



Government of the Republic of Macedonia
Ministry of Agriculture, Forestry and Water Economy

Pursuant to article 21 of the Law on Agricultural Land ("Official Gazette of the Republic of Macedonia" no. 135/07, 18/11, 148/11, 95/12, 79/13, 87/13, 106/13 and 164/13) upon a Decision No. 22-21880/1 dated 11.12.2013 the Minister for Agriculture, Forestry and Water Management, issues a

PUBLIC NOTICE 04/13
for lease of state-owned agricultural land

I. SUBJECT OF THE PUBLIC NOTICE

State - owned agricultural land in the total space of **2648ha 86are 39m²** shall be leased at the following geographical units:

Geographical unit 1. Radovis, Kocani, Strumica

Purpose: Vineyards, distillery and purchase center for waste from wineries

Geographical unit 1	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Radovis	Zagorci and Damjan	143	77	11	
Kocani	Sokolarci, Ziganci, Lepopelci, Novoselani and Vrbica	486	41	47	
Strumica	Susevo, Sedlarci, Piperevo and Edrenikovo	350	78	20	
	Total	980	96	78	1.166.000,00

Geographical unit 2. Gevgelija

Purpose: Growing young fruit plants for organic production, cooling capacity and purchase center

Geographical unit 2	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Gevgelija	Miravci and Davidovo	245	87	90	379.000,00

Geographical unit 3. Gazi Baba

Purpose: Production of animal food

Geographical unit 3	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Gazi Baba	Rzanicino	18	48	50	29.000,00

Geographical unit 4. Radovis

Purpose: Orchards for cold pressed oil

Geographical unit 4	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Radovis	Voislavci, outskirts of Radovis, Raklis and Suldurci and outskirts of Oraovica	187	48	65	284.000,00

Geographical unit 5. Kavadarci

Purpose: vineyards and construction of wineries

Geographical unit 5	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Kavadarci	Outskirts of Kavadarci, Timjanik and Disan	177	59	75	260.000,00

Geographical unit 6. Negotino

Purpose: Vineyards, distillery and purchase center for waste from wineries

Geographical unit 6	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Negotino	Bistrinci	103	25	18	157.000,00

Geographical unit 7. Negotino

Purpose: Vineyards

Geographical unit 7	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Negotino	Kurija	11	39	47	11.000,00

Geographical unit 8. Radovis

Purpose: Production of aromatic plants

Geographical unit 8	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Radovis	Garvan, Skorusa	108	10	38	100.000,00

Geographical unit 9. Ohrid

Purpose: Intensive growing of orchards

Geographical unit 9	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Ohrid	Meseista	10	37	66	16.000,00

Geographical unit 10. Prilep

Purpose: Intensive growing of orchards and green house production

Geographical unit 10	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Prilep	Golemo Konjari and Zapolzani	517	71	51	485.000,00

Geographical unit 11. Berovo

Purpose: Intensive growing of orchards

Geographical unit 11	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Berovo	Rusinovo	28	03	93	43.000,00

Geographical unit 12. Berovo

Purpose: Intensive growing of orchards

Geographical unit 12	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Berovo	Rusinovo	24	35	00	38.000,00

Geographical unit 13. Gazi Baba

Purpose: Production of aromatic plants, lavender oil and growing of hazel-nut trees

Geographical unit 13	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Gazi Baba	Gorno Konjare	140	01	23	130.000,00

Geographical unit 14. Kisela Voda

Purpose: production of fruit seedlings

Geographical unit 14	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Kisela Voda	Zelenikovo and Pakosevo	21	79	17	30.000,00

Geographical unit 15 Kumanovo

Purpose: Green house production

Geographical unit 15	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Kumanovo	Mlado Nagoricane	15	31	07	14.000,00

Geographical unit 16 Resen

Purpose: Intensive growing of orchards

Geographical unit 16	CADASTER MUNICIPALITY	SPACE			Initial price MKD
		Ha	Ar	m ²	
Resen	Gorno Dupeni and Resen	58	10	21	89.000,00

The data about the agricultural land set forth in this public notice (for easements and other burdens, the condition in which the land shall be found, the cadastre data contained in the property or ownership certificate) are consistent with the cadastral evidence, and insight in these data for each area can be done on the notice board in the regional office of the Ministry that is responsible for the relevant advertised area.

The agricultural land that is subject to this notice, depending on the type of agricultural crop that is going to be grown, shall be leased for the following period of time:

- Growing of olive trees, for the period of 50 years;
- Growing perennial transplants (vineyards, orchards, hop) and green houses, for a period of 30 years;
- Growing of other types of agricultural crops, for a period of 15 years;
- Meadows, for a period of 15 years.

II. FORM FOR PARTICIPATION ON THE PUBLIC NOTICE (BIDDING)

The form for participation on the public notice (bidding) may be taken with the regional offices of the Ministry and it has to be filled with all necessary data and submitted together with the necessary documents in a closed envelope; otherwise the bidding shall not be considered.

III. ELIGIBILITY FOR PARTICIPATION ON THE PUBLIC NOTICE

1) Domestic physical and legal entities, as well as foreign legal entities shall be eligible to participate on the public notice and submit their bids for taking the state owned agricultural land on lease.

2) Physical entities referred to in Part III, paragraph 1 of this public notice, should be registered providers of agricultural activity and/or registered in the register of agricultural holdings and/or sole proprietors whose prevailing activity is agricultural production or processing of primary agricultural products.

3) Foreign legal entities referred to in Part III, paragraph 1 of this public notice, shall be eligible to participate on a public notice if they have subsidiaries registered in the Republic of Macedonia.

4) Agricultural production or processing of primary agricultural products should be the prevailing activity of domestic and foreign legal entities or their subsidiaries, or they should require the agricultural land for carrying out scientific research activities.

5) The persons referred to in Part III, paragraph 1 of this public notice shall not be eligible to participate on the public notice and submit bids in a procedure for collecting of bids if they haven't fulfilled their obligations on the base of rent in connection with the concluded lease contracts for state owned agricultural land.

6) Legal entities under liquidation procedure and non-profit organizations shall not be eligible to participate on a public notice.

IV. DOCUMENTS THAT SHALL OBLIGATORILY BE SUBMITTED WITH THE BID

1) The participants on the public notice for lease of state owned agricultural land shall be required to submit the following:

a) for legal entities:

- bid for the amount of the annual rent (application form from the regional office of the Ministry);
- evidence (act) that shall be issued by the Central Registry of the Republic of Macedonia for the performed registration in the trade registry or from another competent body for registration of legal entities;
- evidence for settled obligations in regard with contributions for salaries and salaries for employees (confirmation issued by the Fund for insurance of retired and disabled persons, confirmation issued by the Fund for health insurance and certificate issued by the Public Revenue Office);
- **a business plan** that shall obligatorily contain the amount of the planned investments, basic data about the participant (for a bidder domestic legal entity established by a foreign legal entity and data of the founder), the purpose for which it is going to use the land, applied technology, number of employees, market aspects and expected production-economic results;
- statement (registered with the Notary Public) from the founders and the responsible person in the legal entity that they were not founders or managers of the legal entity that had used the agricultural land in state ownership under lease, and haven't fulfilled the obligations from that contract;
- confirmation from the regional office of the Ministry that it does not have any obligations in regard with the unpaid rent for use of agricultural land in state ownership; and
- A **bank guarantee** for participation in the procedure.

b) for physical entities:

- bid for the amount of the annual rent (application form of the regional office of the Ministry);
- evidence for settled public fees (certificate issued by the Public Revenue Office);
- copy of the personal identification card;
- program for use of the land that should obligatorily contain basic data about the family, technical-technological equipping, the purpose for which the agricultural land will be used, and the market aspects;
- confirmation for recording in the sole registry of agricultural holdings or a decision of a registered performer of agricultural activities (issued by the regional office of MAFWE or from the Fund for insurance of retired and disabled persons, for gained right to be their insured person as an individual farmer), or a proof form the Central registry office for being a registered sole proprietor ;
- statement for validity of data stated in the application that has been registered with the Notary Public;
- statement registered with the Notary Public that it was not a founder or responsible person in the legal entity that had used the agricultural land in state ownership under lease and had not fulfilled the obligations from that contract;
- confirmation from the regional office of the Ministry that it doesn't have obligations in regard with unpaid rent for use of state agricultural land; and
- A **bank guarantee** for participation in the procedure.

2) The conditions that are foreseen in the business plan (for legal entities), i.e. the market aspects (for physical entities) shall be an integral part of the contract with the elected bidder, as contractual obligations that it will be obliged to fulfill in the scope, time-line and in a manner in which they are going to be described in the Public Notice.

3) The applications for the public bid that shall be submitted as incomplete and with delay shall not be taken into consideration.

4) The required documents shall be submitted in original form or in notarized copies.

5) In order to participate in the procedure, the participants in the public notice for lease of state owned agricultural land for a space of more than 10 hectares, shall submit, together with their bid, a bank guarantee issued on the amount of the offered annual rent.

V. BANK GUARANTEES

1. Bank guarantee for participation in the procedure

The Bank guarantee for participation in the procedure shall have to be submitted by all bidders that participate on the public notice, along with their offer.

The Bank guarantee for participation in the procedure must be unconditional, irrevocable and payable on the first call, valid for 120 days from the date of the public opening of bids for the said public notice. The amount of the Bank guarantee for participation should be issued in the amount offered as an annual rent for a particular geographical unit.

The bank guarantee shall be issued by a bank with a seat in the Republic of Macedonia or in a foreign bank; in such a case the foreign bank must have at least BBB (or equivalent) credit rating issued by one of the following credit rating agencies MOODY'S INVESTORS SERVICE, STANDARD AND POOR'S RATINGS SERVICES or FITCH RATINGS.

Within 14 days after concluding the contract for lease of state owned agricultural land with the selected bidder, the bank guarantees set forth in paragraph 1 of this article shall be returned to the bidders that participated in the procedure but were not selected as most favorable bidders.

The bank guarantee for participation of the selected bidder shall be returned to the selected bidder after submission of performance guarantee (bank guarantee for quality and timely execution of the contract).

The Guarantee for participation in the procedure shall be collected in favor of the Ministry of Agriculture, Forestry and Water Economy, if:

- 1) the selected bidder refuses to conclude the lease contract for the state owned agricultural land under the terms of the public notice, or if it places conditions for signing of the contract with additions and amendments which are not provided with this public notice;
- 2) if the participant withdraws the bid after opening of the bid; or
- 3) if the selected bidder fails to submit a performance guarantee.

2) Performance guarantee (Bank guarantee for quality and timely execution of the contract)

The selected bidder that participated on a public notice for lease of state owned agricultural land shall be obliged to submit a Performance guarantee within 15 days after the date of signing of the lease contract.

The Performance guarantee must be unconditional, irrevocable and payable on the first call and should be issued in the amount of 5 % of the planned investment stated in the offer of the selected bidder, but not less than the amount of the annual rent.

The Performance guarantee should be issued by a bank with a seat in the Republic of Macedonia or a foreign bank; in such a case the foreign bank must have at least BBB (or equivalent) credit rating issued by one of the following agencies for credit ratings: MOODY'S INVESTORS SERVICE, STANDARD AND POOR'S RATINGS SERVICES or FITCH RATINGS.

The Performance guarantee should be valid for the entire period of duration of the contract.

The Performance guarantee shall be returned to the selected bidder within 10 days after the expiry of the contract or termination of the validity of the contract by law on agricultural land, if it has fulfilled the remaining due obligations of the contract.

VI. SUBMISSION OF A BID

The form for participation on a public notice (bid) shall be submitted in one certified original signed by the bidder.

Each bidder can submit only one original form (bid).

One bidder may apply for one or several geographical units.

The bid shall be submitted to the Ministry of Agriculture, Forestry and Water Management – Skopje, within 30 days from the date of publication of the public notice in the daily press.

The bid and other documents should be submitted in a sealed envelope on which the words "do not open" "Bid on the Public Notice 04/13 for lease of state owned agricultural land in the region (the region should be written down)" should be written in the upper left corner, and the words "Ministry of Agriculture, Forestry and Water Economy", Street "Aminta Treti" No.2 Skopje" in the middle of the envelope.

The envelope should not contain any indication that could allow identification of the bidder or consignor.

VII. CRITERIA FOR SELECTION OF THE MOST FAVORABLE BIDDER

1) The only criterion on selecting the most favorable bidder shall be:

- the highest offered annual rent

The size of the area of agricultural land that will be leased by one bidder shall be determined on the base of the minimum material - technical equipment of the bidder; and the number of planned employments, as follows:

- For areas **up to 50 hectares** - at least 1 tractor of light-weight category (up to 80 kw) and at least one planned employee that shall be permanently employed;

- For areas **up to 100 hectares** - at least 2 tractors of light-weight category or at least 1 tractor of medium category (80 kW - 120 kW) and at least 2 planned employees that shall be permanently employed;

- For areas **up to 150 hectares** - at least 4 tractors of light-weight category or at least 2 medium or 1 heavy-duty tractor (over 120 kW) and at least 4 planned employees that shall be permanently employed;

- For areas **over 150 hectares** - the number / capacity of the machinery should increase in proportion to the size of the area to be processed and one permanently employed person should be planned for every 50 hectares;

2) The starting price is 25 Euro in Denar counter-value for agricultural land from the 1 to the 4 cadastral class and 15 Euro in Denar counter-value for agricultural land from the 5 to the 8 cadastral class, calculated on the base of the mean exchange rate of the National Bank of the Republic of Macedonia on the day of payment.

3) if there are two or more bids for a geographical unit that fulfill the conditions of the Notice, the selection of the most favorable bidder shall be made by means of an electronic public bidding by the bidders that fulfill the conditions of this Notice.

4) The initial price for electronic bidding shall be the highest offered rent for the geographical unit that was submitted for the Public Notice.

5) In order to prove the material-technical equipment, each bidder is obliged to submit an adequate proof (driving license, invoice, notarized sale and purchase agreement, enforced court decision or an act issued by another authorized body) and only the material-technical equipment for which evidence is submitted shall be taken into consideration.

6) Bids that do not contain all required documentation, submitted in original or notarized copy, the bids submitted after the deadline for submission, envelopes marked so that the bidder could be identified, bids that are lower than the minimum annual rent, bids submitted by persons who are not entitled to participate and offers that are not prepared under conditions specified in the public notice, shall be rejected as incomplete.

VIII. ADDITIONAL INFORMATION

For additional information, the bidders can apply to the Ministry of Agriculture, Forestry and Water Economy phone: **02 313 44 77** or visit the website of the Ministry www.mzsv.gov.mk