatory the following:

- That it has been legally founded and registered as the legal person and the business company complied with the regulations of the country where it has its registered seat.

-That it may conclude legally and with full force this Contract as well as all other legal instruments concerning the Contract.

-That the signatory of the Contract has all the authorities for the Contract conclusion pursuant to the legal regulations of the country where it has its registered seat.

### **Article 16**

The contracting parties shall not be obliged to execute their obligations in accordance with this Contract during the force majeure, such as: war and war action and natural disasters (fire, flood, mobilisations, explosion and other natural disasters, declared by the state as such), in case that the non-fulfillment of the stated obligations has been caused by the occurrence of force majeure and provided that they notify, immediately, within three working days, at the latest, the other contracting party of the occurrence of force majeure.

Otherwise, the contracting party to which the occurrence of force majeure relates, cannot refer to it unless it notifies the other contracting party of the action of force majeure, except in the case when the circumstance of force majeure prevents him to send such a notice.

The contracting party, not affected by the force majeure is entitled to unilateral termination of the Contract in case that the action of force majeure lasts over two months commencing from the day of giving such a notice to the other contracting party.

### **Article 17**

The interpretation of the Contract by the contracting parties will be based on the principle of consciousness and fairness, as the basic principle of the obligations' relations.

With the signatures on this Contract, the contracting parties confirm that the conditions of the Contract are comprehensible and clear to them and that the Contract has been concluded with the good will of the contracting parties, without any force and compulsion.

The contracting parties agree that the provisions of the Contract must be interpreted in accordance with the provisions of the Positive legal regulations which are effective in Montenegro.

### **Article 18**

This Contract is concluded for the period of 120 (one hundred and twenty) days and is applicable from the day of its conclusion.

This Contract may be terminated unilaterally also before expiry of the time period for which it has been concluded, if one of the contracting parties does not execute its contractual obligations.

Procurement is entitled to terminate the Contract unilaterally in case that Supplier:

- does not execute its obligations within the time limits and in the manner, stipulated by this Contract

- when Supplier determines that the quality of the goods which is the subject of this Contract or the manner by which the goods is delivered deviates from the agreed, namely offered quality from the Supplier's bid

- does not follow the agreed method and time limit of the delivery

- and in other cases, stipulated by this Contract.

Termination of the Contract does not release Supplier from the responsibility and payment of the compensation of the real and suffered material damage as well as from the return of the previously paid financial means within 7 days from the time limit, determined for the goods

delivery. Otherwise, Procurer has the right to realize the bank guarantee, delivered to the Procurer by Supplier for the advance payment at the moment of conclusion of the Contract.

Supplier is entitled to unilateral termination of the Contract in case that the Procurer does not effect the payment for the invoiced price in the determined time limit, namely within the time limit, denoted in the Supplier's invoice, as well as in other cases, stipulated by this Contract.

#### **Article 19**

In case of any status modifications by the contracting parties during the validity period of this Contract, all rights and obligations of the contracting party at which the modification occurred, shall be assigned to its legal inheritor.

The contracting parties are obliged to notify immediately the other contracting party in the written form about the occurrence of status changes, if any, upon the conclusion of this Contract.

#### **Article 20**

The contracting parties agree that the provisions of the Law on Obligations of Montenegro and other Positive law regulations, valid in Montenegro, shall be applied on any matters, not defined by this Contract.

#### **Article 21**

The contracting Parties agree to settle the disputes amicably, if any, and otherwise, the Economic court in Podgorica shall be competent.

#### **Article 22**

Supplier is obliged to sign this Contract within 8 (eight) days, commencing from the day of its taking over, namely, delivery and within the same time limit he is obliged to return to the Procurer the signed Contract with the bank guarantee, defined in the Art. 12 of this Contract.

In case that Supplier refuses to conclude the Contract, Procurer is entitled to claim the compensation of the damage by Supplier in the amount of 10% of the agreed amount and Supplier is obliged to compensate the damage within 10 days.

#### **Article 23**

The Contract is made in 6 (six) identical copies, 3 (three) copies for each contracting party, respectively.

#### **Article 24**

Contracting parties have read this Contract and accordantly, state that this Contract is the expression of their free wills and that none of them are under fraud, threat, force, illusion and similar, so they put their signatures by their own hand as the sign of its legal validity.

**PROCURER,**

**SUPPLIER,**

13 Jul-Plantaže ad Podgorica  
Executive director  
Verica Maraš, grad.econ.

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**I AGREE WITH THE DRAFT OF THE CONTRACT**

Authorised person of the bidder\_\_\_\_\_

(name and surname)

( position)

- Note: The final text of the Contract on Procurement and Delivery of other components-flange, reduction, joints and other accompanying material shall be made in accordance with the Bidder, the Bid of which has been selected as the most favourable.

## **INSTRUCTIONS TO THE BIDDERS FOR MAKING AND SUBMITTING THE BIDS**

### **Preparation of the bid**

A bidder makes and submits the bid in compliance with this request for taking part in the procurement procedure.

### **Manner of submission of the bid**

A bid is delivered in the appropriate, closed envelope (an envelope, box and similar). It is on one part of the envelope that the title and main office of the Procurer, number of the Request for Collection of the Bids and the text with the inscription: 'Do not open before the public opening of the bids' should be written, and on the other part of the envelope, the title, main office and the address of the Bidder should be written.

### **The bid shall be considered valid only if:**

-All specified products, asked by the Request for Collection of the Bids are offered.

### **Manner of stating the offered price**

A bidder submits the bid with the price (-s), expressed in EUR, without VAT, such as: unit price, quantity and total financial amount for the offered goods.

All costs and discounts, concerning the total offered price are included in the offered price.

Offered price (-s) is (are)expressed for the complete subject of procurement and if the subject of the procurement is classified by the lots, the financial part of the bid should be delivered for each lot, separately,for which the bid has been submitted.

### **Draft of the Contract on Procurement**

A bidder is obliged to enclose in the bid a Draft of the Contract on the Procurement, sealed and signed by the authorized entity in the place, provided for making an approval for it.

**Due time of the bid**

A bid is considered submitted in due time if it is delivered to the Procurer prior to the expiry of the time limit, provided for submitting the bids, stipulated by this Request.

**Recommendation to the bidders**

A bid should be prepared as a single compound and each filled page of the bid should be numbered, signed and sealed.