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*Preamble*

The Ministry of Economy as a project partner through the implementation of the procurement procedure for support in the provision of all travel, accommodation and event services within the project „SMART ADRIA BLUE GROWTH/No. 360/Thematic Notice” financed under IPA Italy-Albania-Montenegro Cross-border Co-operation Program 2014-2020 will be supported to implement activities which will enhance the framework conditions for the development of sustainable blue SME's cross-border market in the programme area. The Ministry of Economy of Montenegro conducted competitive negotiation procedure and after evaluation process is concluding the following

**SERVICE CONTRACT**

**NO. 30-219/2019-15**

**ref: ITALME-360-TD02**

**FINANCED FROM THE GENERAL BUDGET OF THE UNION**

Ministry of Economy,

Directorate for investments, development of SMEs and management of EU

Rimski trg 46, 81 000 Podgorica,

Montenegro

(‘the contracting authority’ - CA),

**Expenditure incurred under INTERREG IPA CBC  
ITALY - ALBANIA - MONTENEGRO PROGRAMME**  
Project ITALME SABG No. 360  
for a sum of € 59.000,00  
date 15.04.2020

of the one part,

and

MERC DOO ZEMUN,

Karađorđeva 4-6, 11080 Zemun,

Republic of Serbia

(‘the contractor’)

of the other part,

have agreed as follows:

*Article 1*

*Subject, purpose and description of the contract*

The subject of this contract is Travel, accommodation and events done at Podgorica with identification number ITALME360-TD02 (‘the services’).

The contractor shall execute the tasks assigned to him in accordance with the Terms of Reference annexed to the contract (Annex II).

**Article 2**  
**Contract value**

This contract, established in Euro (EUR), is a global price contract. The contract value is 295,000.00 EUR.

**Article 3**  
**Order of precedence of contract documents**

The following documents shall be deemed to form and be read and construed as part of this Contract, in the following order of precedence:

- the contract agreement;
- the Special Conditions
- the General Conditions (Annex I);
- the Terms of Reference [including clarification before the deadline for submitting tenders and minutes of the information meeting/site visit] (Annex II)
- the Organisation and methodology [including clarification from the tenderer provided during tender evaluation] (Annex III);
- Specified forms and other relevant documents (Annex VI));

**These above listed documents make up the contract. They shall be deemed to be mutually explanatory. In cases of ambiguity or divergence, they shall prevail in the order in which they appear above. Addenda shall have the order of precedence of the document they are amending.**

**Article 4**  
**Language of the contract**

The language of the contract and of all written communications between the contractor and the contracting authority and/or the project manager shall be English.

**Article 5**  
**Other specific conditions applying to the contract**

Done in English in four originals, two originals per contracting parties.

**For the contractor**

Name: Branislava Šljivančanin

Managing Director

Signature:

Date:

*Branislava Šljivančanin*  
22.01.2020



**For the contracting authority**

Name: Dragica Sekulić

Title: Minister

Signature:

Date:



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## **SPECIAL CONDITIONS**

These conditions amplify and supplement the general conditions governing the contract. Unless the special conditions provide otherwise, the general conditions remain fully applicable. The numbering of the articles of the special conditions is not consecutive but follows the numbering of the general conditions. Exceptionally, and with the approval of the competent European Commission departments, other clauses can be indicated to cover particular situations.

### **Article 2**

#### **Communications**

- 2.1 To ensure the smooth coordination among the project parties and to optimise the work, it is important that all communication goes via the appointed people. Any written communication relating to the management of this Contract shall be addressed to the Ministry of Economy as the CA. The relevant contract person on behalf of the CA is:

Rosanda Jocović, Adviser in the Department for management of projects financed from EU pre-accession funds, Directorate for investments, development of SMEs and management of EU funds, Ministry of Economy of Montenegro, Rinski Trg 46, 81000 Podgorica, Crna Gora, Tel: +382 20 482 484, E-mail: [rosanda.jocovic@mek.gov.me](mailto:rosanda.jocovic@mek.gov.me).

The relevant contract person on behalf of the contractor is:

Branislava Šljivančanin, Managing Director of the MERC DOO, Karadordeva 4-6, 11080 Zemun, Serbia, Tel: +381 63 453 00, E-mail: [ivan@kongresniturizam.com](mailto:ivan@kongresniturizam.com).

The Contractor must state clearly the Contract title and identification number on any written communication, which must be sent by post, fax and e-mail or by hand to the addresses identified in accordance with Article 2.1 of the Special Conditions.

- 2.2 An electronic system will be used by the contracting authority and the contractor for all stages of implementation including, inter alia, management of the contract (amendments and administrative orders), reporting (including reporting on results) and payments. The contractor will be required to register in and use the appropriate electronic exchange system to allow for the e-management of the contract. With regard to interim and final reports, if they are required according to Article 26 or to the terms of reference, the contractor will be expected to use the forms in the electronic system for encoding and submitting the reports.

The electronic management of the contract through the aforementioned system may commence on the date on which implementation of the contract starts, as described in Article 19 below, or at a later date. In the latter case, the contracting authority will inform the contractor in writing that he will be required to use the electronic system for all communications within a maximum period of 3 months.

### **Article 12**

#### **Liabilities**

- 12.2 By way of derogation from Article 12.2, paragraph 2, of the general conditions, compensation for damage resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to 295,000.00 EUR.

### **Article 19**

#### **Implementation of the tasks and delays**

- 19.1 The start date for implementation shall be date of signature of the contract by both parties.
- 19.2 The period for implementing the tasks is 24 months from the start date.

## Article 26

### Interim and final reports

The contractor shall submit progress reports as specified in the terms of reference.

## Article 27

### Approval of reports and documents

27.5 The contracting authority shall, within 45 days of receipt, notify the contractor of its decision concerning the documents or reports received by it, giving reasons should it reject the reports or documents, or request amendments. If the contracting authority does not give any comments on the documents or reports within the time limit, the contractor may request written acceptance of them. The documents or reports shall be deemed to have been approved by the contracting authority if it does not expressly inform the contractor of any comments within 45 days of the receipt of the report.

## Article 28

### Expenditure verification

28.2 By derogation from article 28 the verification will be made by the contracting authority and all references to an expenditure verification report will not be applicable.

## Article 29

### Payment and interest on late payment

29.1 Payments will be made in accordance with the following the option:

Month		EUR
1	Maximum pre-financing payment <sup>1</sup>	20 % <sup>2</sup>
6	Interim payment	20 %
12	Interim payments	30%
18	Interim payments	20%
24	Forecast balance	10% of the maximum contract value
	<b>Total</b>	295,000.00 EUR

The actual amounts payable after the pre-financing payment will vary. They will be based on the contractor's invoice accompanied by an interim progress report and an expenditure verification report and are subject to approval of the reports in accordance with Article 27 of the general conditions.

The interim invoices must be paid such that the sum of the payments does not exceed 90 % of the maximum contract value stated in Article 3 of the contract. Payment of the balance of the final value

<sup>1</sup> The contractor is not obliged to ask for pre-financing.

<sup>2</sup> Maximum of 20% of the total contract amount.

of the contract, subject to the maximum contract value stated in Article (2) of the contract, is made after deduction of the amounts already paid, within 60 days of the contracting authority receiving an invoice accompanied by the final progress report and a final expenditure verification report, the incidental expenditure and expenditure verification actually incurred during the period, subject to approval of those reports.

- 29.3 By derogation from Article 29.3 of the general conditions, once the deadline set in Article 29.1 has expired, the contractor will, upon demand, be entitled to late-payment interest at the rate and for the period mentioned in the general conditions submitted. The demand must be submitted within two months of receiving late payment.
- 29.5 Payments will be made in Euro in accordance with Articles 20.6 and 29.4 of the general conditions into the bank account notified by the contractor to the contracting authority.

### **Article 30**

#### **Financial guarantee**

- 30.1 Subject to a positive risk assessment<sup>3</sup> by the contracting authority, by derogation from article 30 of the general conditions no pre-financing guarantee is required.

### **Article 40**

#### **Settlement of disputes**

- 40.4 Any disputes arising out of or relating to this contract which cannot be settled otherwise shall be referred to the exclusive jurisdiction of Commercial Court of Montenegro, Podgorica applying the national legislation of the contracting authority.

### **Article 42**

#### **Data protection**

N/A

### **Article 43**

#### **Further additional clauses**

N/A

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<sup>3</sup> Such risk assessment is required, for example, when a company is awarded a contract without itself meeting the selection criteria but relying on the capacity of another company.