



**MONTENEGRO
ENVIRONMENTAL PROTECTION FUND
(ECO-FUND)**

Pursuant to the Article 76 paragraph 4 of the Law on the Environment ("Official Gazette of Montenegro", No. 052/16, 073/19), Article 13 of the Articles of association of the Environmental Protection Fund ("Official Gazette of Montenegro", No. 61/19), Rulebook on the requirements to be fulfilled by beneficiary, the manner of allocation and use of funds of the Environmental Protection Fund, the Rulebook on the procedure of announcing a Public Call, evaluation of applications and decision-making in the selection of beneficiaries of the Environmental Protection Fund of Montenegro, Decision on the announcement of a Public Call (No. 01-077/22-326/1, December 21, 2022) Eco-Fund announces:

PUBLIC CALL

**FOR THE ALLOCATION OF ENVIRONMENTAL PROTECTION FUND
SUBSIDIES TO INDIVIDUALS AND ENTREPRENEURS FOR THE PURCHASE OF
ELECTRIC AND HYBRID VEHICLES (CATEGORIES L, M1 and N1)**

I Subject of the Public Call

The subject of the Public Call is the allocation of subsidies for the purchase of new vehicles of categories L, M1 and N1 that have:

- exclusively electric drive - categories L, M1 and N1,
- they use two energy sources - an electric motor and a SUS motor: "plug-in" hybrids and "full" hybrids - categories M1 and N1.

A new vehicle according to this Public Call is considered to be a vehicle that was not in use and the first registration of the vehicle after manufacture was not conducted before January 1, 2022.

A brief description of vehicle categories according to the Rulebook on detailed conditions that must be met by vehicles in road traffic ("Official Gazette of Montenegro", No. 2/2015, 16.1.2015):

M category- PASSENGER TRANSPORT VEHICLES

Motor-driven vehicles having at least four wheels, designed and constructed for the carriage of passengers.

M1 - PASSENGER VEHICLE - passenger vehicle, is a category M motor vehicle that,

in addition to the driver's seat, has a maximum of eight seats, without standing room.

N category– CARGO TRANSPORTATION VEHICLES

Category N vehicles are motor vehicles whose mass is greater than 550 kg and whose maximum effective power, i.e. the maximum permanent nominal power of the engine is greater than 15 kW, and are intended for the transport of cargo.

N1 – LIGHT TRUCK VEHICLE - is a category N motor vehicle whose maximum weight does not exceed 3.5 t.

L category-MOPEDS, MOTORCYCLES, TRICYCLES AND QUADRICYCLES

Motor vehicles with two, three or four wheels and an unladen weight of less than 400 kg.

L1 – MOPED -is a motor vehicle with two wheels whose maximum design speed, regardless of the transmission method, no exceeds 45 km/h, while the working volume of the engine, when the vehicle has an internal combustion engine, does not exceed 50 cm³ or with an engine whose maximum continuous nominal power does not exceed 4 kW when the vehicle has an electric drive;

L2 - LIGHT TRICYCLE - is a motor vehicle with three wheels whose maximum design speed, regardless of the transmission method, does not exceed 45 km/h, while the working volume of the engine, when the vehicle has an internal combustion engine powered by gasoline, does not exceed 50 cm³ or whose maximum effective engine power does not exceed 4 kW, when the vehicle has an internal combustion engine with another type of fuel, or whose maximum continuous nominal engine power does not exceed 4 kW when the vehicle has an electric drive;

L3 - MOTORCYCLE - is a motor vehicle with two wheels whose maximum design speed, regardless of the transmission method, exceeds 45 km/h or with an engine whose working engine volume when the vehicle has an internal combustion engine exceeds 50 cm³ or with an engine whose maximum continuous nominal power exceeds 4 kW when the vehicle has an electric drive;

L4 - MOTORCYCLE WITH A SIDE TRAILER - is a motor vehicle with three wheels asymmetrically distributed in relation to the median longitudinal plane of the vehicle whose maximum design speed, regardless of the transmission method, exceeds 45 km/h or with an engine whose engine working volume when the vehicle has an engine with internal combustion exceeding 50 cm³ or with an engine whose maximum continuous nominal power exceeds 4 kW when the vehicle has an electric drive;

L5 - HEAVY TRICYCLE - is a motor vehicle with three wheels, symmetrically distributed in relation to the median longitudinal plane of the vehicle, whose maximum design speed, regardless of the transmission method, exceeds 45 km/h or with an engine whose working engine volume when the vehicle has an engine with internal combustion powered by gasoline exceeds 50 cm³ or whose maximum effective engine power exceeds 4 kW, when the vehicle has an internal combustion engine with another type of fuel or whose maximum continuous nominal engine power exceeds 4 kW when the vehicle has an electric drive;

L6 - LIGHT QUADRICYCLE - is a motor vehicle with four wheels, the mass of which

does not exceed 350 kg, which does not include the mass of the batteries of the vehicle with an electric drive, whose maximum design speed, regardless of the transmission method, does not exceed 45 km/h, while the working engine volume, when the vehicle has an internal combustion engine powered by gasoline, does not exceed 50 cm³, or whose maximum effective engine power does not exceed 4 kW when the vehicle has an internal combustion engine with another type of fuel, or whose maximum continuous rated engine power does not exceeds 4 kW when the vehicle has an electric drive;

L7 - HEAVY QUADRICYCLE - is a motor vehicle with four wheels, except for a light quadricycle, the mass of which does not exceed 400 kg if the vehicle is intended for the transport of passengers, i.e. 550 kg if the vehicle is intended for the transport of cargo, which does not include the mass of the batteries of the electric vehicle, whose maximum effective power, i.e. the maximum continuous nominal motor power does not exceed 15 kW.

The subject of the Public Call are new vehicles purchased in the territory of Montenegro from authorized car dealers, as well as new imported vehicles.

The subject of this Public Call is not to subsidize the purchase of electric bicycles and scooters.

Note:The subject of the Public Call does not apply to Beneficiaries who have obtained the right to a subsidy for the purchase of a vehicle according to previous Eco-Fund Public Calls.

II Public Call objectives

The goal of the Public Call is to directly encourage the procurement of an environmentally friendly mean of transport, within the framework of implementing measures to improve air quality and improve the quality of the environment.

For the sake of preservation, sustainable use, protection and improvement of the environment, energy efficiency and the use of renewable sources and energy, it is important to encourage the purchase of green vehicles. By subsidizing the purchase of electric and hybrid vehicles, incentives for improving air quality are directly affected, as well as the reduction of air pollution sources, i.e. the reduction of greenhouse gas emissions in road traffic on the territory of Montenegro.

III Beneficiaries

Individuals over 18 years of age and who have passed their driving test and entrepreneurs can exercise the right to Eco-Fund subsidies in accordance with this Public Call.

Beneficiaries of this Public Call cannot be persons who, in accordance with previously conducted Public Call of the Eco-Fund, have obtained the right to a subsidy for the purchase of a vehicle.

IV Conditions that beneficiary must meet

- submit documentation for the use of Eco-Fund subsidies in accordance with the published Public Call;
- submit a photocopy of the identity card and driver's license for natural persons, i.e. proof of the registered office in the territory of Montenegro for economic subjects and entrepreneurs;

- accept the terms of joint participation in project financing for which funds are approved in accordance with this Public Call and the general acts of the Eco-Fund;
- the first vehicle registration after manufacture was conducted in Montenegro after January 1, 2022;
- conclude an Agreement on the dedicated use of funds with the Eco-Fund;
- through this Public Call, the right to a subsidy for the purchase of electric and hybrid vehicles cannot be exercised by authorized vehicle distributors;
- also meet other conditions established by the Public Call.

V Type and amount of subsidy

The total value of the Public Call for the allocation of subsidies for the purchase of electric and hybrid vehicles (categories M1 and N1) and electric vehicles (category L) is EUR 50,000.00.

In accordance with this Public Call, the Eco-Fund will award subsidies per vehicle in the following amount (VAT must be included in the amount):

- Categories M1 and N1
 - Electric vehicles - 5,000.00 euros;
 - Hybrid vehicles "plug-in hybrid" - 2,500.00 euros;
 - Hybrid vehicles "full hybrid" - 2,500.00 euros.
- Category L - The maximum amount of support that the beneficiary can obtain for the purchase of electric vehicles from category L is 20% out of eligible costs, i.e. a maximum of up to (VAT included):
 - L1 category – 300.00 euros;
 - L2 category – 500.00 euros;
 - L3, L4 and L5 categories – 1,000.00 euros;
 - L6 category – 1,250.00 euros;
 - L7 category – 1,500.00 euros.

Pursuant to this Public Call, the Eco-Fund can allocate subsidies for the purchase of only one vehicle per natural persons.

Pursuant to this Public Call, the Eco-Fund can allocate subsidies for the purchase of a maximum of two vehicles to business entities and entrepreneurs.

The founder of a business entity that applied for a subsidy provided for in this Public Call cannot exercise the right to a subsidy for the purchase of a vehicle as a natural person.

VI Required documentation for application

For all applicants:

1. Completed, signed and stamped application for participation in the Call (a stamp is not required for natural persons) in a closed envelope with the name and address of the Eco-Fund, the name and address of the applicant, an indication of the subject of the Public Call to which the application relates, to the address: Fund for environmental protection, Ul. Slobode 2, 81000 Podgorica (which can be downloaded from the Eco-Fund website

(www.eko-fond.me).

2. Declaration of the applicant that includes the following items:
 - that in addition to the subsidies that will be received under this Call, the remaining financial resources for the implementation of the project have been secured;
 - that it will be used for a specific purpose and in accordance with current legislation;
 - that he is able to make the planned investment within 12 months from the signing of the Agreement on the dedicated funds with the Environmental Protection Fund of Montenegro;
 - that all information provided in the application for this Call is true and correct;
3. Power of attorney confirming that the person is authorized to submit the documentation;
4. The documentation that must be submitted for the vehicle for which payment was made in full/partially, contains the following:
 - A copy of the invoice issued and certified by the authorized seller;
 - Evidence of payment made (evidence in the form of a bank account statement, bank confirmation of payment, payment slips/receipts or other appropriate evidence).
 - The contract for the sale of a motor vehicle, which should contain the technical characteristics of the vehicle that is the subject of the offer, from which the category, manufacturer, type, model, type of fuel and power source, and CO₂ emissions (g/km) are clearly visible;
 - Certificate confirming the level of CO₂ emissions (g/km);

For businessmen and entrepreneurs:

1. Proof of registration with the authority responsible for the registration of economic entities in Montenegro with data on authorized persons (original Extract from the Central Register of Economic Entities of Montenegro) not older than 30 days from the date of application;
2. Certificate issued by the Revenue Administration of Montenegro that he has paid the due taxes and contributions (value added tax, taxes and contributions on personal income of employees, tax on the profit of legal entities, etc.) no older than 30 days from the date of application for the Call;
3. Certificate from the competent Local Public Revenue Administration that he has settled obligations based on local public revenues (real estate tax, personal income tax surcharge, utility fees and fees), no older than 30 days from the date of application for the Call;
4. Statement of the applicant regarding the award of aid of low value - de minimis aid.
5. Cardboard of deposited signatures.

For natural persons:

1. Photocopy of ID card.
2. Photocopy of driver's license.
3. Proof of having a bank account.

The entire documentation submitted on the basis of this Public Call remains in the subject archive of the Eco-fund without the obligation to return or copy it on the part of the Eco-fund.

All the above statements must be certified by a notary, competent court or municipality.

The aforementioned documentation for imported vehicles, i.e. those that were not purchased on the territory of Montenegro, must be translated and certified by a court interpreter.

VII Basic criteria for selecting applications

The basic criteria for the selection of applications will be the condition of purchasing vehicles with reduced CO₂ emissions (g/km) in order to increase the energy efficiency of city traffic while simultaneously reducing the emissions of harmful substances in the air and the contribution to environmental protection, as well as the fulfillment of formal and legal conditions.

The Eco-Fund will subsidize the purchase of vehicles (categories L, M1 and N1) that meet the necessary criteria for CO₂ emissions (g/km):

- Categories M1 and N1
 1. Electric vehicles with CO₂ 00 emissions (g/km),
 2. Plug-in hybrid vehicles with CO₂ emissions of less than 50 CO₂ (g/km),
 3. Hybrid vehicles "full hybrid" with CO₂ emissions up to a maximum of 130 CO₂ (g/km).
- Category L
 1. Electric vehicles with CO₂ 00 emissions (g/km).

If the above criteria are not met, the application will be rejected.

VIII Submission of documentation

The documentation is submitted:

- by registered mail or by handing it to the protocol of the Eco-Fund in a closed envelope with the name and address of the Eco-Fund, the name and address of the applicant, indicating the subject of the public Call to which the application refers,
- to the address: Environmental Protection Fund, Ul. Slobode 2, 81000 Podgorica.

with the indication: "Public Call for the allocation of Environmental Protection Fund subsidies to natural persons and entrepreneurs for the purchase of electric and hybrid vehicles (categories L, M1 and N1)".

The submission of applications begins on the day of announcement of the Public Call, and will continue until the available funds provided for in this Public Call are used up.

The applicant can supplement, amend or withdraw the application in the same way as when submitting the original documentation.

IX Processing of documentation

Eco-fund will not evaluate applications:

- which were submitted by the applicants who were not designated by this Public Call as beneficiaries of the Eco-Fund subsidies,
- which are not the subject of this Public Call,

- which do not contain all the documentation prescribed by the Public Call.

The Commission will consider the applications chronologically according to the date and time of arrival.

Applications that do not meet the formal and legal requirements will be rejected.

The Commission can ask the applicant to supplement the documentation and assign him a deadline of 8 working days for the delivery of the same. If the applicant submits the amended documentation within the specified period, the day of receipt of the amended documentation will be considered the day of receipt of the complete application. In the event that the applicant does not submit additional documentation within the specified period, it will be considered that he has abandoned the application, and the Eco-Fund will inform him in writing that, for the stated reason, he cannot claim the right to the subsidies provided for in this Public Call.

The Decision on the selection of the beneficiary of the subsidies is made by the Executive director of the Eco-Fund.

The Eco-Fund will make the Decision on the selection of the beneficiary of subsidies to the applicant in writing, and will publish the same on the official website of the Eco-Fund.

Against the Decision on the selection of beneficiaries of the Eco-fund's subsidies according to the published Public Call, the applicant who was not granted the subsidies can submit an objection to the Eco-fund within 8 working days from the receipt of the notification.

X Conclusion of the Agreement with the beneficiary and method of disbursement of funds

The Eco-Fund will conclude an Agreement on the dedicated Eco-Fund's subsidies with the applicants who obtained the right to use the subsidies by decision and pay the subsidies to the bank account of a natural person or entrepreneur, under the conditions and within the time limit stipulated in the Agreement.

The contract regulates the amount of the Fund's approved subsidies and the dynamics of their allocation, the conditions and method of using the allocated subsidies, the method of monitoring the intended use of the allocated subsidies, the documentation that the beneficiary of the subsidies is obliged to submit to the Fund, the term of validity of the contract, which will be determined in accordance with the updated dynamic plan submitted by the beneficiary of the subsidies, and other mutual rights and obligations of the beneficiary of the subsidies and the Fund.

Eco-fund will accept the above documentation if it refers to a vehicle of the same type of fuel and power source, and CO2 emissions (g/km) less than or equal to the vehicle registered in accordance with this Public Call.

Beneficiaries of the subsidy will be obliged to keep the subsidized vehicle in their possession and use. Regardless of the above, in the event that the purchase of the vehicle is made through the conclusion of a Financial Leasing Agreement, in that case it is allowed for the lessor to be recorded as the owner, but the Beneficiary of the vehicle must be recorded as the Beneficiary in accordance with the Agreement on the dedicated funds. The Beneficiary may not alienate the motor vehicle he acquired through the allocated funds within a period of two years, which starts from the date of the vehicle's first registration, otherwise he is obliged to return the allocated funds.

XI Other information

This Public Call was published in the daily newspapers "Pobjeda", "Vijesti" and "Dan", and on the Eco-Fund website (www.eko-fond.me).

By submitting documentation to this Public Call, the applicant gives permission to the Eco-Fund to publish basic data about him and the registered vehicle on the Eco-Fund's website and in other reports.

Additional information can be obtained by phone +382 20 262 933 (Lidija Škatarić, Head of the Department for energy efficiency and renewable energy sources), or by e-mail to the address: projekti@eko-fond.me.

Podgorica,
December 26, 2022.
Number:

Environmental Protection
Fund
Ul. Slobode 2, 81000
Podgorica

Executive Director
Drasko Boljević