

Број: 01-018/20-4009

Датум: 17. 12. 2020.

GRANT AGREEMENT

On this 17.12.2020, in the city of Podgorica, pursuant to Article 5(3)(2) of Decree No 234 of the Council of Ministers of 2011 on the policy of the Republic of Bulgaria for participation in the international development cooperation (State Gazette, No 61 of 2011), this Grant Agreement was concluded by and between:

1. **The Ministry of Foreign Affairs of the Republic of Bulgaria** represented by /the Ambassador Extraordinary and Plenipotentiary of the Republic of Bulgaria to Montenegro Mrs Meglena Plugtschieva, PhD, as one party,

and

2. Municipality of Žabljak, having its registered office at Žabljak-Montenegro, Durmitorskih Ratnika 1 Str., represented by Veselin Vukićević in his capacity as Mayor of the Zabljak Municipality, ID card number 530897532, issued on 24.07.2018, valid until 24.07.2028, contact person: Gorica Vuković, hereinafter referred to as the “Beneficiary”, as the other party.

The Parties agreed to the following:

I. SUBJECT MATTER, ENTRY INTO FORCE AND PERIOD FOR IMPLEMENTATION OF ACTIVITIES

Article 1. The Ministry of Foreign Affairs of the Republic of Bulgaria hereby provides a grant to the Beneficiary for the implementation of the project entitled “Procurement of a new medical vehicle with necessary equipment for the Health Station Zabljak”.

Article 2. The grant amount is 56 129, 97 BGN and shall be spent in accordance with Annex No 1 “Project Description”.

Article 3. The project activities and objectives are described in detail in Annex No 1 “Project Description”.

Article 4. This Agreement shall enter into force on the date of its signature by both Parties.

Article 5. The implementation of the Agreement shall commence on the date of its entry into force.

Article 6. The period for implementation of the activities is 5 (five) months from the date on which the Agreement is signed.

II. RIGHTS AND OBLIGATIONS OF THE PARTIES

Article 7.(1) All activities referred to in Article 3 of this Agreement shall be performed by the Beneficiary or by a contractor selected in accordance with the procedure established by the law of the country where the activities are to be implemented.

(2) The grant may not be used for any purpose other than to finance activities under this Agreement.

(3) The Beneficiary is obliged to spend the funds specified in Article 2 in compliance with the principles of accountability, responsibility, economy, efficiency, effectiveness, transparency and legality.

(4) The Beneficiary is obliged to comply with the requirements of the local law by applying all provisions of local law relevant to the project implementation, including to obtain the required permits and observe the implementation of the existing standards.

Article 8.(1) The Beneficiary undertakes to perform the obligations arising out of this Agreement in good faith, accurately, with good quality and in a timely manner and to assume responsibility for any failure to do so.

(2) The Beneficiary undertakes to inform the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro of the performance of the activities referred to in Article 3 in the manner specified in this Agreement.

Article 9.(1) The Beneficiary undertakes, during and after the performance of the activities subject to this Agreement, to comply with the Guidelines for Publicity and Visibility of Bulgarian Development Aid issued by the Ministry of Foreign Affairs.

(2) The Beneficiary undertakes to provide to the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro information regarding the impact of the project implementation.

Article 10.(1) The Ministry of Foreign Affairs shall not be liable for any damages caused as a result of actions or omissions by Municipality of Žabljak in relation to the implementation of this Agreement.

(2) The Ministry of Foreign Affairs shall not be liable for any claims of third parties (contractors, subcontractors, etc.) to Municipality of Žabljak that have been made in connection with the activities referred to in Article 3 and/or in the course of performing said activities.

Article 11.(1) After this Agreement is concluded, the Ministry of Foreign Affairs undertakes to ensure that the grant is transferred in the manner specified in paragraph 2 into the following bank account provided by the Beneficiary:

NAME OF THE BENEFICIARY:	MUNICIPALITY OF ZABLJAK
CITY AND COUNTRY:	Zabljak, Montenegro
BANK ACCOUNT IN EURO (IBAN):	ME25510000000010139838
NAME OF THE BANK:	Crnogorska Comercijalna Banka
CITY AND COUNTRY:	Zabljak, Montenegro
SWIFT OF THE BANK:	CKBCMEPGF

(2) The Ministry of Foreign Affairs undertakes to ensure that the grant is transferred by one-time transfer.

(4) In the event that the amount of the actual costs incurred after the Ministry of Foreign Affairs has received and approved a completed bilateral protocol on the project implementation, a final report and consolidated financial statements audited by an independent financial auditor, as well as the originals or certified copies of all accounting records in accordance with Article 18), is less than the amount specified in Article 2, the difference shall be returned within one month to a bank account specified by the Ministry of Foreign Affairs.

Article 12. The Beneficiary undertakes not to incur any costs and not to make any commitments that are not included in the budget allocated for the implementation of the activities. In the event that any such costs are incurred, the Ministry of Foreign Affairs shall not have any obligation to reimburse such costs.

III. MONITORING

Article 13. Each Party shall designate a representative who shall act as a coordinator for the implementation of this Agreement. Said representatives shall be consulted on all issues that may arise during the implementation of the Agreement.

Article 14. The functions of a coordinator in accordance with Article 13 on behalf of the Ministry of Foreign Affairs represented by the Embassy of the Republic of Bulgaria to Montenegro shall be performed by Mr Vasil Durev, Second Secretary.

Article 15. The Beneficiary shall appoint a coordinator for the implementation of the Agreement and shall inform in writing the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro of doing so within 10 days of the conclusion of this Agreement.

Article 16. Municipality of Žabljak undertakes to send regular reports regarding the implementation of the activities referred to in Article 3 each month, as well as upon any request by the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro.

Article 17.(1) The Beneficiary undertakes to submit, within two weeks of the completion of the activities referred to in Article 3, the following documents for approval and signature by the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro a completed bilateral protocol on the project implementation accompanied by a final report, consolidated financial statements relating to the implementation of the activities and audited by an independent financial auditor, as well as the originals or certified copies of all accounting records.

(2) The accounting records shall include: financial documents for record-keeping purposes that prove the implementation of the activities envisaged in the project; certified copies of supporting documents; certified copies of payment documents and other accounting documents accompanied by an inventory; certified chronological accounting records for the reporting period, as well as evidence of the implementation of Article 9 of this Agreement.

IV. OTHER PROVISIONS

Article 19. The activities referred to in Article 3 may be modified only by mutual consent of the Parties and only if the modifications do not result in a purpose other than that for which the funds were intended.

Article 20. This Agreement shall be terminated:

1. with the approval by the Ministry of Foreign Affairs of the final report and the consolidated financial statements regarding the implementation of the project;
2. by mutual consent between the Parties;
3. if either Party gives the other Party a one-month notice;
4. with a unilateral statement of termination sent to the Beneficiary by the Ministry of Foreign Affairs in the case that:

(a) the Beneficiary fails to fulfil any of its obligations arising out of this Agreement or out of the annexes thereto and fails to provide a satisfactory explanation to the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro within 5 (five) business days of receiving a written request for clarification from the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro.

(b) it is found that the Beneficiary has declared or given false or incomplete data in order to receive the grant subject of this Agreement, or provided false reports or financial documents.

Article 21.(1) In the cases provided for in point 3 and 4 of Article 20, the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro can require from the Beneficiary to recover, in full or in part, the amounts already paid out of the grant and can also refuse payment of the remaining amounts.

(2) In the cases referred to in paragraph 1, the Beneficiary is obliged to recover the amount into a bank account specified by the Ministry of Foreign Affairs via the Embassy of the Republic of Bulgaria to Montenegro within 30 days of receiving an invitation to do so.

Article 22. All amendments and supplements to this Agreement shall be made in writing by mutual agreement of both Parties.

Article 23. All correspondence related to this Agreement must be in writing and must be sent to the addresses of the Parties specified in this Agreement.

Article 24. (1) The applicable Bulgarian law shall apply to this Agreement.

(2) In the event of changes in the applicable law of the Republic of Bulgaria, the Parties undertake to reflect the changes in the clauses of this Agreement.

Article 25. This Agreement shall not give rise to any rights and obligations for the Parties thereto under international public law.

Article 26. The nullity of any clause in the Agreement does not lead to the nullity of another clause or of the Agreement as a whole.

Article 27. In the event that, during or after the implementation of this Agreement, a dispute arises between the Parties regarding the Agreement, the Parties shall make every effort to resolve such dispute by mutual agreement. If it is not possible to reach an agreement, the dispute shall be subject to review by the competent Bulgarian court and the Bulgarian law shall apply.

This Agreement was drawn up and signed in two identical counterparts – one in Bulgarian and one in English, and both language versions shall be equally valid.

Annexes: The following documents are enclosed with the Agreement and form an integral part thereof:

Annex No 1 “Project description”;


For the MoFA



Meglana Plugtschieva
Ambassador of
Bulgaria to Montenegro

For the Beneficiary




Veselin Vukićević
Mayor of Zabljak Municipality

Date: 17.12.2020, Podgorica, Montenegro



BULGARIAN
DEVELOPMENT
AID



Црна Гора
ОПШТИНА ЖАБЛЈАК
Трг дримитровских ратника бр. 1, Жабљак

APPLICATION FORM

Број: 01-018/20-15.95

Датум: 08.07.2020.

Name of the Development Project:	Procurement of a new medical vehicle with necessary equipment for the Health Station Žabljak
Country Recipient:	Region/province: Montenegro Location: Žabljak
Duration:	5 months (153 days)
Planned Start of Implementation of the Development Project:	(01/April/2021)
Planned End Date of Implementation of the Development Project:	(31/August/2021)
Project Goals:	<p>Overall objective (s): Strengthening universal health coverage and access to better health services</p> <p>Specific objectives: To improve healthcare service in Health Station Žabljak through procurement of a new medical vehicle with necessary equipment</p>
Description of the Target Group	<p>Direct beneficiaries of this project are doctors (4) and health operators (6) that work in Health Station Žabljak, and patients of this Health Station. Health Station Žabljak is a small and only community health unit in Žabljak. Žabljak doesn't have a hospital, and that is a big problem for community. This Health Station is envisaged to give primary health care (no possibility to keep patients for hospital treatment), which means that for all other cases patients are transported to Pljevlja (60 km away), Nikšić (75 km away) or Podgorica (120 km away). The Health Station has only one medical vehicle. One should have in mind the area of Žabljak (445 km²), and the fact that 52% of population live in rural area (mostly old people), kilometres away from the town. It is very hard to reach these people with only one medical vehicle.</p> <p>Indirect beneficiaries are citizens of Žabljak (3.569) and tourists (in 2019. over 40.000</p>

	<p>tourists visited Žabljak). Since Žabljak is a popular tourism place (three sites: National Park Durmitor, Tara Canyon and 2 locations of old cemeteries (stećci) are inscribed in UNESCO World Heritage List), and according to huge number of tourists, local Health Station has to improve its capacities regarding mobility. Almost every year, there are cases when tourists get injured (especially during winter and ski season) or get lost, and as it is said, Health Station has ONLY one vehicle to transport them to bigger health systems in Pljevlja, Podgorica or Nikšić. This problem of mobility has been emphasized during COVID-19 pandemic, when the regional hospital for corona patients, for some municipalities (including Žabljak) was situated in Nikšić. Luckily, during the first wave of pandemic, Žabljak didn't have any registered COVID-19 patient. Otherwise, it would be very difficult to organize transport of such patients to the regional hospital, leaving the population of Žabljak and its surroundings without emergency help. In addition, this medical vehicle owned by the Health Station doesn't have an adequate disinfection conditions. After the completion of the project activities, Health Station Žabljak will have an adequate vehicle for transport of patients.</p>
Total Value of the Development Project:	56,129.97 BGN (28,698.80 EUR)
Funding requested by the Development Aid of Bulgaria	100 %

I. DESCRIPTION OF THE APPLICANT - THE BENEFICIARY

Full Name of the Applicant:	Municipality of Žabljak
Applicant's Country of Origin:	Montenegro
Date the Applicant's organisation was established:	02.12.2003.
Scope of Activity of the Applicant:	<p>Scope of activities of municipalities is defined by the Law on local self-government:</p> <p>4) Municipalities carry out affairs on direct and shared interest to the local population. The municipality also carries out the tasks entrusted to it by law or entrusted to by the Government's regulations:</p> <p>Article 24 (Paragraph 2): The performance of its own affairs, the municipality provides in accordance with its capabilities, interests and needs of the local population.</p>
Correspondence Address:	Trg durmitorskih ratnika 1, Žabljak

Contact Person:	Branislav Čeranić
Phone Number:	+382 52 361 978
E-mail Address:	predsjednikzb@gmail.com
Name and Position of the Person authorized to sign the Grant Agreement:	Veselin Vukićević, the Mayor

II. DETAILED DESCRIPTION OF THE DEVELOPMENT PROJECT PROPOSAL

1. Name:

Procurement of a new medical vehicle with necessary equipment for the Health Station Žabljak

2. Territorial Scope:

State (s)	Montenegro
Region (s)	Northern Montenegro
Location	Žabljak
Address of the Building / Premises, where activities will be carried out	Health Station Žabljak, Jakova Ostojića bb. Žabljak

3. Amount of Project Funding:

Total Value of the Project	Amount of Requested Funding	Percentage (%) of the Requested Funding from the Total Cost of the Project
56.129.97 BGN / 28.698.80 EUR	56.129.97 BGN/ 28.698.80 EUR	100%

3.1. Estimates the Activity Costs:

Type of Activity:	Price per each	Total BGN	Total EUR
<i>1. The implementation of the public procurement procedure and the selection of the most favourable bidder</i>	0.00 BGN/0.00 EUR	0.0 BGN	0.00 EUR
<i>2. Procurement of a new medical vehicle equipped with necessary equipment, according to the official offer of the authorized dealer for selling of medical vehicles, which is an appendix to this</i>	53.971.13 BGN / 27.595.00 EUR	53.971.13 BGN	27.595.00 EUR

<i>application</i>			
TOTAL: 56,129.97 BGN / 28,698.80 EUR			
Communication Plan (from 3% to 5% from the total value of the project but not exceeding 5 000 BGN)	1.619.13BGN/ 827.85 EUR	1.619.13 BGN	827.85 EUR
Expenditure for the preparation of an Independent Financial Audit of the completed project	539.71 BGN/ 275.95 EUR	539.71 BGN	275.95 EUR

4. Conformity:

4.1. Objectives of the Project Proposal

4.1.1. Overall Goal	Strengthening universal health coverage and access to better health services
4.1.2. Specific Objectives	To improve healthcare service in Health Station Žabljak through procurement of a new medical vehicle with necessary equipment

4.2. Conformity of the Project Proposal with the stated in the **CALL FOR PROPOSALS** priorities and areas of cooperation for development for (.....). Contribution for the realization of the Agenda 2030 for the sustainable development and of the priority goals of the respective recipient state national strategy/ development program.

This project proposal is in line with Priority Areas for Implementing projects on the Territory of the Republic of Montenegro: **Improving the quality of education and healthcare, protecting and caring for rights of children with disabilities and disadvantaged children.** This project will contribute to the realization of the Agenda 2030 (**Goal 3: Ensure healthy lives and promote wellbeing for all at all ages; Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable**). This project proposal follows the directions given in **Master Plan of Healthcare development of Montenegro 2015-2020.**

4.3. Description of the Target Group

Direct beneficiaries of this project are doctors (4) and health operators (6) that work in Health Station Žabljak, and patients of this Health Station. Health Station Žabljak is a small and only community health unit in Žabljak. Žabljak doesn't have a hospital, and that is a big problem for community. This Health Station is envisaged to give primary health care (no possibility to keep patients for hospital treatment), which means that for all other cases patients are transported to Pljevlja (60 km away), Nikšić (75 km away) or Podgorica (120 km away). The Health Station has only one medical vehicle. One should have in mind the area of Žabljak (445 km²), and the fact that 52% of population live in rural area (mostly old people), kilometres away from the town. It is very hard to reach these people with only one medical vehicle.

Indirect beneficiaries are citizens of Žabljak (3.569) and tourists (in 2019. over 40.000 tourists visited Žabljak). Since Žabljak is a popular tourism place (three sites: National Park Durmitor, Tara Canyon and 2 locations of old cemeteries (stećci) are inscribed in UNESCO World Heritage List), and according to huge number of tourists, local Health Station has to improve its capacities regarding mobility. Almost every year, there are cases when tourists get injured (especially during winter and ski season) or get lost, and as it is said, Health Station has ONLY one vehicle to transport them to bigger health systems in Pljevlja, Podgorica or Nikšić. This problem of mobility has been emphasized during COVID-19 pandemic, when the regional hospital for corona patients, for some municipalities (including Žabljak) was situated in Nikšić. Luckily, in the first wave of pandemic, Žabljak didn't have any registered COVID-19 patient. Otherwise, it would be very difficult to organize transport of such patients to the regional hospital, leaving the population of Žabljak and its surroundings without emergency help. In addition, this medical vehicle owned by the Health Station doesn't have an adequate disinfection conditions.

After the completion of the project activities, Health Station Žabljak will have an adequate vehicle for transport of patients, which will increase its capacity and will improve the overall healthcare.

5. Methodology and Organization

5.1. Description of the Activities

Please, fill in the table with details for each specific activity of your development project proposal.

Name of the Activity:	<i>1. The implementation of the public procurement procedure and the selection of the most favourable bidder</i>
Purpose of the Activity:	To choose the best offer for the procurement of a new medical vehicle, in line with the Law
Description and Justification of the Activity:	The Law on Public Procurement defines procedure that has to be fulfilled. The procedure will be public and in accordance with the Law.
Results:	Chosen the most favourable bidder
Executor of the Activity:	Municipality of Žabljak (public procurement official)

Name of the Activity:	<i>2. Procurement of a new medical vehicle equipped with necessary equipment, according to the official offer of the authorized dealer for selling of medical vehicles, which is an appendix to this application</i>
Purpose of the Activity:	To provide Health Station Žabljak with a new medical vehicle with necessary equipment
Description and Justification of the Activity:	After the decision upon the best bid, the Contractor has to deliver medical vehicle with necessary equipment, following requests from the bid.
Results:	A new medical vehicle with necessary equipment procured and delivered to the Health Station Žabljak
Executor of the Activity:	The chosen Contractor

5.2. Methodology for Implementation of the Development Project Proposal

5.2.1. Communication plan and Publicity in the Implementation of the Development Project Proposal

In case that the project proposal is approved, that information, along with the description of the project, will be published on the official site of the Municipality of Žabljak (www.zabljak.me). The same information will be distributed to 2 biggest national daily newspapers: Vijesti and Dan (which will make and publish articles about the project), as well as to the national radio RTCG. On the day of delivery of a medical vehicle, the Mayor of Žabljak will organize a public event (with media), where H.E. Ambassador of Bulgaria in Montenegro will be invited to give officially keys of the vehicle to Health Station Žabljak. Bulgarian Development Aid will have a special place in all these promoting activities, pointing out its significant and important role, as well as financial support in the implementation of the project activities. The sign of Bulgarian Development Aid will be placed at the medical vehicle in accordance with the Guidelines for publicity on visibility of Bulgarian development aid.

5.2.2. Organization and Management

Strategic Plan of the development of the Municipality Žabljak 2017.-2021., which has been adopted by the local assembly, in the **Priority 4: Improvement of health and social care**, envisages the implementation of the project proposal **Procurement of missing medical equipment for health care services (Project No.41)**. The Mayor's Office has prepared this project proposal and they will be in charge of implementing, supervising and reporting of this project, in coordination with other bodies. They will coordinate promotional activities, including the organization of the public event. An official responsible for public procurement will implement the procedure of public procurement. When the Contractor is chosen, it will deliver a medical vehicle.

Regarding experience for project implementation, Municipality has a significant experience in terms of preparation and implementation of similar projects funded by EU and other domestic and international organizations. In the previous period, the Municipality of Žabljak successfully implemented some projects, such as: **1. Procurement of tank truck** (Embassy of Japan, total value: 79.480,00 EUR, 2018-2019.); **2. Procurement of the electric minibus** (NLB Bank, UNDP, total value: 51.425,00 EUR, 2018.); **3. Procurement of multifunctional vehicle for liquid waste treatment** (Center for International Cooperation and Development of Slovenia, Municipality of Žabljak, total value: 55.000,00 EUR, 2017.)

5.3. Duration of the Development Project

Duration of the Development Project	5 months (153 days)
Planned Start of the Implementation of the Development Project	(01/April/2021)
Planned end of the Implementation of the Development Project	(31/August/2021)

5.4. Monitoring and Internal Evaluation when Implementing the Activities

The Mayor's Office is in charge of monitoring, supervision and reporting of this project. At the end of project, they will do an internal evaluation, which will, along with audit report made by an independent financial auditor, be the part of final report.

5.5. Performance Indicators

RESULT INDICATORS	
Indicator	Quantity /pcs/
1. Number of interventions where new medical vehicle is used	At least 25 per year

5.6. Indicators for Evaluation of the Development Project

Number of interventions where new medical vehicle is used;
Final report written by the Mayor's Office;
An audit report made by an independent financial auditor.

5.7. Sustainability of the Development Project

Regarding sustainability of the project, the Health Station of Žabljak has regular funding from the state budget (Ministry of Health), which also covers expenses for vehicles (petrol expenses, driver salaries, maintenance, registration, etc). Also, there is a garage space for this vehicle in the vicinity of the Health Station.

6. There are no circumstances under Art. 23, para. 3-8 of Decree No. 234 of the Council of Ministers of 01.08.2011 on the policy of the Republic of Bulgaria on participation in international development cooperation.

Date and place: 08.07.2020. Žabljak

Names, contact details and signature of the applicant:

Veselin Vukićević, the Mayor

Contact: The Mayor's Office: +382(0)52 361 978

Note: In the attachment of this Application form, there is an official offer of the authorized dealer for the selling of a medical vehicle.