

SLOVENIAN PUBLIC AGENCY FOR ENTREPRENEURSHIP, INNOVATION,
DEVELOPMENT, INVESTMENT AND TOURISM

**INVITATION TO TENDER FOR APPLICATIONS UNDER THE CO-FINANCING GRANT
SCHEME FOR THE PROMOTION OF FOREIGN DIRECT INVESTMENT IN THE
REPUBLIC OF SLOVENIA FOR 2013 No. JR 2/2013-446**

TENDER DOCUMENTATION

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I. PRELIMINARY INFORMATION CONCERNING THE INVITATION TO TENDER

Pursuant to the Public Finance Act (OG RS, no. 11/2011-UPB4 (14/2013 corr.), 110/2011-ZDIU12), the Promotion of Foreign Direct Investment and Internationalisation of Enterprises Act (OG RS, no. 107/2006-UPB1, 11/2011, 57/2012), the Budget of the Republic of Slovenia for the year 2013 (OG RS, no. 104/2012), the Republic of Slovenia Budget Implementation Act for 2013 and 2014 (OG RS, no. 104/2012), the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (OG RS, no. 126/2007, 40/2009, 59/2009, 52/2010, 106/2010-ORZFPPIPP21, 26/2011, 47/2011, 87/2011-ZPUOOD, 23/2012, 48/2012 CC ruling: U-I-285/10-13), the Companies Act (OG RS, no. 65/2009-UPB3, 83/2009 CC ruling: U-I-165/08-10, Up-1772/08-14, Up-379/09-8, 33/2011, 91/2011, 100/2011 CC decision: U-I-311/11-5, 32/2012, 57/2012), the Act Governing the Rescue and Restructuring Aid for Companies in Difficulty (OG RS, no. 44/2007-UPB2, 51/2011), the Integrity and Prevention of Corruption Act (OG RS, no. 69/2011-UPB2), the Rules on Procedures of Implementing the Budget of the Republic of Slovenia (OG RS, no. 50/2007, 61/2008, 99/2009-ZIPRS1011, 3/2013), the Decree on financial incentives for foreign direct investment (OG RS, no. 11/2007, 19/2009, 11/2011-ZSTNIIP-B), Commission Regulation (EC) No. 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation) (OG EU, no 214, 09.08.2008), the work programme and financial plan of SPIRIT Slovenia, Public Agency for 2013 and 2014, which was approved by the Government of the Republic of Slovenia on 5 March 2013, contract no. SPIRIT 534310 – 13 – JM on the implementation and financing of the SPIRIT Slovenia 2013 and 2014 programme for the area of financing the implementation of the public invitation to tender for the promotion of foreign direct investments in the Republic of Slovenia in 2013 and state aid schemes (scheme number: BE03-5715334-2007, BE03-5715334-2007/1, BE04-5715334-2007, BE04-5715334-2007/1, BE03-5715334-2007/II)

the Slovenian Public Agency for Entrepreneurship, Innovation, Development, Investment and Tourism publishes the following

INVITATION TO TENDER FOR APPLICATIONS UNDER THE CO-FINANCING GRANT SCHEME FOR THE PROMOTION OF FOREIGN DIRECT INVESTMENT IN THE REPUBLIC OF SLOVENIA FOR 2013 No. JR 2/2013-446

1. SUBJECT MATTER OF THE INVITATION TO TENDER

The subject matter of the Invitation to Tender is **the award of grant funds for new (greenfield) investments** to be carried out by applicants – foreign entities of private law – non-residents (hereinafter referred to as: the foreign investor) located in the territory of the Republic of Slovenia.

For the purpose of this Invitation to Tender for grant funds, a **new (greenfield) investment** is an investment in tangible assets (property, plant and equipment) and/or in intangible assets when establishing a new enterprise, expanding an existing enterprises, diversifying the product range of the enterprise by adding new products or by making significant changes to the production process in an

existing enterprise that already operates in the Republic of Slovenia in the manufacturing sector, the internationally tradable service sector or in the research and development activity.

An expansion of the existing manufacturing of the products already made by the beneficiary (recipient) (hereinafter referred to as: the grant beneficiary, that is, the project enterprise) or the legal entities connected to the grant beneficiary in the Republic of Slovenia, and an expansion of the volume of the services, that is, the research and development activity already carried out by the grant beneficiary or the legal entities connected to the grant beneficiary in the Republic of Slovenia, **shall not be treated** as an initial (greenfield) investment.

No projects proposing an investment in one of the economic activities listed below **will qualify** for the grant under this Invitation to Tender:

- primary production (agricultural sector) on the list in Annex I to the Treaty Establishing the European Community and for the production and marketing of products intended to imitate or substitute milk and milk products, and cork products under CN codes 4502, 4503 and 4504,
- processing and putting on market of agricultural products when the amount of the co-financing is determined by taking into consideration the price, i.e. the quantity of such products purchased from primary processors or placed on the market by the respective enterprise, or when the co-financing is conditional on whether it is partly or completely passed on to primary processors,
- fisheries and aquaculture,
- coal sector;
- steel sector;
- transport;
- shipbuilding;
- synthetic fibres sector;
- manufacturing of arms and ammunition.

Furthermore, no projects proposing an investment in wholesale and retail trade, tourism, construction, electrical power generation and distribution, education and healthcare and social protection will qualify for the award of grant funds allocated under this Invitation to Tender.

In addition, no grant will be awarded to the economic activities associated with exports directly connected with the exported quantities, with setting up and operating a distribution network or with other operating costs/expenses in relation to the exporting activity. Likewise, no grant will be awarded in the cases favouring the use of domestic goods over the use of imported goods.

No grant will be awarded to the enterprises in the procedure of paying back any amount paid incorrectly of state aid pursuant to the Commission Decision (EC), declaring state aid granted unlawful and incompatible with the common market of the Community.

No grant will be awarded to investment projects with eligible costs/expenses above 50 million euros (large investment projects). In order to prevent an artificial subdivision of a large investment project into several smaller projects, a large investment project shall also include a group of individual projects that do not reach the individual value of 50,000,000 EUR, if the company or companies, within three years, begin with investments into capital assets that can be treated together in an economically indivisible manner or represent an economic entirety in the total value of 50,000,000 EUR.

2. PURPOSE OF THE INVITATION TO TENDER

The purpose of the Invitation to Tender is **to attract foreign investors to locate investment projects within the territory of the Republic of Slovenia** undertaking to deliver the following:

- subject to labour supply in the Republic of Slovenia, provide for the creation of new jobs and employment (hereinafter referred to as new jobs), and above all in the sectors with higher value added;
- contribute towards the transfer of knowledge and technology and the co-operation between scientific and/or research undertakings and establishments within the territory of the Republic of Slovenia and foreign investors;
- contribute towards more balanced regional development;
- contribute towards the increase in synergic effects of linking foreign investors with the Slovenian companies, mainly in the field of supplies for foreign investors and the exchange of knowledge and technologies.

The investment projects **must be carried out in** the project enterprises, that is, the **grant beneficiaries/recipients**.

No grant funds will be awarded to the investment projects whose purpose is not in conformity with the purpose of the Invitation to Tender.

3. OBJECTIVES OF THE INVITATION TO TENDER

The objectives of the Invitation to Tender are:

- to create **500 net new jobs** no later than within three years after the completion of the investment project;
- to achieve a **3-times the value of investments of the applied projects with regard to the value of allocated funds** no later than within three years after the signing of the contracts;
- to carry out at least 50% of the applied investment projects in regions where the endangerment index of the region is higher than 90.

4. FOREIGN INVESTORS AS APPLICANTS FOR GRANT FUNDS

The call to submit applications for grant funds under this Invitation to Tender is open to foreign investors that comply with the following requirements:

- **foreign investors or their foreign affiliates must have proven experience in the performance of the economic activity of the grant beneficiary or in area of the economic activity proposed in the investment project**, and supporting documents as evidence attesting to this experience must be included in the application submitted in response to the Invitation to Tender for the award of grant funds.

The existence of close links between enterprises shall be assessed by applying the criteria laid down in the Commission Regulation (EC) No. 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (General block exemption Regulation).

5. GRANT BENEFICIARIES

Grant beneficiaries (recipients) must be **enterprises duly incorporated and registered in the Republic of Slovenia no later than on the deadline for the submission of grant applications** in which the foreign investors that submit their grant applications have **directly at least a 10 per cent interest (equity holding) duly entered in the court register of the Republic of Slovenia**, that is, **in the shareholder register** kept by the Central Securities Clearing Corporation d.d. The applicant must maintain at least a 10 per cent direct interest (equity holding) in the grant beneficiary until the end of the investment project.

Applicants may compete for grant funds with:

- investment projects in **the manufacturing sector** for which no later than within a period of three years after the completion of the investment, at least 25 new jobs will be created. The minimum value of the pending investment that meets the criteria for the award of the grant funds under this Invitation to Tender is **1 (one) million Euros**;
- investment projects in **the internationally tradable service sector** for which no later than within a period of three years after the completion of the investment, **at least 10 new jobs will be created**. The minimum value of the pending investment that meets the criteria for the award of the grant funds under this Invitation to Tender is **0.5 million Euros**. The internationally tradable service include the following:
 - Customer Service Centres,
 - Shared Service Centres,
 - Logistics, and
 - Regional Headquarters;
- investment projects in **the research and development activity** for which no later than within a period of three years after the completion of the investment, **at least 5 new jobs will be created employees with at least the following education attainment: specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2)**. In the event that more than five new jobs will be created, **at least 80 per cent** of all new jobs must be and these job openings will require employees with at least the following education attainment: specialisation under higher educational programmes or high education professional programmes, that is, First Bologna level (Level 6/2). The threshold for the investment project to qualify for the grant is **0.5 million Euros**. An activity classified as a research and development activity is carried out by an enterprise or a self-contained/spun-off organisational unit whose core activity is research and development in the field of technology. **The research project must fall completely within the activity industrial research and/or development of prototypes for commercial use**. The enterprises whose core activity is not research and development must run the research and development unit as a stand-alone unit in the organisational chart. The research and development tasks must be stated in the organisational chart and in the valid act regulating the classification of workplaces at the grant beneficiary (recipient).

The minimum amount of the investment shall include only the net investment (excluding VAT) in **tangible assets** (service connections for a building and infrastructure for industrial land, purchase and construction of buildings complete with land on which the building stands and the modernisation of buildings, purchase of new plant, machinery and equipment) **and/or investments in intangible assets** (acquisition of patents, licences, know-how or unpatented technical knowledge). In the case of small

and medium-sized enterprises (SMEs), the purchase of second-hand plant, machinery and equipment shall also be deemed to constitute investments in tangible assets.

The grant applicant must provide co-financing **from own resource** and/or from the own resource of the grant beneficiary in a form which is free of any public support in the amount of at **least 25 per cent of the eligible (qualifying) costs/expenses** of tangible and intangible investments.

The **investment completion date** shall be the **completion of the works stated in the grant application** and at the same time **arriving at the value of the investment** in the proposed amount, which must be completed **no later than three years after** the date on which the grant contract is signed.

The creation of new jobs means the **net increase in the number of employees**, directly employed in an enterprise, **in comparison with the average number of employees for the previous 12-month periods before signing the grant contract** on the grant funds, taking into consideration *pro rata* full-time and part-time employees. Consequently, each job lost during the 12-month period has to be deducted from the total number of jobs created during the same period. **New jobs must be created within three years of the date of the completion of the investment.** Net new jobs must be maintained in the region for at least five years, and in the case of medium-sized and small enterprises, this period shall be three years of the date of the new job openings. As regards jobs created before the date of the completion of the investment, the period for maintaining these jobs shall be calculated only after the investment completion date onward.

In the case of investment projects in the development and research sector, the company must create new net jobs no later than within three years from the signing of the contract.

Reassigning employees to posts at the project enterprise/grant beneficiary **from the associated or affiliated enterprises shall not qualify** as the creation of net new jobs. Whether or not enterprises are connected shall be assessed on the basis of the provisions laid down in the Slovenian Companies Act (ZGD-1).

No investment project **will qualify** for grant funds if:

- it is the investment project for the same purpose, which contains elements of State Aid, already co-financed from other State resources (from the national government budget, the local budget, the EU funding and other sources of funding), that is, if the aggregate amount of the funding received from the aforementioned sources exceeds the maximum allowable amount of co-financing determined under the rules governing the area of State Aid;
- the foreign investor or the grant beneficiary is insolvent;
- capital adequacy of the foreign investor or the grant beneficiary is not in accordance with the provision laid down in paragraph 3 of Article 11 of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act; an enterprise is deemed to be solvent if it possesses an adequate volume of long-term sources of financing with respect to the volume and types of operation undertaken in the course of carrying out his activity and with respect to the risks to which he is exposed in carrying out such operations (capital adequacy);
- bankruptcy proceedings, compulsory composition proceedings or liquidation proceedings/winding up have been initiated against the foreign investor or against the beneficiary/recipient of the co-financing by the court's final judgement;
- the grant recipient or foreign investor is indicated in the register of subjects to which the limitation applies in accordance with Article 35 of the Integrity and Prevention of Corruption Act;

- at the time of the submission of the application for the award of the co-financing, the recipient of the co-financing is in difficulties in accordance with the Community guidelines on State aid for rescuing and restructuring firms in difficulty (UL C 244 as of 1 October 2004, page 2) and the Act Governing the Rescue and Restructuring Aid for Companies in Difficulty. Small and medium-sized enterprises, which have been in operation for less than three years after registration, shall not be deemed to constitute companies in difficulty within the meaning of the Community guidelines on State aid for rescuing and restructuring firms in difficulties, save in the case that they comply with the criteria for instigating the bankruptcy proceedings in accordance with the regulations governing financial operations of enterprises.

Cumulation of state aid instruments means that every State aid received is cumulated with any other State aid. Consequently, the purpose of the cumulation rule is to ensure that the intensity of State aid is not higher than the maximum aid allowed (aid ceiling). If the beneficiary/recipient of the co-financing has already received funding from the budget of the national government, the local government or from the EU budget, i.e. if the aggregate amount of the funding received under State aid exceeds the ceiling of the State aid measure determined by the rules governing the area of State aid measures, or such funding has been approved, the grant contract shall be terminated and the Agency shall request payment of all grant funds already paid, together with statutory interest on late payment covering the period between the date of payment and the date when the Agency receives full payment of the amount owed.

The grant beneficiary is obliged during the period between the submission of the application until honouring all obligations arising from the Invitation to Tender, the Tender Documentation and the grant contracts, notify the Agency in writing of all changes (for example: material and financial changes to the investment project submitted under the Invitation to Tender, changing address, instigating the bankruptcy procedure, the exit of the foreign investor, etc.) which refer either to the investment project or to the grant beneficiary or foreign investor when the change takes place without any delay.

6. ELIGIBLE COSTS/EXPENSES

Grant funds are allocated to co-finance eligible costs/expenses in relation to the investment as follows:

- costs/expenses of **tangible** investments (investments in property, plant and equipment, that is, the purchase and construction of buildings together with land on which the building stands and modernisation of the buildings, services for a building and infrastructure for industrial land, purchase of new plant, machinery and equipment (in the case of a SMEs also purchase of second-hand plant, machinery and equipment). The purchase of land shall not exceed 25 per cent of the amount of eligible costs/expenses stated in the application. The purchase of land and the purchase of buildings shall be treated as eligible cost except in the cases where the purchase of land and the purchase of buildings is concluded between the first-, second- or third-degree relatives or with a private individual who has been registered as a sole proprietors (s.p.) and his company or between shareholders of the company and the company.

If eligible costs include the purchase of land or facilities, the following must be enclosed to the application to Invitation to Tender:

- extract from the land register, not older than 1 month, or cadastral data on the intended location, on the basis of which the evaluation committee can obtain data from the official register, and
- letter of intent or preliminary contract that cannot represent a binding offer or financial commitment of an investor or grant recipient.

In case the evaluation of eligible costs with regard to real estate purchase substantially derogates from the official appraisal of the Surveying and Mapping Authority of the Republic of Slovenia, the committee may request a judicial appraisal from the applicant that must be carried out by a certified appraiser and cannot be older than one year on the date of application to Invitation to Tender.

In the case of purchase of used machines and equipment, a statement from the seller shall be necessary claiming that the purchase did not take place in the last five years with financial aid from the national, local or EU budget.

Capital assets that are subject to co-financing must remain in the company until the end of the investment period or until the end of the depreciation period. Capital assets that are subject to co-financing can be sold before the time limit on the understanding that the grant recipient acquires other comparable capital assets that represent modern technology for the same purpose. The grant recipient must obtain prior authorisation from the Agency.

- costs/expenses of **intangible** investments (investments in capital intangible assets, that is, acquisition of patents, licences, know-how and unpatented technical knowledge under market conditions; for investments in large enterprises, these costs may amount to a maximum of 50 per cent of the eligible costs/expenses of the total investment).

The purchase of capital assets that are included in the eligible costs of the applied project must be based on the principles of economy, efficiency and effectiveness, provision of competitiveness among applicants, transparency, equal treatment of applicants and proportionality.

For the purchases, it must be necessary to ensure economic and efficient use of grant funds so the set objectives and planned results of the investment project shall be successfully achieved.

Eligible costs **do not include:**

- VAT costs and land use change compensation and other taxes
- costs for the purchase of personal, cargo and multi-purpose vehicles.

In accordance with Article 3 of the Decree on financial incentives for foreign direct investments, costs incurred for the purchase of land and buildings shall also qualify as eligible tangible investment costs provided that, in such a case, the real estate sales contract has been concluded for a period of at least five years after the tentative investment project completion date for large enterprises and three years for small and medium-sized enterprises. Where a lease contract is concluded for machinery and equipment, only the costs of such a lease concluded as a finance lease with the obligation to purchase the machinery and equipment at the lease contract expiry date shall be deemed eligible for co-financing. The terms and conditions of the lease shall be arranged at market conditions.

In accordance with Article 3 of the Decree on financial incentives for foreign direct investments, intangible investments comprise investments in intangible assets (acquisition of patents, licences, know-how, or unpatented technical knowledge); in accordance with Article 9 of the Decree, **intangible investments must be used exclusively** in the enterprise receiving the grant – **the grant beneficiary**. Investments in intangible assets shall be treated as **assets subject to amortisation**. **These assets must be purchased from a third party under market conditions**. **These assets must be included in the non-current assets** of the enterprises and in a **large enterprise** they must be carried in the books of account of the beneficiary (receiver) of the investment incentive for at least **five years** and for at least **three years** in a **small** or a **middle-sized enterprise** following the completion of the investment project.

7. FORMAL RESPONSIVENESS OF APPLICATIONS

Grant applications shall be considered to be **formally responsive** if they comprise all forms and appendices completed in accordance with the instructions to applicants set out in the Tender Documentation.

8. AMENDMENTS TO APPLICATIONS

Where a **grant application is found to be formally incomplete**, acting in accordance with the provisions of the Rules on procedures for implementing the budget of the Republic of Slovenia the evaluation committee will invite the grant applicant through his authorised person (proxy) in the Republic of Slovenia within a period of eight days following the application opening date to amend the grant application within a period of eight days of receiving the invitation to supplement the application. **Formally incomplete applications** not supplemented by the grant applicant through his authorised person (proxy) in the Republic of Slovenia within a period of eight days, **will be rejected by virtue of a decision to that effect**.

At any time during the period from the opening of applications until the selection of the grant applicant, the public authority in charge of the tender procedure may invite the applicant through his authorised person (proxy) in the Republic of Slovenia **to clarify information from the application** and/or **to invite him to submit evidence** showing that that all the information provided in the statements made in the application for which no official records are kept by public authorities is accurate, sincere and complete. The grant applicant invited through his authorised person (proxy) in the Republic of Slovenia to provide clarifications, that is, to submit evidence, must comply within a period of five days of the receipt of such invitation. Insofar as the grant applicant should fail to provide clarification, that is, submit evidence through his authorised person (proxy) in the Republic of Slovenia within the stipulated period, the public authority in charge of the tender procedure will make a decision on the basis of the documentation made available.

During the period from the opening of application until the signing of the grant contract with the beneficiary, the public authority in charge of the tender procedure may **carry out an on site examination of the existing situation at the prospective grant beneficiary (recipient)**.

The content of the project description shall not be the subject-matter of amendments to grant applications.

9. EVALUATION CRITERIA

An evaluation of all formally responsive applications that comply with all mandatory the terms and conditions and are in accordance with the purpose of the Invitation to Tender, will be carried out by the evaluation committee appointed by the director of the Slovenian Public Agency for Entrepreneurship, Innovation, Development, Investment and Tourism on the basis of the following **criteria**:

	Criterion	Number of points
1.	The foreign investor's position in the market	15

	Criterion	Number of points
2.	The foreign investor's share in the Slovenian enterprise	5
3.	Share of domestic supplier companies in investment projects in the manufacturing and development and research sector / Scope of sales revenues generated outside the Republic of Slovenia for the services of investment projects in the internationally tradable services sector	9
4.	Technology transfer to other Slovenian enterprises can be agreed and the investment project can have a beneficial effect on productivity of other domestic enterprises in the sector	9
5.	The investment project is in line with principles of sustainable development	5
6.	The investment project has beneficial effects on research and development activities	27
7.	There are beneficial effects of the investment project on human capital	10
8.	The impact on the environment in investment projects in the manufacturing sector / Level of education of employees in investment projects in the internationally tradable services sector and markets where the services are marketed / Results of the implementation of industrial research and impact of the investment project on waste	15
9.	The investment project has development effects on economically less developed Slovenian regions and impact on unemployment	5
	TOTAL	100

The Agency will co-finance the investment projects of those foreign investors whose grant applications will achieve in the evaluation procedure a threshold of **at least 60 points**. A detailed description of eligibility criteria and the procedure for the award of grant funds is shown in item III. of the Tender Documentation.

In case the investment project receives 0 points for one criterion, the project shall be rejected.

10. GRANT AMOUNT

The grant funds for 2013 amount to 7,873,138.00 **Euros**. The amount of the grant funds may change in the event that the amount of the government budget is changed.

In the case that any executive act or decision of the Government changes the amount of the funds in the budget item, the Agency shall withhold the right to cancel the Invitation to Tender before the issue of decisions of grant funds.

The amount of the grant will be determined on the basis of the criteria, the number of the new jobs created, the value of the investment (of which the value of eligible costs/expenses of tangible and intangible investments) and will be within the framework of the available funds allocated to grant funds.

The amount of the awarded funds (grant intensity) must not exceed **30 per cent** of the value of eligible costs/expenses incurred under the project **for large enterprises**. In the case of **medium-size enterprises**, the amount of the awarded funds must not exceed **40 per cent**, and in the case of **small enterprises** the grant must not exceed **50 per cent** of eligible costs/expenses of a particular project.

For the purpose of determining **the size of the grant beneficiary**, the criteria to be applied are the criteria laid down in Annex I to the Commission Regulation (EC) No. 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market with the application of Articles 87 and 88 of the Treaty (General block exemption Regulation).

Where grant funds are to be awarded to investment projects having the **value in excess of 2 million Euros**, a prior **consent** of the Government of the Republic of Slovenia must be obtained.

When an enterprise shall be awarded **aid in the form of risk capital**, and during the period of the first three years after the receipt of the risk capital it submits its application for grant funds under this Invitation to Tender, the maximum level of allowable aid intensity shall be 24 per cent of eligible costs/expenses of the investments connected with the investment for large enterprises. In the case of medium-sized enterprises, the amount of the awarded grant shall not exceed 32 per cent, and in the case of small enterprises this amount shall not exceed 40 per cent of eligible costs/expenses incurred under a particular project.

In the case that the difference between the maximum allowable aid intensity (30, 40 or 50 per cent) and the maximum aid intensity in the case of risk capital (24, 32 or 40 per cent) should exceed the total amount of the invested risk capital, the maximum allowable amount of aid awarded under this Invitation to Tender shall be reduced only by the amount of the invested risk capital.

Insofar as after the completion of the evaluation procedure it is established **that the total value of the expected grant funds** eligible costs investment projects that have reached the threshold to qualify for grant funds, **is in excess of the allocated funds**, the funds shall be distributed on the basis of the achieved points (score) so that the investment projects with a higher score come ahead of those with lower scores.

In the case that **several investment projects have scored the same number of points**, the project that envisage a higher number of new jobs to be created shall be selected; insofar as these projects comply with the same criterion, precedence will be given to the investment project with a higher number of points scored in the evaluation phase for the criterion number 6: Research and development effects of the investment project.

Where the amount of the grant funds to be awarded to the investment project based on its score is in excess of the amount available, the Agency will not conclude a grant contract with the beneficiary.

11. CONDITION OF NECESSITY

Funds can be allocated only if an applicant has filed an application for the allocation of funds before the beginning of the investment project implementation and a contract has already been signed with the Agency. The moment when the construction works start or the first order for equipment has been concluded shall be considered to be the beginning of project implementation.

When investment incentives are granted to **large enterprises**, applicants must comply with the conditions laid down in the first paragraph, and in addition, applicants must comply with one or more of the following criteria:

- A significant expansion of the size of the project enterprise or its economic activity as a result of co-financing;

- A significant expansion of the investment project or the economic activity due to co-financing;
- A significant increase of the total amount the beneficiary has spent on the investment project or the economic activity thanks to the aid received;
- A significant increase in the speed at which the investment project or the economic activity could be completed;
- In the absence of co-financing, the investment project as such could not be carried out in the designated region as proposed.

12. PERIOD OF DRAWING DOWN GRANT FUNDS

To qualify as **costs/expenses eligible** for co-financing, these costs/expenses must be incurred **during a three-year period** following the date of the signing of the **Grant Contract**. The grant beneficiary must issue a request for payment for the disbursement of grant funds **by 30 October 2013 at the latest**. The grant applicant must enclose to the request a **bank guarantee issued by an investment-grade bank** undertaking to make the payment upon receipt of the Agency's first written claim and valid for the period of **three years and three months following the date of the signing of the Grant Contract** for the total amount of the grant received in which the bank guarantees on behalf of the beneficiary to make the payment of the amount of the grant should the grant beneficiary fail to fully comply with the obligations stipulated in the grant contract. The text of **the bank guarantee must be identical** to the text of **the specimen bank guarantee** on page 76 of the Tender Documentation.

13. SUBMISSION OF APPLICATIONS AND DEADLINES

The Invitation to Tender is open **until 23 August 2013**, that is, **until the funding allocated in the budget** has not been used. Applications must arrive at the address: **Javna agencija Republike Slovenije za spodbujanje podjetništva, inovativnosti, razvoja, investicij in turizma, Verovškova 60, 1000 Ljubljana**, in a sealed envelope marked with **»Ne odpiraj – vloga za razpis - spodbujanje TNI 2013«** (Do not open – Application – 2013 FDI Promotion Scheme) and with **the full address of a foreign investor as the applicant for grant funds and the address of the grant beneficiary as his duly authorised person (proxy)**. Applicants must fill in the application on paper as original documents drawn up completely in the Slovenian language or in the English language, that is, in accordance with the instructions and the forms from the Tender Documentation. Where certain documents requested as mandatory are drawn up as originals in a language other than the Slovenian language or English, they must be accompanied by translations into the Slovenian language or English duly certified by a court interpreter.

All information contained in the applications opened by the evaluation committee will be treated as public, with the exception of those expressly designated as a trade secret by the foreign investor. Only a piece of information may be designated as a trade secret, that is, a part of the application. No trade secret obligation may apply to the entire application.

Applications submitted under this Invitation to Tender for the same investment project for which grant funds have been requested in another application currently subject of an appeal procedure, shall be rejected as inadmissible. Such applicants may submit their applications referring to the same investment project once the appeal procedure has been decided as *res judicata*.

Furthermore, this Invitation to Tender is not open to such foreign investors, which within the framework of carrying out projects in the Republic of Slovenia, have worked with the beneficiaries/recipients of grant funds with unsettled claims vis-à-vis the Agency or the Ministry of the Economic Development and Technology arising out of the contracts on the award of grant funds. Moreover, no investment project shall be deemed eligible for co-financing under this Invitation to Tender if proposed for co-financing by the applicant having any unsettled claims vis-à-vis the Agency or the Ministry of the Economic Development and Technology arising out of the previously concluded contracts on the award of grant funds.

14. OPENING OF APPLICATIONS

The opening of tenders/applications will not be open to public due to the fact that a high number of applications is expected. Opening of applications will take place on the following business day after the final date for receiving applications starting at 9:00 CET in the premises of the Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments - JAPTI.

Grant applications to be examined shall be those delivered at the main office of the Agency, Verovškova ulica 60, 1000 Ljubljana, irrespective of the manner of delivery on the **day designated as the final date for the receipt of grant applications** in specifically **no later than 12:00 CET**.

The closing dates for the delivery of applications in 2013:

- for the first opening of applications: 17 May 2013 at 12:00 (noon) CET,
- for the second opening of applications: 23 August 2013 at 12:00 (noon) CET,

The evaluation committee will not take into consideration **applications not properly marked** (it is not clearly shown that it is an application submitted in response to the Invitation to Tender or to which public tender it refers) and such applications will be returned to senders unopened.

Applications that arrive **after the deadline fixed for the first submission of applications** will be included in the following opening of applications. Applications that arrive after the last deadline for the submission of applications in 2013 shall be rejected as late applications by virtue of the decision passed.

15. NOTIFICATION OF AWARD, THAT IS, OF NO-AWARD OF GRANT FUNDS

On the basis of the evaluation carried out by the evaluation committee, foreign investors will be notified through their persons authorised (proxies) in the Republic of Slovenia of the results of the Invitation to Tender in a **notice of award, that is, of no award of the grant funds** within 60 days at the latest following the date of the opening of applications. The results of the public tender will be published on the web site of the Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments.

A complaint shall be possible against a notification within 15 days from the receipt of the notification. The appellant must precisely define the reasons for which he is filing a complaint. The subject of the complaint cannot include the set criteria for the applications. The Ministry of Economic Development and Technology shall decide how to deal with the complaint. The filed complaint does not suspend the signature of contracts with investors who were allocated the right to grant funds.

Recipients of funds that receive a notice of award, that is, of no award of the grant funds, will have to sign a contract with the Agency within 30 days **from the receipt of the notification**, otherwise it shall

apply that they have withdrawn from the signature of the contract for grant funds. Notwithstanding the above-indicated provision, it shall be considered that the grant recipient has withdrawn from the right to grant funds if the contract is not signed by 30 October 2013.

16. TENDER DOCUMENTATION

The Tender Documentation drawn up in the Slovenian and in the English language is available at **the main office** of the Slovenian Public Agency for Entrepreneurship, Innovation, Development, Investment and Tourism Verovškova 60, Ljubljana, every working day between 9:00 and 10:00 CET or on the **website**: www.japti.si in www.investslovenia.si. The Tender Documentation may be forwarded to prospective applicants also by electronic mail on the basis of a request sent by the company to the electronic mail address: fdi@japti.si. In order to have the Tender Documentation sent by ordinary mail or by electronic mail, prospective applicants should send a request no later than five days before the final date for receipt of grant applications.

17. ADDITIONAL INFORMATION

Any additional information in relation to the preparation of applications and clarifications of the Tender Documentation will be provided to applicants on the basis of a request made in writing and sent to the following address: Slovenian Public Agency for Entrepreneurship, Innovation, Development, Investment and Tourism (Javna agencija Republike Slovenije za spodbujanje podjetništva, inovativnosti, razvoja, investicij in turizma), Verovškova ulica 60, 1000 Ljubljana (subject: Javni razpis TNI 2013/Invitation to Tender FDI 2013) or to the electronic mail address: matej.skocir@japti.si (subject: Javni razpis TNI 2013/Invitation to Tender FDI 2013), and specifically no later than eight days before the deadline for the submission of applications. All questions of prospective applicants and the answers given by the contracting authority for this Invitation to Tender will be published no later than 6 days before the deadline for the delivery of applications published on the website: www.japti.si. All answers and clarifications provided by the contracting authority for this Invitation to Tender shall be an integral part of the Tender Documentation.

Further information can be obtained at the phone number +386 1 5891 884 from the contact person Mr. Matej Skocir, M.Sc. or from the person responsible for the tendering procedure Mr. Igor Lakota. For further clarifications you may also send your electronic mail to the electronic mail address: igor.lakota@japti.si.

Boštjan Skalar
Acting director

II. COMPLIANCE WITH ELIGIBILITY CRITERIA FOR THE AWARD OF GRANT FUNDS

Applications submitted under this Invitation to Tender will be examined to check whether they comply with the following **terms and conditions**:

- the grant applicant is **a foreign person governed by private law**,
- the grant beneficiary (recipient) is an **enterprise (company) incorporated and registered in the Republic of Slovenia until the day on which the application to award grant funds is submitted**, and it must be **duly registered in the court register of the Republic of Slovenia**,
- the grant applicant has a **direct interest (equity holding) of at least 10 per cent** in the grant beneficiary and such equity holding must be duly registered until the day of the submission of the application in the court register of the Republic of Slovenia, that is, in the shareholder register kept at KDD d.d. (Central Securities Clearing Corporation plc). The applicant must maintain at least a 10 per cent direct interest (equity holding) in the grant beneficiary until the end of the investment project.
- the **condition of necessity** has been complied with,
- **the grant applicant or its foreign connected enterprises must have proven experience in the economic activity in which the grant beneficiary operates or in the economic activity of the proposed investment project** and such experience must be stated in the application on the Invitation to Tender for the award of the grant funds,
- the investment project falls within the scope of an economic activity is eligible for grant funds under this Invitation to Tender: the **manufacturing sector or services traded in the international market or research and development activity**,
- the investment project in the manufacturing sector (in tangible assets in/or in intangible assets) must amount to a **minimum of 1 million euros** and create **at least 25** net new jobs,
- the investment project in the **internationally tradable service sector** (in tangible assets and/or in intangible assets) must amount to a **minimum of 0.5 million euros** and create **at least 10** net new jobs,
- the investment project in the **development and research** activity (in tangible assets and/or in intangible assets) must amount to a **minimum of 0.5 million euros** and create **at least 5** net new jobs **with the lowest educational level: specialisation following the higher educational programmes or higher professional programmes, that is, First Bologna cycle qualification (Level 6/2)**. In the event, that more than 5 new jobs will be created, **at least 80 per cent** of these new jobs must be require the lowest qualification level: specialisation following a higher educational programme or a high educational vocational programme, that is, First Bologna cycle (Level 6/2). A research project must **fall completely within the activity industrial research and/or development of prototypes for commercial use**. Development and research tasks must be stated in the organisational chart and in the effective act on the classification of work posts of the grant beneficiary (mandatory appendix),
- the grant applicant must **from provide co-financing from own resources (own funds)** and/or the beneficiary's resources and in a form which is free of any public support in the amount of **at least 25 per cent of eligible costs/expenses** of tangible and intangible investments,
- initial (greenfield) investment: **the initial (greenfield) investment** shall be an investment in tangible assets and/or intangible assets relating to the establishment of a new enterprise, **expansion of an existing enterprise, diversification of the products** of an enterprise through new additional products or where there is a **fundamental change in the production process** in an existing enterprise that already operates in the Republic of Slovenia in the manufacturing sector, internationally tradable service sector or in the research and development activity,

In the case that the grant application does not contain **any information** demonstrating that a particular requirement is complied with, it shall be deemed that the application **does not fulfil that particular**

condition and it will be rejected **by passing a decision to that effect**. Furthermore, all applications **not in conformity with the purpose** of the Invitation to Tender **shall be rejected**.

III. DETAILED DESCRIPTION OF ELIGIBILITY CRITERIA AND THE PROCEDURE FOR THE AWARD OF GRANT FUNDS

All formally responsive applications that at the same time comply with the terms and conditions for the award of grant funds and comply with the purpose of the Invitation to Tender will be evaluated by the members of the committee in accordance with the evaluation criteria set out below:

	Criterion	Number of points
1.	Foreign investor's position in the market	15
2.	Foreign investor's interest (equity holding) in the Slovenian enterprise	5
3.	Share of domestic supplier companies in investment projects in the manufacturing and development and research sector / Scope of sales revenues generated outside the Republic of Slovenia for the services of investment projects in the internationally tradable services sector	9
4.	Possible technology transfer to other Slovenian enterprises and the impact of the investment project on productivity of other domestic enterprises that operate in the same sector of the economy	9
5.	The investment project observes the principles of sustainable development	5
6.	The impact of the investment project on research and development	27
7.	The impact of the investment project on human capital	10
8.	The impact on the environment in investment projects in the manufacturing sector/Level of education of employees in investment projects in the internationally tradable services sector and markets where the services are marketed/Results of the implementation of industrial research and impact of the investment project on waste	15
9.	Development effects of the investment project in the economically disadvantaged regions and impact on unemployment	5
	TOTAL	100

1. FOREIGN INVESTOR'S POSITION IN THE MARKET (the maximum score is 15)

The number of points scored is commensurate with the international reputation of the foreign investor, that is, his owner (parent undertaking) (listings on international stock exchanges, leading position in the sector...) and with regard to the cross-border investment projects of the foreign investor, that is, his owner (parent undertaking) successfully executed so far. The maximum points scored (15) shall be awarded to the foreign investor listed on one of international stock exchanges, that is, is among the leading enterprises in its sector at the world scale the criterion and having executed investment projects of a similar nature and scope abroad. Nil (0) points shall be awarded to the foreign investor without any successfully executed investment projects and not known in the local market in his sector.

The evaluation shall also include the situation of associated undertakings. The connection of legal entities shall be determined in accordance with Regulation (EEC) no. 800/2008 of 6 August 2008 on the declaration of some types of aid compatible with the common market with the use of Articles 87 and 88 of the Treaty (Regulation on General Block Exemptions).

The foreign investor is a multinational enterprise (its shares are listed on the most important stock exchanges such as New York, London, Frankfurt, Tokyo, Zürich, etc.), that is, he is among the leading enterprises in his sector at a world scale and his terms of reference include investment projects of a similar nature and scope already executed abroad.	15 points
The foreign investor is an enterprise with international reputation and his terms of reference include investment projects of a similar nature and scope already executed abroad.	13 points
The foreign investor is an enterprise with international reputation without experience gained on the execution of investment projects of a similar nature and scope abroad.	10 points
The foreign investor has gained reputation in his domestic market and he has already executed successfully investment projects of a similar nature and scope abroad.	7 points
The foreign investor has gained reputation in his domestic market where he has already executed successfully investment projects of a similar nature and scope.	4 points
The foreign investor is not well-known in the domestic market but he has already executed investment projects of a similar nature and scope abroad.	2 points
The foreign investor is an enterprise unknown in the sector/industry in which he operates and he has not executed any significant investment projects so far.	0 points

2. FOREIGN INVESTOR'S INTEREST (EQUITY HOLDING) IN THE SLOVENIAN ENTERPRISE (the maximum score is 5)

The interest (equity holding) of the foreign investor - the grant applicant – in the enterprise incorporated and registered in Slovenia is:

More than 75 up to 100%	5 points
More than 50 up to 75%	3 points
More than 1/3 up to 1/2	2 points
Up to 1/3	1 point

3. SHARE OF DOMESTIC SUPPLIER COMPANIES IN INVESTMENT PROJECTS IN THE MANUFACTURING AND DEVELOPMENT AND RESEARCH SECTOR/SCOPE OF SALES REVENUES GENERATED OUTSIDE THE REPUBLIC OF SLOVENIA FOR THE SERVICES OF INVESTMENT PROJECTS IN THE INTERNATIONALLY TRADABLE SERVICES SECTOR (the maximum score is 9)

A) Share of domestic supplier companies in investment projects in the MANUFACTURING, AND DEVELOPMENT AND RESEARCH SECTOR (the maximum score is 9)

The number of points score is commensurate with the estimated share of domestic supplier companies in the operations resulting from the investment project. The maximum points scored (9) shall be awarded to the investment project where the share of domestic supplier companies is more than 90 per

cent. Nil (0) points shall be awarded to the investment project where local supplier companies will have less than 10 per cent share. The costs of material and non-material investments that are part of the eligible costs of the applied project shall not be considered when determining the share of supplier companies. The share must be achieved by the end of the investment project.

Local supplier companies will have more than a 90% share.	9 points
Local supplier companies will have more than a 70 and up to 90% share.	7 points
Local supplier companies will have more than a 50 and up to 70% share.	5 points
Local supplier companies will have more than a 30 and up to 50% share.	3 points
Local supplier companies will have more than a 10 and up to 30% share.	1 points
Local supplier companies will have less than a 10 per cent share.	0 points

B) Scope of sales revenues generated outside the Republic of Slovenia for the services of investment projects in the INTERNATIONALLY TRADABLE SERVICES SECTOR (the maximum score is 9).

The number of points is commensurate with the scope of sales revenues of the investment project generated for buyers/customers/users on markets outside the Republic of Slovenia. The maximum number of points (9) shall be awarded to a service that generates more than 90% of its sales revenues outside the Republic of Slovenia and zero (0) points to a service that generates maximum 50% of its sales revenues outside the Republic of Slovenia.

The scope of services that shall be provided for buyers/customers/users in markets outside the Republic of Slovenia (the maximum score is 9)

The service shall generate more than 90% of its sales revenues outside the Republic of Slovenia.	9 points
The service shall generate more than 80% up to including 90% of its sales revenues outside the Republic of Slovenia.	7 points
The service shall generate more than 70% up to including 80% of its sales revenues outside the Republic of Slovenia.	5 points
The service shall generate more than 60% up to including 70% of its sales revenues outside the Republic of Slovenia.	3 points
The service shall generate more than 50% up to including 60% of its sales revenues outside the Republic of Slovenia.	1 points
The service shall generate maximum 50% of its sales revenues outside the Republic of Slovenia.	0 points

4. POSSIBLE TECHNOLOGY TRANSFER TO OTHER SLOVENIAN ENTERPRISES AND THE IMPACT OF THE INVESTMENT PROJECT ON PRODUCTIVITY OF OTHER DOMESTIC ENTERPRISES THAT OPERATE IN THE SAME SECTOR OF THE ECONOMY (the maximum score is 9)

The number of points scored will depend primarily on the horizontal and vertical spillover effects and the possibility to transfer technology.

The number of points scored under this criterion is commensurate with the possibility for technology transfer to other Slovenian enterprises and with a positive impact of the investment project on the productivity of local enterprises in the sector. The maximum number of points scored (9) shall be awarded to the investment project where it is possible to transfer technology to other Slovenian enterprises and assessed as a significant contribution to higher productivity of other enterprises in the sector. One (1) point will be awarded to the investment project where no technology transfer to other Slovenian enterprises is possible and assessed as not having any impact on higher productivity of other enterprises in the sector. An increase in sales does not represent an increase in productivity.

The nature of the investment project is such that it enables a transfer of technology to other Slovenian enterprises and will significantly contribute to a higher the productivity of other enterprises in the sector.	9 points
The nature of the investment project is such that it enables a partial transfer of technology to other Slovenian enterprises in will significantly contribute to a higher productivity of enterprises in the sector.	7 points
The nature of the investment project is such that it enables a partial transfer of technology to other Slovenian enterprises in will to a lesser degree contribute to a higher productivity of other enterprises in the sector.	5 points
The nature of the investment project is such that it does not enable the transfer of technology to other Slovenian enterprises and will contribute to a lesser degree to a higher productivity of other enterprises in the sector.	3 points
The nature of the investment project is such that it does not enable the transfer of technology to other Slovenian enterprises and will not have an impact on a higher productivity of other enterprises in the sector.	1 points

5. THE INVESTMENT PROJECT OBSERVES THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT (the maximum score is 5)

The number of points score is in the reverse order to the possibility to relocate the investment project at low costs and with minimum difficulty from Slovenia to another country. The maximum points scored (5) shall be awarded to the investment project whose nature is such that a transfer of the operations from Slovenia is highly unlikely and connected with very high costs. One (1) point will be awarded to the investment project where the operations could be transferred from Slovenia at very low costs. The evaluation takes into account mainly the type of the investment in tangible assets (purchase, leasehold), costs for equipment transportation, value of manufacturing facilities, the investor's investments in human resources, etc.

The nature of the investment project is such that it is practically impossible to relocate plant, machinery and equipment from the Republic of Slovenia.	5 points
Plant, machinery and equipment can be relocated from the Republic of Slovenia; however, is to associated with high costs and it is a time-consuming g process.	3 points
Plant, machinery and equipment can be relocated very fast and at negligible costs from the Republic of Slovenia.	1 points

6. THE IMPACT OF THE INVESTMENT PROJECT ON RESEARCH AND DEVELOPMENT (the maximum score is 27)

The number of points to be scored is composed of three segments: in the first segment, the share of high technology in the investment project is evaluated (the maximum score is 15), in the second segment the engagement of the Slovenian scientific and research institutions in the investment project is evaluated (the maximum score is 6), and in the third segment, points are awarded to the existing co-operation between the foreign investor and the scientific and research institutions (the maximum score is 6).

a) The share of high technology in the final product/service of the investment project under SITC and NACE classification (the maximum score is 15),

The result of the investment project will mostly be high-technology products under the SITC/NACE classification (certain products for aviation and space technique, computers (components and equipment), office machinery, electronics and telecommunications, pharmacy, chemistry, scientific instruments, electrical devices and non-electrical devices), that is, high-tech knowledge intensive services: services of scientific research and development, telecommunications, computer programming, consultancy, etc., informatics, ...)	15 points
The result of the investment project will mostly be the products of medium to high technology, that is, knowledge-intensive services.	10 points
The result of the investment project will mostly be the products of medium technology, that is, low knowledge-intensive services.	5 points
The result of the investment project will mostly be low technology products.	0 points

b) The engagement of the Slovenian scientific and research institutions in the investment project (the maximum score is 6) Co-operation based on legal obligation for the pursuit of business does not represent co-operation with scientific research institutions.

The application and the supporting documents show that the investment project envisages a strong and continuing co-operation with Slovenian scientific and research institutions and inclusion of external researchers in the research groups inside the company receiving funds.	6 points
The application and the supporting documents show that the investment project to a lesser extent envisages co-operation with Slovenian scientific and research institutions on the basis of 'outsourcing' of individual R&R outside the development function of the company.	3 points
The application shows that the investment project does not include the Slovenian scientific and research sphere.	0 points

c) The scope of co-operation of the foreign investor with scientific and research institutions from the area connected to the investment project (the maximum score is 6). Co-operation based on legal obligation for the pursuit of business does not represent co-operation with scientific research institutions.

The application and the supporting documents show that the foreign investor co-operates on an on-going basis with the scientific and research institutions and engages external researchers in research groups inside the company of the investor.	6 points
The application and the supporting documents show that the foreign investor co-	3 point

operates to a lesser extent with the scientific research institutions on the basis of outsourcing of individual R & D units separated from the development function of the enterprise.

The application and the supporting documents fail to produce any evidence of co-operation between the foreign investor and the scientific and research institutions.

0 points

7. THE IMPACT OF THE INVESTMENT PROJECT ON HUMAN CAPITAL (the maximum score is 10)

The number of points scored is commensurate with the possibility of the transfer of relevant knowledge and skills to other enterprises in Slovenia. The maximum number of points scored (10) will be awarded to the investment project that envisages occupational education and training for the majority of employees who will in turn obtain relevant knowledge and skills that could be used also in other enterprises that operate in that sector/industry. Nil (0) points will be awarded to the investment project, which does not envisage occupational education and training of employees.

The investment project envisages occupational education/training for the majority of employees, while education/training costs are mostly dedicated to the obtaining of transferable knowledge that could be used in other enterprises in the industry.

10 points

The investment project envisages occupational education/training only for one part of employees, while education/training costs are mostly dedicated to the obtaining of transferable knowledge that could be used in other enterprises in the industry.

7 points

The investment project envisages occupational education/training for the majority of employees, while education/training costs are mostly dedicated to the obtaining non-transferable knowledge regarded as company specific.

5 points

The investment project envisages occupational education/training for the majority of employees, while education/training costs are mostly dedicated to the obtaining of transferable knowledge that could be used in other enterprises in the industry.

3 points

The investment project envisages occupational education/training only for one part of employees, while education/training costs are mostly dedicated to the obtaining of transferable knowledge that could be used in other enterprises in the industry.

0 points

8. AN IMPACT ON THE ENVIRONMENT IS EXPECTED FROM THE INVESTMENT PROJECTS IN THE MANUFACTURING SECTOR (A) / *Level of education of the employees in the investment project in the INTERNATIONALLY TRADABLE SERVICES SECTOR and markets in which the services are marketed* (B) / THE RESULTS OF CONDUCTING INDUSTRIAL RESEARCH AND IMPACT OF THE INVESTMENT PROJECT ON WASTE (C) (the maximum score is 15)

Insofar as it is an investment project in the manufacturing sector, the criteria stated under point A.) will be taken into account (the maximum score is 15). It is composed of two parts: in the first part impact of the investment project on the exploitation of natural resources and how friendly these products are to the environment is evaluated (the maximum score is 8), and in the second part the effect of the process for the manufacturing of these products on waste is evaluated (the maximum score is 7).

Insofar as it is the investment project in the service sector and is it an internationally tradable service, the criteria stated under point B.) will be taken into (the maximum score is 15). It is composed of two parts: the first part includes the level of education of employees in the investment project (the

maximum score is 12) is evaluated, and the second part includes the number of countries from which the buyers/customers/users hail (the maximum score is 3).

Insofar as it is the investment project in the development and research activity, the criteria specified under point C.) will be taken into account (the maximum score is 15), It is composed of two parts: in the first part the use of the findings made on the basis of the investment project in the research and development activity is evaluated (the maximum score is 8), and in the second part, the effect of the development and research activity on waste is evaluated (the maximum score is 7).

A) The impact of on the environment to be made by the investment project in the MANUFACTURING SECTOR (the maximum score is 15)

The number of points scored is in the reverse order to the impact made by manufacturing the products on the natural resources and the fact that these products are environment-friendly or not friendly to the environment and the level of the environmental load. The maximum points scored (15) shall be awarded to the investment project, which does not exploit natural resources and where the products are recyclable and where a consequence of operations is only municipal waste. Nil (0) points shall be awarded to the investment project that envisages intensive use of natural resources, the products cannot be recycled and where generation of hazardous waste is envisaged.

a) Utilisation of natural resources envisaged under the investment project and whether the products are environment-friendly or not (the maximum score is 8)

Manufacture of the products, which will be the final result of the investment project, does not affect significantly the natural resources and these products can be recycled.	8 points
Manufacture of the products, which will be the final result of the investment project, does not affect significantly the natural resources and these products cannot be recycled.	6 points
Manufacture of the products, which will be the final result of the investment project, taps into the natural resources; however, it does not threaten their rarity and regeneration, that is, reproduction capacity and these products can be recycled.	4 points
Manufacture of the products, which will be the final result of the investment project, taps into the natural resources; however, it does not threaten their rarity and regeneration, that is, reproduction capacity and these products cannot be recycled.	2 points
The investment project envisages highly intensive use of the natural resources, which will significantly decrease the level of their renewability.	0 points

b) The impact of manufacture of the products on waste (the maximum score is 7)

Manufacture of the products will not have as its consequence generation of hazardous waste or special waste but municipal waste only.	7 points
Manufacture of the products will have as its consequence in addition to municipal waste also a smaller quantity of hazardous waste or special waste; however, the investment documentation shows that the investor will provide for adequate storage and disposal of such waste.	5 points
In addition to municipal waste, manufacture of the products will have as its consequence also hazardous waste or special waste; however, the investment documentation shows that the investor will provide for adequate storage and disposal of such waste.	3 points

Manufacture of the products is expected to have as its consequence hazardous waste or special waste, which left unprocessed are known to have harmful effects on the environment due to their characteristics.	0 points
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B) Level of education of the employees in the investment project in the INTERNATIONALLY TRADABLE SERVICES SECTOR and markets in which the services are marketed (the maximum score is 15)

The number of points is commensurate with the level of education of the employees in the investment project and the number of markets where it's being marketed. The maximum number of points (15) shall be awarded to an investment project that primarily (more than 90%) employs persons with the lowest completed level of education – specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2) and its services are marketed in four or more markets, one (1) point shall be awarded to an investment project that primarily (more than 90%) employs persons with a completed level of education less than V (Slovenian classification system). and whose services are only marketed in one foreign market.

a) Level of education of employees in the investment project (12 points)

More than 90% of employees in the project shall have the lowest level of education: specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2).	12 points
More than 70% up to and including 90% of employees in the project shall have the specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2).	10 points
More than 50% up to and including 70% of employees in the project shall have the specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2).	8 points
More than 30% up to and including 50% of employees in the project shall have the specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2).	5 points
More than 10% up to and including 30% of employees in the project shall have the specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2).	3 points
Maximum 10% of employees in the project shall have the lowest level of education: specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2).	0 points

and at the same time

More than 90% of employees in the project shall have the completed level of education of at least V (Slovenian classification system).	7 points
More than 70% up to and including 90% of employees in the project shall have the completed level of education of at least V (Slovenian classification system).	6 points
More than 50% up to and including 70% of employees in the project shall have the completed level of education of at least V (Slovenian classification system).	4 points
More than 30% up to and including 50% of employees in the project shall have the completed level of education of at least V (Slovenian classification system).	2 points
More than 10% up to and including 30% of employees in the project shall have the	1 point

completed level of education of at least V (Slovenian classification system).	0 points
Maximum 10% of employees in the project shall have the completed level of education of at least V (Slovenian classification system).	

b) The number of countries from which buyers/customers/users hail (3 points)

The service shall be primarily marketed in four or more foreign markets (countries)	3 points
The service shall be marketed in two or three foreign markets (countries)	2 points
The service shall be marketed in one foreign market (country)	1 point

C) The results of conducting industrial research and the effect of the DEVELOPMENT and RESEARCH ACTIVITY on waste (the maximum score is 15)

a) The application of the findings on the basis of the investment project (the maximum score is 8)

The maximum number of points scored (15) shall be awarded to the investment project in the development and research activity that will perform predominately industrial research with the objective to develop new products or prototypes for commercial use for already known client, that is, user and which will not have as its consequence hazardous waste but municipal waste only. Nil (0) points shall be awarded to the investment project in the research and development activity that will carry out systemic research or perform critical investigation/testing with the aim to acquire new knowledge, while being mostly oriented to a practical goal or purpose; however, it is necessary to identify end user of this knowledge and which envisaged generation of hazardous waste, which left unprocessed, is known to have harmful effect on the environment due to its characteristics.

The investment project in the research and development activity will perform predominately industrial research, which means systemic research or performance of critical investigation/testing in order to acquire new knowledge for the development of new products, procedures or services or when making significant improvements of the existing products, procedures or services for a client, that is, a user already known.	8 points
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The investment project in the research and development activity will predominately develop prototypes for commercial use for an already known client, that is, a user, and these prototypes are also final/end market product and their production is too expensive for the research to be used only for the purpose of presenting and evaluating their merits.	6 points
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The investment project in the research and development activity will carry out predominately industrial research, which means systemic research or the performance of critical investigation/testing for the purpose of acquiring new knowledge for the development of new products, procedures or services or for making significant improvements of the existing products, procedures or services, however, it is necessary to find end users of this knowledge.	4 points
--	----------

The investment project in the development and research activity will predominately develop prototypes for commercial use, however, it is necessary to find end users of this knowledge and the prototypes are necessarily final/end market product and their production is too expensive to use it only for the purpose of presenting and valuating their merits.	2 points
---	----------

The investment project in the research and development activity will systematically carry out research or perform critical investigation/testing with the aim to acquire new knowledge, and it is oriented predominately to a practical goal or purpose,	0 points
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however, it is necessary to find end users of this knowledge.

b) The impact of development and research activity of the investment project on waste (the maximum score is 7)

The investment project will not have as its consequence hazardous waste or special waste, but only municipal waste.	7 points
The investment project will have in addition to municipal waste also a smaller quantity of hazardous waste or special waste; however, the investment documentation shows that the investor will make arrangements for appropriate storing and disposal of such waste.	5 points
The investment project will have as its consequence in addition to municipal waste hazardous waste or special waste; however, the investment documentation shows that the investor will make arrangements for appropriate storing and disposal of such waste.	3 points
The investment project envisages generation of hazardous waste or special waste, which left unprocessed, is known to have harmful effects on the environment due to its characteristics.	0 points

9. THE IMPACT OF THE INVESTMENT PROJECT ON THE DEVELOPMENT OF ECONOMICALLY DISADVANTAGED REGIONS AND ITS IMPACT ON UNEMPLOYMENT (the maximum score is 5)

The score is in the reverse order to the economic development of the region in conformity with the Decision on the Classification of the Developing Regions by the Degree of Development for the Programme for the Period 2007-2013 (Official Gazette of the Republic of Slovenia, No. 23/2006). The maximum score is 5.

The score is related to the index assigned to the region where development is under threat:

The index assigned to the region where development is threatened is higher than 120 (Pomurska, Notranjsko-kraška)	5 points
The index assigned to the region where development is threatened is higher than 110 (Podravska, Spodnje Posavska, Zasavska)	4 points
The index assigned to the region where development is threatened is higher than 100 (Koroška, Jugovzhodna Slovenija)	3 points
The index assigned to the region where development is threatened is higher than 90 (Goriška, Savinjska)	2 points
The index assigned to the region where development is threatened is lower than 90 (Gorenjska, Obalno-kraška, Osrednjeslovenska)	1 point

THE METHOD FOR AWARDING GRANT FUNDS

The method used to award grant funds is composed of **two pillars**, and specifically:

1. **The first pillar** is the product of the number of new jobs stated in the investment project and the amount of the grant for an individual newly created job (please see the tables on pages 27 in 28) and depends on the number of the points scored and on whether the investment project is to be made in the manufacturing sector, internationally tradable services sector, or in the research and development activity.
2. **The second pillar** is the percentage of grant funds of the value of the investment and specifically of the value of eligible investment costs/expenses (tangible and intangible eligible costs/expenses) (excluding VAT) that depends on the number of the points scored (please see the table below).

• 60 – up to 64 points	• 5% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 64 – up to 69 points	• 6% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 69 – up to 74 points	• 7% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 74 – up to 79 points	• 8% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 79 – up to 84 points	• 9% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 84 – up to 89 points	• 10% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 89 – up to 94 points	• 11% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)
• more than 94 – up to 100 points	• 12% of the value of eligible costs/expenses incurred under the investment project (tangible and intangible eligible costs/expenses)

The sum of the two values is the amount of the awarded grant funds that **must not** be higher than 30 per cent (for large enterprises), that is, 40 per cent (for medium-sized) or 50 per cent (for small) of eligible costs/expenses incurred under an individual investment project.

In the case of the **first-time** foreign investor in Slovenia (first entry), the value of the awarded grant (the sum of the two pillars) **shall be increased by 50 per cent**, provided it does not exceed 30 per cent (for large enterprises), that is, 40 per cent (for medium-sized) or 50 per cent (for small) of eligible costs/expenses incurred under an individual investment project. The **first-time foreign investor** in Slovenia (first entry) is considered to be the establishment of an enterprise in the Republic of Slovenia, that is, the capital invested for the first time in an enterprise incorporated and registered in the Republic of Slovenia made with the aim to obtain an equity holding in an enterprise, participate in management and corporate governance of the enterprise and in supervision of its operations.

In the case of a first entry by an investor and when two projects are applied to the same opening, the first entry shall be considered for the project that would receive a higher value of allocated grant funds.

Where the application for the award of grant funds would be **in excess of 2 million euros**, a prior approval of the Government of the Republic of Slovenia is mandatory.

The threshold – the minimum number of points for the award of grant funds is 60 points.

In case the investment project receives 0 points for one criterion, the project shall be rejected.

1. INVESTMENT PROJECT IN THE MANUFACTURING SECTOR:

• 60 – up to 64 points	<ul style="list-style-type: none"> • 3,500 euros • for newly created job/employment
• more than 64 – up to 69 points	<ul style="list-style-type: none"> • 4,100 euros • for newly created job/employment
• more than 69 – up to 74 points	<ul style="list-style-type: none"> • 5,000 euros • for newly created job/employment
• more than 74 – up to 79 points	<ul style="list-style-type: none"> • 5,900 euros • for newly created job/employment
• more than 79 – up to 84 points	<ul style="list-style-type: none"> • 6,800 euros • for newly created job/employment
• more than 84 – up to 89 points	<ul style="list-style-type: none"> • 7,700 euros • for newly created job/employment
• more than 89 – up to 94 points	<ul style="list-style-type: none"> • 8,900 euros • for newly created job/employment
• more than 94 – up to 100 points	<ul style="list-style-type: none"> • 10,100 euros • for newly created job/employment

2. INVESTMENT PROJECT IN THE INTERNATIONALLY TRADABLE SERVICES SECTOR:

• 60 – up to 64 points	<ul style="list-style-type: none"> • 3,900 euros • for newly created job/employment
• more than 64 – up to 69 points	<ul style="list-style-type: none"> • 5,200 euros • for newly created job/employment
• more than 69 – up to 74 points	<ul style="list-style-type: none"> • 6,500 euros • for newly created job/employment
• more than 74 – up to 79 points	<ul style="list-style-type: none"> • 7,800 euros • for newly created job/employment
• more than 79 – up to 84 points	<ul style="list-style-type: none"> • 9,100 euros • for newly created job/employment
• more than 84 – up to 89 points	<ul style="list-style-type: none"> • 10,400 euros

	<ul style="list-style-type: none"> • for newly created job/employment
<ul style="list-style-type: none"> • more than 89 – up to 94 points 	<ul style="list-style-type: none"> • 11,700 euros • for newly created job/employment
<ul style="list-style-type: none"> • more than 94 – up to 100 points 	<ul style="list-style-type: none"> • 14,300 euros • for newly created job/employment

3. INVESTMENT PROJECT IN THE RESEARCH AND DEVELOPMENT ACTIVITY:

<ul style="list-style-type: none"> • 60 – up to 64 points 	<ul style="list-style-type: none"> • 10,500 euros • for newly created jobs
<ul style="list-style-type: none"> • more than 64 – up to 69 points 	<ul style="list-style-type: none"> • 12,600 euros • for newly created jobs
<ul style="list-style-type: none"> • more than 69 – up to 74 points 	<ul style="list-style-type: none"> • 14,700 euros • for newly created job/employment
<ul style="list-style-type: none"> • more than 74 – up to 79 points 	<ul style="list-style-type: none"> • 16,800 euros • for newly created job/employment
<ul style="list-style-type: none"> • more than 79 – up to 84 points 	<ul style="list-style-type: none"> • 19,600 euros • for newly created job/employment
<ul style="list-style-type: none"> • more than 84 – up to 89 points 	<ul style="list-style-type: none"> • 22,400 euros • for newly created job/employment
<ul style="list-style-type: none"> • more than 89 – up to 94 points 	<ul style="list-style-type: none"> • 25,200 euros • for newly created job/employment
<ul style="list-style-type: none"> • more than 94 – up to 100 points 	<ul style="list-style-type: none"> • 28,000 euros • for newly created jobs

IV. INSTRUCTIONS TO APPLICANTS FOR PREPARATION AND SUBMISSION OF APPLICATIONS

- **The application for the award of grant funds** accompanied by supporting documents and appendices **shall be filed by the foreign investor** (non-resident); **the grant beneficiary/recipient of co-financing shall be a company incorporated and registered in the Republic of Slovenia.**
- **The description of the investment project** should be **straightforward and clear, containing specific facts** (if you believe that it is necessary to elaborate on certain segments of the project, you may do it in the appendix) and **specifically**, applicants shall use **the format and mandatory forms** provided in the Tender Documentation. **The Tender Documentation must not be altered**, but the size of the tables may be adjusted to accommodate the inserted text.
- **The outline (description) of the investment project shall not be a subject matter of amendment/supplement**; therefore, applicants have to fill in **accurately** this section of the application, since the data stated therein will be treated as **the key segment for the evaluation of applications** (in the absence of the requested data/information to be evaluated, no points will be awarded to the investment project under the respective heading). The **financial part of the investment**, predominately **the amount of the investment and eligible costs/expenses**, should be **stated in a transparent manner, clearly defined and with realistic amounts** (the evaluation committee will not include any vaguely presented costs/expenses in the base for co-financing). Furthermore, **net new jobs/new employment** created under the investment project should be **realistic**.
- **Eligible costs/expenses of the investment project** are the costs/expenses to be co-financed by the Agency and they are in line with the rules for allocating State aid and with the EU rules for the protection of competition. Grant funds will be allocated to co-financing eligible costs **incurred and paid during the period following the date on which the contract to allocate the grant is signed and three years after the date on which the grant contract is signed** (dates of invoices eligible for co-financing).
- **The decision to award grant funds** is taken by the Director of the Agency. The foreign investor will be notified of the results of the Invitation to Tender through his authorised person (proxy) in the Republic of Slovenia within 60 days at the latest following the opening of the received applications. **Any complaints** against the decision may be lodged within the period of 15 days of the receipt of the decision with the Slovenian Public Agency for Entrepreneurship, Innovation, Development, Investment and Tourism. The Ministry of the Economic Development and Technology will decide regarding the complaint.
- The beneficiary (recipient) of grant funds awarded by the Agency for the investment project will be invited to sign a **contract**. Before signing the grant contracts, the beneficiary **will have to fill in the declaration regarding the average number of all persons employed in the enterprise during the previous 12-month period.**
- After signing the grant contract, the beneficiary will submit a duly signed and stamped **request for payment of grant funds** (drawn up in two copies) accompanied by all mandatory appendices (in one copy) in accordance with the grant contract and this document will be **the basis for the disbursement of the awarded grant funds. The last date for submitting a request for payment will be 30 October 2013.**

- When the request for payment is submitted to the Agency, the grant beneficiary must specify the costs/expenses eligible in the context of this Invitation to Tender to be incurred during a three-year period following the date of the signing of the grant contract. The grant applicant must enclose to the request a **bank guarantee issued by an investment-grade bank** undertaking to make the payment upon receipt of the Agency's first written claim and valid for the period of **three years and three months following the date of the signing of the Grant Contract** for the total amount of the grant received in which the bank guarantees on behalf of the beneficiary that the grant funds will be used for the specified purpose and that the investment will be carried out in accordance with the grant application. The text of **the bank guarantee must be identical** to the text of **the specimen bank guarantee** on page 76 of the Tender Documentation. The grant beneficiary may submit documents to prove that the costs/expenses eligible in the context of this Invitation to Tender have been incurred (copies of invoices with a proof of payment) from the date of the signing of the grant contract until the date on which the request for payment is submitted provided that these costs/expenses have been actually paid until the submission of the request for payment. In the case that the request for payment in the financial part of the investment project, specifically, in the schedule of eligible costs/expenses incurred under the investment project **shows total eligible costs/expenses** (the total amount to be co-financed) **lower than** the amount of the approved co-financing of eligible costs/expenses or in the case that no bank guarantee issued by an investment-grade bank in the prescribed form and substance has been submitted, **the request for payment will be rejected**. The bank guarantee will be returned after the completion of the investment in accordance with the provisions of the grant contract.
- The Agency will check whether the awarded **funds have been used for the purpose stated in the grant application** on basis of the submitted supporting documents and it will co-finance eligible costs/expenses only up to approved amount (in %); the amount of value-added tax (VAT) shall not be included in the amount for which co-financing is requested. If at the completion of the investment the financial statement (the price schedule with a breakdown of eligible costs/expenses incurred under the investment project accompanied by supporting documents demonstrating that the eligible costs/expenses have been actually paid – Appendix 3 to the grant contract) show that the eligible costs/expenses, that is, the value of the investment is lower than the approved value of the investment, that is, of the approved eligible costs/expenses, the bank guarantee will be called up (cashed in), that is, a request for payment of the balance will be sent in accordance with the grant contract. Furthermore, the grant beneficiary is **obliged to complete the approved investment project within the time line stipulated in the grant contract in accordance with the purpose and objectives of the investment project** and to **achieve also net new employment within the time line stipulated in the grant contract**. Should that not be the case, it will constitute an act of spending grant funds for unauthorised purposes and **the grant funds will have to be paid back together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed** in accordance with the grant contract.
- For the purpose of filling in the forms/tables, **the initial year for which data/information** shall be entered is the year in which the grant application is submitted.
- The grant application may be written in the **Slovenian or in the English language**. **The request for payment** of grant funds state amounts denominated in **euro (€)**.
- The Invitation to Tender has been published in accordance with the provisions laid down in the Decree on financial incentives for foreign direct investment.

1. DECLARATION MADE BY THE FOREIGN INVESTOR

Foreign investor

Authorised person (proxy).....

The undersigned hereby declare that we agree and accept all terms and conditions laid down in the Invitation to Tender and in the Tender Documentation.

The undersigned declares under the penalties of criminal and civil liability for wilfully making any false statements herein:

- that all the information provided in this grant application is accurate, sincere and complete,
- that all copies enclosed to the grant application are true copies of the original documents,
- that the enterprise is not bankrupt or being wound up, is not having its affairs administered by courts, has not entered into an arrangement with creditors, has not suspended business activities, is not the subject of proceedings concerning these matters, and is not in any analogous situation arising from a similar procedure,
- the enterprise has fulfilled all its obligations relating to the payment of social security contributions and the payment of taxes to the Republic of Slovenia,
- the enterprise is not in a state of insolvency;
- capital adequacy of the foreign investor is in accordance with 3rd paragraph of Article 11 of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (Official Gazette of the Republic of Slovenia, Nos. 126/2007, 40/2009, 59/2009, 52/2010, 106/2010-ORZFPPIPP21, 26/2011, 47/2011, 87/2011-ZPUOOD, 23/2012); an enterprise is deemed to be solvent if it possesses an adequate volume of long-term sources of financing with respect to the volume and types of operation undertaken in the course of carrying out his activity and with respect to the risks to which he is exposed in carrying out such operations (capital adequacy);
- the company is not indicated in the register of subjects to which the limitation applies in accordance with Article 35 of the Integrity and Prevention of Corruption Act (official consolidated text) (OG RS, no. 69/2011);
- we are aware of the condition of necessity, which stipulates that the grant applicant must submit the application for the award of grant funds before the project enterprise starts the investment project in that the project enterprise must not commence the carrying-out of the investment project before the date of the signing of the grant contracts with the Agency. In the case where grant funds are awarded to large enterprises documentation prepared by the grant applicant has to comply with also one or more of the following criteria:
 - a significant expansion of the size of the project or the activity due to the incentive;
 - material expansion of the scope of the project or activity due to the incentive;
 - significantly increase the total amount that the grant beneficiary has spent on the project or activity due to aid;
 - significantly increase at which the project or activities is completed;
 - without awarding the incentive, the project would not have been carried out in the envisaged scope in the particular region.

Place and date:

Signature of authorised person
(proxy):

Form 2

2. APPLICATION FORM FOR FOREIGN INVESTOR

Foreign investor (full address):

.....

.....

.....

The undersigned submit our application in response to the Invitation to Tender for attracting foreign direct investment in 2013 with the investment project:

(title of the proposed project)

.....

Place and date:

Signature of authorised person
(proxy):

3. INFORMATION REGARDING THE TYPE OF THE INVESTMENT PROJECT

Type of the investment project	Tick a box as appropriate	Incorporated and registered activity of the grant beneficiary (under General Classification of Activities - SKD)	Brief justification for classifying the investment project in the category manufacturing / internationally tradable services / R & D activity
1) The investment project in the manufacturing sector	<input type="checkbox"/>		
2) The investment project in the internationally tradable service	<input type="checkbox"/>		
3) The investment project in the research and development activity*	<input type="checkbox"/>		

* The purpose of investment projects in the research and development area must be as follows:

- **industrial research**, that is, carrying out planned research work or critical research oriented towards obtaining new knowledge and skills for the development of new products, processes or services or for substantial improvement of existing products, processes or services, and/or
- **development of prototypes** for commercial use, and these prototypes are also final/end market product and their production is too expensive for the research to be used only for the purpose of presenting and evaluating their merits.

The beneficiary of the grant for the investment project in the research and development activity must enclose to the final report on the new jobs created also the organisational chart and a valid internal act on the classification of work posts.

Insofar as the grant beneficiary intending to carry out the investment project in the area of development and research activity is not registered for engaging in the research and development activity (under the Standard Classification of Activities – SKD 2008, V2, category code M72), the research and development unit must be managed as a separate organisational unit. Should that be the case, the grant beneficiary must add a declaration made in writing (Form 14) stating that the research and development unit will be managed as a separate organisational unit. The development and research tasks must be stated in the organisational chart and in the effective act on the classification of work places of the grant beneficiary.

4. GENERAL INFORMATION REGARDING THE FOREIGN INVESTOR

1.	Registered name (firm) of the enterprise						
2.	Date of incorporation and registration						
3.	Economic activity						
4.	Account number and the name of the bank						
5.	Full business address						
6.	Telephone number						
7.	Fax number						
8.	E-mail address						
9.	Website						
10.	Managing director (CEO)						
11.	Contact person						
12.	Position of the contact person in the enterprise						
13.	Annual turnover 2011 in Euros						
14.	Annual turnover 2012 in Euros						
15.	Number of employees in 2011						
16.	Number of employees 2012						
17.	Envisaged number of employees in 2013						
18.	Average number of employees by line of business in 2012	Management	Administration	Manufacturing	Services	R&D	Other
19.	Size of the enterprise (small, medium-sized, large)*						

* In accordance with Appendix I of the Commission Regulation (EC) No. 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of articles 87 and 88 of the Treaty (General Block Exemption Regulation) (OJ L No. 214/2008 of 9.8.2008, page 3).

SUPPORTING DOCUMENTS TO BE ENCLOSED:

1. **A copy of entry into (extract from) a court** or other official **register** of legal entities in which the foreign investor is registered (such a register is kept in the foreign investor's home country); **the document shall not be older than one month** (after the date of the submission of the grant application); certified **translated into the Slovenian or into the English language**.

2. The balance sheet and the profit and loss account (income statement) of the foreign investor for the financial years **2011** and **2012**, that is, for the two preceding financial years, **duly stamped and signed** by the person responsible of the foreign investor and **translated into the Slovenian or into the English language**; the translation must be duly stamped and signed by the authorised person (proxy) of the foreign investor just like other documents.

5. FINANCIAL POSITION OF FOREIGN INVESTOR

5.1. Brief corporate history

5.2. Ownership (current ownership/shareholding structure with shares/stakes; listing any modifications to the legal status)

5.3. Operations

- economic activity
- description of the most important products and/or services
- development /technology
- operating results (for the last three financial years)
- business network: main customers, supplier companies, markets, trademarks, etc.
- interest (equity holdings) in companies complete with the organisational chart
- listings on stock exchanges
- co-operation with scientific research institutions complete with supporting documents (*Co-operation based on legal obligation for the pursuit of business does not represent co-operation with scientific research institutions.*)
- quality standard certificates obtained
- terms of reference and specific description of projects of similar nature and scope already completed in home country and abroad
- other

5.4. QUALIFYING REQUIREMENTS relating to the foreign investor's experience gained by operating in the economic activity in which the grant beneficiary operates or in the area of the proposed investment project; providing accurate information and descriptions of the projects already executed in the home country/abroad or in the beneficiary's economic activity (line of business) or in the area of the investment project proposed for co-financing (or both) and submitting supporting documents to prove successful execution of those projects.

5.5. VISION, STRATEGIC ORIENTATION AND BUSINESS PLANS AND OBJECTIVES of the enterprise for the forthcoming period of three to six years in relation to the investment project in the Republic of Slovenia.

5.6. THE MOST IMPORTANT PRODUCTS AND/OR SERVICES OF THE FOREIGN INVESTOR

	Most important products and/or services	Share in total sales in 2012 in %	Share in total exports in 2012 in %
1.			
2.			
3.			
4.			
5.			

5.7. SALES (IN EUROS) AND MAIN MARKETS OF THE FOREIGN INVESTOR

		2011	2012	2013 (načrt)	2014 (načrtt)
A	Volume of sales				
B	Volume of exports				
	Export market 1: _____				
	Export market 2: _____				
	Export market 3: _____				
	Other markets: _____				

Form 6

6. THE DECLARATION OF INTERESTS (EQUITY HOLDINGS) OF THE GRANT APPLICANT IN COMPANIES INCORPORATED AND REGISTERED IN THE REPUBLIC OF SLOVENIA

Foreign investor.....

Authorised person (proxy).....

We declare under the penalties of criminal and civil liability for wilfully making any false statements herein, that we have in the Republic of Slovenia an equity holding only in the project enterprise, and this enterprise is the beneficiary (recipient) of the grant.

YES

NO

If the applicant has circled "NO", then:

We declare that we have equity holdings also in the following companies in the Republic of Slovenia:

Registered name of the enterprise (firm)	Company registration number

Place and date:

Signature of authorised person
(proxy):

Form 7

7. POWER OF ATTORNEY GRANTED BY THE GRANT APPLICANT/FOREIGN INVESTOR

(This form is mandatory)

Foreign investor

Authorised person (proxy).....

The undersigned grant this Power-of-Attorney to the grant beneficiary

Official name of the enterprise in full:

Official address in full:

Represented by:

To receive on our behalf any and all mail sent by the Public Agency and the Ministry of the Economic Development and Technology and to carry out all acts in the course of the procedure vis-à-vis the grant application submitted in the context of the Invitation to Tender for attracting foreign direct investments in 2013, published by the Slovenian Public Agency for Entrepreneurship, Innovation, Development, Investment and Tourism.

Place and date:

Signature of authorised
person/proxy (applicant):

8. THE DESCRIPTION OF THE INVESTMENT PROJECT PROPOSED FOR CO-FINANCING

(NOT THE SUBJECT MATTER OF ANY AMENDMENT!)

Specify in detail and explain!

8.1. THE SUBJECT MATTER AND OBJECTIVES OF THE INVESTMENT PROJECT PROPOSED FOR CO-FINANCING

8.1.1. The subject matter the investment project with a detailed description of the initial investment

8.1.2. The results/output of the investment project in figures

8.1.3. Finished products manufactured/services rendered in the context of the investment project, that is, the results of conducting industrial research

- a detailed description of the finished/end products manufactured or services rendered in the context of the investment project, that is, the results obtained by carrying out industrial research
- planned output, that is, sales:
 - 1) a description of the planned sales in the market of the results of industrial research (known buyers or users)
 - 2) a table with finished/end products manufactured/services rendered in the context of the investment project following the completion of the investment:

	Finished (end) products/ services the investment project	Share in total sales in _____ (in %)	Share in total sales in _____ (in %)	Share in total sales in _____ (in %)
1.				
2.				
3.				
4.				
5.				

8.1.4. An outline of the technological process in the context of the investment project

8.1.5. The development of products and/or services in the context of the investment project

- Strategy of the development of the products/services, that is, the strategy of the R & D unit development
- Investment in technology and equipment for the R & D unit specified by type and quantity together with the price and time schedules.

8.1.6. Location (site) of the investment project and within the location boundaries the position of the facility (with a drawing of the facility)

An extract from the land register not older than 1 month or cadastral data on the planned location on the basis of which the evaluation committee can obtain data from the official register, must be enclosed with the application.

8.1.7. Hiring workforce for the investment project

- Description of the educational structure / qualification profile for new jobs for the investment project at the end of the investment project

Completed level of education	% of employed
Less than Level V of education (Slovenian classification system)	
Completed Level V of education (Slovenian classification system)	
Completed at least 6/2 level of education	

- Table: Number of new employees for the investment project

The creation of NEW JOBS for the INVESTMENT PROJECT proposed for co-financing for each year separately for the following six years after the signing of the grant contract:

	2013	2014	2015	2016	2017	2018	Total
Management							
Administration							
Manufacturing activity							
Service activity							
Research and development							
Other							
Total							

The grant beneficiary will make a commitment in the contract to award grant funds **to create a total of _____ new jobs** arising from the proposed investment project. **X no later than three years after the date of the completion of the investment,**

The new employment created must represent a **net increase in the number of employees**, directly employed in the enterprise concerned **compared with the average number of employees over the past 12 months before signing the grant contract**, and the number of persons employed full time and part time is taken into account pro rata. Consequently, every job lost during these 12 months has to be deducted from the total number of the jobs created during the same period. New employment must be created no later than three years after the date the completion of the investment. Employment must be maintained in the region for a minimum of five years, in the case of medium-sized in small enterprises for a minimum of three years after the day when the jobs were created for the first time. For the employments created before the day of the completion of the investment, the period during

which the employment must be maintained shall be calculated from the date on which the investment is completed onward.

Where **employees are shifted from the associated undertakings to the project enterprise** of the grant beneficiary shall not be considered as new employment created, that is, net new jobs. **Whether or not legal entities are connected (existence of close links) is examined in accordance with the relevant provisions laid down in the Companies Act – ZGD-1.**

- Education/training costs

Please assess COSTS FOR TRAINING employees listed in the table above for the next 6 years:

	2013	2014	2015	2016	2017	2018	Total
Management							
Administration							
Manufacturing							
Services							
Research and development							
Other							

Please specify all types of education/training related to the investment project for each group of employees (management, administration, manufacturing, services, R & D, other):

8.1.8. Time schedule for the investment

- A DETAILED PRESENTATION OF THE ACTIVITIES ENVISAGED TO BE CARRIED OUT IN THE CONTEXT OF THE INVESTMENT PROJECT UNTIL THE COMPLETION OF THE INVESTMENT (no later than three years after the date on which the grant contract is signed)

Economic activity and its description	Time schedule of the economic activity	Results of the economic activity
1.		
2.		
3.		
4.		
5.		
6.		

The tentative date for the completion of the investment *: _____

* The **date of the completion of the investment** means the completion of the works on the investment project stated in the grant application and at the same time achieving the value of the investment in the amount stated in the grant application and in no case it may occur later than three years after the date on which the grant contract is signed.

8.1.9. The objectives of the investment project

The envisaged realistic objectives until the completion of the investment project, which means the completion of the investment part and the creation of new jobs.

The envisaged realistic objectives until the completion of the investment project	Elaborate on the envisaged objectives
Economic	
Marketing	
Development, technological process	
Human resources	

8.1.10. Environmental impact of the investment project

Please provide a general evaluation of the following:

- The impact of the investment project on the exploitation of the natural resources (water, air, mineral raw materials, flora and fauna)?
- Does the investment project require substantial quantities of natural resources, even though it does not pose a threat to their rarity and regeneration and reproduction capacities?
- Does the investment project envisage intensive use of natural resources and, as a consequence, a significant reduction of their renewability?
- Does the activity to be carried out in the context of the investment project cause emissions that exceed the limit value of matter and energy into water, air, soil and the limit values of emissions?
- Does the activity carried out under the investment project envisage generation of hazardous waste and how such waste will be stored, that is, dumped?
- Can the products be recycled, that is, state whether the products are environment-friendly?

8.2. ANALYSIS OF THE INVESTMENT PROJECT (the analysis must refer to the investment project itself and not to the foreign investor or the Slovenian enterprise – the grant beneficiary/recipient)

8.2.1. Sales markets for the finished products/services/research

- The target markets for selling finished (end) products and/or services in the context of the investment project (in the Republic of Slovenia and in the countries to which these products/services are exported) complete with data regarding the size of the market (in the Republic of Slovenia and in the countries to which these products/services are exported)
- The table below contains sales figures for finished (end) products and/or services in the context of the investment project for every export market

ASSESSMENT OF SALES OF FINISHED PRODUCTS/SERVICES/RESEARCH IN THE CONTEXT OF THE INVESTMENT PROJECT IN THE MAIN MARKETS

	In thousands of euros	2013	2014	2015	2016	2017
A	Volume of sales					
B	Volume of exports					
	Export market 1: _____					
	Export market 2: _____					
	Export market 3: _____					
	Export market 4: _____					
	Export market 5: _____					
	Other markets					

- Target customers (also any already concluded contracts, letters of intent signed, etc.):
- Suppliers: (for investment projects in the manufacturing sector or development-research sector, it shall be necessary to indicate the expected supplier companies as well as their share in the entire value of supplier companies. In case the supplier companies and their shares are not indicated, the commission will give the project maximum 1 point for criterion 3 (share of domestic supplier companies). The share must be achieved no later than by the end of the investment project.
- Assessment of market potential for future growth:

8.2.2. Assessment of competitors

- The existing competitors for finished products/services manufactured/rendered in the context of the investment project in the Republic of Slovenia and abroad:
- Advantages /weaknesses of the finished products/services manufactured/rendered in the context of the investment project in comparison with competitive products and/or services:
- Assessment of market strength of customers and supplier companies (an estimate of the share of Slovenian customers and supplier companies is mandatory)
- Assessment of the possibility for the transfer of technology to other Slovenian enterprises and assessment impact the investment project on productivity other enterprises in the sector (horizontal and vertical)

8.2.3. Marketing strategy for the investment project

- Pricing strategy:
- Position in the market:
- Sales/distribution:
- Advertising:

8.2.4. SWOT analysis for the investment project

8.3. FINANCIAL PART OF THE INVESTMENT

8.3.1. FINANCIAL STRUCTURE OF THE INVESTMENT

THE NET VALUE THE INVESTMENT HAS TO BE ACHIEVED AT THE COMPLETION OF THE INVESTMENT AND IT SHALL BE NO LATER THAN AT THE EXPIRY OF THE THREE-YEAR PERIOD FOLLOWING THE DATE ON WHICH THE GRANT CONTRACT IS SIGNED

Please specify the net value of the investment for each group of fixed assets (property, plant and equipment):

Assets	2013	2014	2015 (if the investment has not been completed)	2016 (if the investment has not been completed)	Total in Euros excluding VAT
Tangible investments/Tangible fixed assets (property, plant and equipment) in Euros					
Utilities/service connections and infrastructure facilities for the land parcel					
Purchase/construction of buildings with land on which the building stands, that is, modernisation of buildings					
Purchase of machinery and equipment (new, that is, also second-hand in case of SMEs)					
Other equipment					
Total in Euros					
Intangible investments /intangible assets in Euros					
Acquisition of patents/licences/ know-how/unpatented technical knowledge (where investments are made in large enterprises, intangible investment costs/expenses eligible for co-financing shall not exceed 50 per cent of eligible costs/expenses of the total investment)					
TOTAL costs/expenses of tangible & intangible investments in Euros excluding VAT:					

The tentative date for the completion of the investment *: _____

* The **date of the completion of the investment** means the completion of the works on the investment project stated in the grant application and at the same time achieving the value of the investment in the amount stated in the grant application and in no case it may occur later than three years after the date on which the grant contract is signed.

8.3.2. ELIGIBLE COSTS/EXPENSES INCURRED IN THE CONTEXT OF THE INVESTMENT AND REQUEST FOR PAYMENT

Grant funds will be awarded to co-finance **eligible costs/expenses incurred during a three-year period following the date of the signing of the grant contract**. The grant beneficiary/recipient must issue a request for payment **on 30 October 2013 at the latest**. The grant applicant must enclose to the request a **bank guarantee issued by an investment-grade bank** undertaking to make the payment upon receipt of the Agency's first written claim and valid for the period of **three years and three months following the date of the signing of the Grant Contract** for the total amount of the grant received in which the bank guarantees on behalf of the beneficiary that the grant funds will be used for the specified purpose and that the investment will be carried out in accordance with the grant application. The date of the invoice shall be deemed to be the date on which the invoiced cost was incurred.

Please state eligible costs/expenses in respect of the investment proposed for co-financing:

Type of eligible cost/expense	Value in Euros excluding VAT
Tangible eligible costs/expenses	
A. Utilities/service connections and infrastructure for the land parcel:	
1.	
2.	
Total A	
B. Purchase/construction of buildings with land lying directly under the building* and modernisation of buildings:	
1.	
2.	
Total B	
C. Purchase of (new, that is, in the case of SMEs also second hand) machinery and equipment:	
1.	
2.	
Total C	
Intangible eligible costs/expenses	
D. Acquisition of patents/licences/know-how/unpatented technical knowledge (where investments are made in large enterprises, intangible investment costs eligible for co-financing shall not exceed 50 per cent of eligible costs of the total investment)	
1.	
2.	
Total D	
TOTAL : tangible and intangible and operating (administrative) costs A+B+C+D in Euros	

* The purchase of land eligible for co-financing shall be the portion of the entire parcel on which buildings have been constructed, that is, on which buildings will be constructed. The portion of the parcel eligible for co-financing in the context of this Invitation to Tender shall be determined on the basis of the documentation for the construction and/or the extract from the Land Register, as well as the actual use of land. In the case that the value of the portion of the parcel lying directly under the building cannot be determined on the basis of the real estate sales contract, the grant beneficiary must

submit a valuation report for the parcel duly certified by a court-appointed valuer, which states the value of the portion of the parcel lying directly under the building.

The expenditure for the purchase of land must not exceed 25 per cent of the total amount of eligible costs. The purchase of land and the purchase of buildings is eligible for co-financing except in the cases where the real estate – land parcel and buildings – is purchased from the first-, second- and third-degree relatives or from a private individual who has been registered as a sole proprietors (s.p.) and his company or between the shareholders of the company and the company.

8.3.3. THE DESCRIPTION OF INDIVIDUAL ITEMS OF ELIGIBLE COSTS BY THE TYPE OF COST/EXPENSE:

8.3.4. SOURCES OF FUNDING FOR THE INVESTMENT PROJECT PROPOSED FOR CO-FINANCING

Sources of funding in euros (excluding VAT)	2013	2014	2015 (if the investment is still work-in-progress)	2016 (if the investment is still work-in-progress)	Total
Shareholder equity (foreign)					
Shareholder equity (local)					
Budgeted grant funds (a maximum of 30 per cent, 40 per cent, that is, 50 per cent of eligible costs)					
Bank loans (state expected interest rate)					
Company loans (state expected interest rate)					
Bonds (state expected interest rate)					
Other sources of funding (please specify and state expected interest rate)					
TOTAL in euros (excluding VAT)					

The grant applicant must provide funding **from own sources** and/or sources of the grant beneficiary and in the form not connected with State resources in the amount of at **least 25 per cent of eligible costs** incurred under the tangible and intangible investments.

8.3.5. FORWARD-LOOKING FINANCIAL STATEMENTS FOR THE GRANT BENEFICIARY FOR THE FIRST FIVE YEARS WITH FINANCIAL JUSTIFICATION

- Without the investment:
- With the investment:
- Financial justification:

8.3.6. EXTERNAL EFFECTS OF THE INVESTMENT PROJECT ON SLOVENIA

By conducting a cost/benefit analysis, please provide an assessment of the possible external effects of the investment project on the Republic of Slovenia:

in millions of euro	2013	2014	2015	2016	2017	TOTAL
LABOUR COST						
Aggregate net salaries						
Aggregate contributions for pension and disability and health insurance						
Aggregate personal income tax						
CORPORATE TAX						
SERVICES IN THE REPUBLIC OF SLOVENIA						
Electric power						
Telecommunication services						
Education/training						
Rental fees for business premises						
Insurance premiums						
Fuel						
Other (please specify)						
PURCHASE OF SLOVENIAN PRODUCTS (please specify in detail)						
TOTAL						

8.4. ELIGIBILITY FOR AND THE SIGNIFICANCE OF THE GRANT FOR THE INVESTMENT AND THE EFFECTS OF THE INVESTMENT PROJECT ON THE OPERATING RESULTS OF THE PROJECT ENTERPRISE

9. THE PROJECT TEAM

9.1. MEMBERS OF THE PROJECT TEAM

First name and family name	Enterprise in which he/she is currently employed	Area of work/expertise	Area for which he/she will be responsible under the project

9.2. PROJECT MANAGER

First name and family name:	
Enterprise in which he/she is currently employed:	
Area of work/expertise:	
Professional qualification and position:	
The field for which he/she will be responsible under the project:	

APPENDIX: Curriculum Vitae of the project manager with a description of professional experience

10. DECLARATION OF THE GRANT BENEFICIARY

The company incorporated and registered in the Republic of Slovenia (hereinafter referred to as the grant beneficiary)

.....

Authorised person (proxy).....

The undersigned hereby declare that we agree and accept all the terms and conditions laid down in the Invitation to Tender and the Tender Documentation.

We declare under the penalties of criminal and civil liability for wilfully making any false statements herein, that:

- the grant beneficiary hereby undertakes to comply with the OECD Guidelines for Multinational Enterprises and the principles laid down in the Declaration on International Investments and Multinational Enterprises adopted at the Council of Ministers of the OECD member countries on 27 June 2000;
- no bankruptcy proceedings, compulsory composition proceedings or liquidation proceedings, i.e. winding up have been initiated against the grant beneficiary by the court's final judgement;
- the grant beneficiary is not in a state of insolvency;
- capital adequacy of the grant beneficiary is in accordance with the 3rd paragraph of Article 11 of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (Official Gazette of the Republic of Slovenia, Nos. 126/2007, 40/2009, 59/2009, 52/2010, 106/2010-ORZFPPIPP21, 26/2011, 47/2011, 87/2011-ZPUOOD, 23/2012); the project enterprise is deemed to be solvent if it possesses an adequate volume of long-term sources of financing with respect to the volume and types of operation undertaken in the course of carrying out his activity and with respect to the risks to which he is exposed in carrying out such operations (capital adequacy);
- at the time of the submission of the application for the award of the grant funds, the grant beneficiary is not in difficulty in accordance with the Community Guidelines on state aid for rescuing and restructuring firms in difficulty (UL C 244 of 1 October 2004, p. 2) and the Act Governing Rescue and Restructuring Aid for Companies in Difficulty (Official Gazette of the Republic of Slovenia, Nos. 44/2007-UPB2, 51/2011). Small and medium-sized enterprises operating for less than three years after the incorporation and registration date, shall not be considered as enterprises in difficulty within the meaning of the Community Guidelines on State aid for rescuing and restructuring firms in difficulty, unless they comply with the criteria for instigating bankruptcy procedure under the regulations that govern financial operations of enterprises;
- the company is not indicated in the register of subjects to which the limitation applies in accordance with Article 35 of the Integrity and Prevention of Corruption Act (official consolidated text) (OG RS, no. 69/2011);
- the grant beneficiary has no outstanding liabilities to the Republic of Slovenia;
- the products to be manufactured do not fall within the scope of primary production (the agricultural sector) on the list in Annex I to the Treaty Establishing the European Community

for the production of products intended to imitate or substitute milk and milk products, and cork products under CN codes 4502, 4503 and 4504, fisheries and aquaculture, coal-mining, steelworks, transport, shipbuilding, synthetic fibres industry, manufacturing of arms and ammunition, electricity generation and distribution;

- the subject of internationally tradable service is not commerce, tourism, civil engineering, education or medical and social care;
- processing and putting on market of agricultural products when the amount of the co-financing is determined by taking into consideration the price, i.e. the quantity of such products purchased from primary processors or placed on the market by the respective enterprise, or when the co-financing is conditional on whether it is partly or completely passed on to primary processors;
- the investment project is not carried out for the economic activities directly associated with exports directly connected with the exported quantities, with setting up and operating a distribution network or with other operating costs in relation to the exporting activity. Furthermore, no grant funds are awarded in the cases where the use of domestic goods would be given advantage over the use of imported goods;
- we are not in a procedure of paying back any amount of State aid received unlawfully pursuant to the Commission Decision (EC) declaring the granted State aid unlawful and incompatible with the common market of the Community;
- we are aware of the condition of necessity, which stipulates that applicants must file their applications for grant funds before the project enterprise started with the implementation of the investment project and that the project enterprise must not embark on the implementation of the investment project before the date of the contract signing with the Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments. In the case that grant funds are awarded to large enterprises, the documentation prepared by the applicant, must fulfil also one or several of the following criteria:
 - A significant extension of the size of the project companies or activity as a result of the co-financing;
 - A significant increase of the scale of the project or activity as a result of the co-financing;
 - A significant increase of the total amount spent by the beneficiary on the project or the activity as a result of co-financing;
 - A significant increase in the speed in achieving completion of the investment project or activity;
 - In the case that incentive no co-financing is awarded, the investment project as such would not have been carried out in the respective region;
- are all information stated in this application and in the supporting documents is true and complete;
- all enclosed documents are true copies of original documents.

Place and date:

Signature of authorised person
(proxy):

11. DECLARATION OF THE GRANT BENEFICIARY ON THE AWARD OF STATE AID

The grant beneficiary

Authorised person (proxy).....

We, the undersigned, hereby declare:

- that the financial incentive awarded under this Invitation to Tender is treated as a form of State aid;
- that we will inform the Agency without any undue delay of any and all funding received from State resources;
- that we are aware that the aggregate awarded State aid for the costs/expenses eligible in the context of this Invitation to Tender must not exceed 30 per cent (for large enterprises), 40 per cent (for medium-sized enterprises), that is, 50 per cent (for small enterprises) of eligible costs/expenses incurred.

We declare under the penalties of criminal and civil liability for wilfully making any false statements herein:

- that the project enterprise has received for the costs specified below eligible in the context of this Invitation to Tender from other forms of State aid from the national government budget, local budget or the EU funding financial incentives in the amount of euros;

Eligible costs/expenses (v EUR):

Type of eligible cost/expense	Amount of co-financing (already received State aid)	Source of co-financing
Service connections and infrastructure facilities for the land parcel		
Purchase/construction of buildings complete with land lying directly under the building , that is, modernisation of buildings		
Purchase of machinery and equipment		
Acquisition of patents, licences, know-how or unpatented technical knowledge (in case of investments in large enterprises, eligible costs/expenses incurred for intangible investments must not exceed 50 per cent of eligible costs/expenses of total investment)		

Cumulation of state aid instruments means that every State aid received is cumulated with other State aid. Consequently, the purpose of the cumulation rule is to ensure that the intensity of State aid is not higher than the maximum aid allowed. If the recipient of the co-financing has already received funding from the budget of the central government , the local government or from the EU budget, i.e. if the aggregate amount of the funding received under State aid exceeds the ceiling State aid measure determined by the rules governing the area of State aid measures, or such funding has been approved, the contract agreement shall be terminated and the Agency shall require payment of all sums already paid together with statutory interest on late payment covering the period between the date of payment and the date when the Agency receives full payment of the amount owed.

Place and date:

 Signature of authorised person
(proxy):

Form 12

**12. INFORMATION ON THE GRANT BENEFICIARY INCORPORATED AND
REGISTERED IN THE REPUBLIC OF SLOVENIA**
GENERAL INFORMATION REGARDING THE GRANT BENEFICIARY

1.	Name of the enterprise (firm)						
2.	Registration date						
3.	Registration number						
4.	Tax number						
5.	Activity (SKD)						
6.	Name of the bank and account number						
7.	Address and postal code						
8.	Phone and fax						
9.	E-mail address						
10.	Home page						
11.	Director						
12.	Contact person						
13.	Position of the contact person in the enterprise						
14.	Net sales revenue in 2011						
15.	Net sales revenue in 2012						
16.	Total revenue in 2011						
17.	Total revenue in 2012						
18.	Number of employees in 2011						
19.	Number of employees in 2012						
20.	Estimated number of employees in 2013						
21.	Number of employees by area in 2012	Management	Administration	Manufacturing	Services	R&D	Other
22.	Size of enterprises (small, medium-sized or large)*						
23.	Direct ownership/equity holding of the grant applicant in the grant beneficiary (please specify the exact amount of equity holding)						
24.	The region in which the investment project will be located						

* In accordance with Annex 1 to the Commission Regulation (EC) No. 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (Regulation on General Block Exemptions), (UL L No. 800/2008 of 9.8.2008, p. 3)

13. BENEFICIARY'S OPERATIONS

13.1. Brief corporate history

13.2. Ownership (current ownership/shareholding structure with shares/stakes; changes in ownership)

13.3. Operations

- economic activity
- description of the most important products and/or services
- development /technology
- business network: main customers, supplier companies, markets, trademarks, etc.
- interest (equity holdings) in companies complete with the organisational chart
- co-operation with scientific research institutions (in the past and planned in forthcoming years) (in the past and planned in forthcoming years) complete with supporting documents
- quality standard certificates
- operating results (for the last three financial years)
- forward-looking financial statements/budget (for the next three years)
- other

13.4. The most important products and/or services in total sales of the grant beneficiary

	The most important products and services	Share of total sales in 2012 in %	Share of total exports in 2012 in %
1.			
2.			
3.			
4.			
5.			

13.5. Sales in main markets of the grant beneficiary

	In thousand EUR	2011	2012	2013 (plan)	2014 (plan)	2015 (plan)
A	Volume of sales					
B	Volume of exports					
	Export market 1: _____					
	Export market 2: _____					
	Export market 3: _____					
	Export market 4: _____					
	Export market 5: _____					
	Other markets					

14. DECLARATION OF THE GRANT BENEFICIARY THAT THE RESEARCH AND DEVELOPMENT ACTIVITY WILL BE SET UP AS A SEPARATE ORGANISATIONAL UNIT

Enterprise name

(firm):

(full registered name (firm) of the grant beneficiary)

Address:

(street and house number of the registered office of the grant beneficiary)

.....

(postal code and town/city of the registered office of the grant beneficiary)

Authorised person (proxy)

.....

(first name and family name and position/function occupied by this person)

hereby declares:

1. that the research and development activity will be set up as a separate organisational unit as shown in the enclosed organisational scheme, that is, chart of the grant beneficiary,

2. that the research and development tasks will be specified in the organisational scheme/chart and in the internal act on the classifications of work posts.

Place and date:

Signature of authorised person
(proxy):

15. DRAFT OF GRANT CONTRACT

In the case the decision has been made to award the grant, the grant beneficiary will sign a contract with the Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments. Before signing the grant contracts, the grant beneficiary shall also complete the declaration on the average number of all employees over the preceding 12 months. In the provisions of the grant contract, the Agency and the grant beneficiary will specify the allocation of the grant, the manner and the format for reporting by the grant beneficiary on the progress in the carrying out of the project for which the grant has been awarded, and the manner and the procedure of supervision conducted by the Agency of the use of the received funding for the specific purpose.

SLOVENIAN PUBLIC AGENCY FOR ENTREPRENEURSHIP, INNOVATION, DEVELOPMENT, INVESTMENT AND TOURISM, Dimičeva ulica 13, Ljubljana, Ljubljana, represented by Acting Director Boštjan Skalar (hereinafter referred to as: the Agency)

Tax identification number:

Registration number:

of the one part,

and

..... represented by Director
..... (hereinafter referred to as: the grant beneficiary)

Tax identification number:

Registration number:

Bank account:

Name of the bank:

of the other part,

have made and entered into the following

GRANT CONTRACT No. FOR CO-FINANCING OF ELIGIBLE COSTS

Article 1

This Grant Contract is concluded on the basis of the Invitation to Tender for attracting foreign direct investments in 2013 (Official Gazette of the Republic of Slovenia No., hereinafter referred to as: the Invitation to Tender), the application No. for the award of grant funds filed by the foreign investor..... received on and the Decision of the Agency to award the grant number dated The application filed by foreign investor is deemed to form an integral part of the Grant Contract.

Article 2

The contracting parties hereby establish that the grant funds have been awarded to the grant beneficiary (recipient) under the Invitation to Tender on the basis of the Decision to award grant funds passed by the Agency.

Article 3

The subject matter of the Grant Contract is the grant for co-financing a portion of the eligible costs incurred for the activities in the course of the carrying-out of the investment project ».....« (hereinafter referred to as: the investment project), as it has been approved and is seen from the application, whose purpose in addition to the transfer of knowledge, technology, linking the foreign investors with Slovenian enterprises and the promotion of balanced regional development, as well as the creation of net new jobs.

The subject matter of this Grant Contract is co-financing the activities in relation to the initial (greenfield) investments to be carried out by the grant beneficiary within the territory of the Republic of Slovenia. Within the framework of these activities, grant funds are awarded to eligible costs incurred when establishing a new enterprise, expansion of an existing enterprise, diversification of products enterprises with new additional products or fundamental changes in the production process in an existing enterprise that already operates in the area of manufacturing activities, service activities that se tradable internationally, in the development research activity and which are:

- costs of **tangible investments** (the investment in tangible assets, that is, the purchase and construction of buildings together with land on which the building stands and modernisation of buildings, provision of service connections and infrastructure facilities for industrial land, purchase of new plant, machinery and equipment (in the case of SMEs also purchase of second-hand plant, machinery and equipment). The expenditure for the purchase of land must not exceed 25 per cent of the total amount of eligible costs. The purchase of land and the purchase of buildings is eligible for co-financing except in the cases where the real estate – land parcel and buildings – is purchased from the first-, second- and third-degree relatives or from a private individual who has been registered as a sole proprietors (s.p.) and his company or between the shareholders of the company and the company. The costs eligible in the context of this Invitation to Tender as tangible investments are also the costs incurred for leasehold of land and buildings provided that the leasehold agreement is concluded as a minimum for a five-year period after the expected project completion date for large enterprises and three years for small and medium-sized enterprises. Where a lease contract is concluded for machinery and equipment, only the costs of such a lease concluded as a finance lease with the obligation to purchase the machinery and equipment at the lease contract expiry date shall be deemed eligible for co-financing. The terms and conditions of the lease shall be arranged at market conditions.
- costs of **intangible investments** (investment in intangible assets, that is, acquisition of patents, licences, know-how or unpatented technical knowledge; in the case of investments in large enterprises, these costs may account for a maximum of 50 per cent of eligible costs/expenses of the total investment). Intangible investments must be used exclusively in the enterprise, which is the grant beneficiary. These assets shall be treated as assets to be amortised. They must be purchased from a third party at market conditions. They must be included in the fixed assets of the enterprise in the case of large enterprise they must remain in the enterprise, which has received grant funds for at least 5 years, in the case of small or medium-sized enterprises, this period is at least 3 years.

In the case of purchase of used machines and equipment, a statement from the seller shall be necessary claiming that the purchase did not take place in the last five years with financial aid from the national, local or EU budget.

In the context of this Invitation to Tender, value-added tax (VAT) and the fee charged to change the purpose of land and other taxes and levies shall not be accepted as costs eligible for co-financing.

The grant funds awarded to the investment project shall not exceed the agreed contractual value, which shall not account for more than 30 per cent (for large enterprises), 40 per cent (for medium-sized enterprises) or 50 per cent (for small enterprises) of the presented eligible costs/expenses.

The total amount of co-financing to be allocated to the investment project shall not exceed the agreed amount of the grant and it is up to 24 per cent, 32 per cent and 40 per cent of the stated eligible costs (depending on the size of the enterprise), if the enterprise/enterprise received aid in the form of venture capital during the period of three years before submitting the grant application.

Article 4

The contractual value totals to a maximum of euros. The Agency will transfer this amount to the grant beneficiary in 2013.

The grant beneficiary may use the awarded funding solely for the purposes specified in Article 3 of this grant contract throughout the duration of the contract and under the terms and conditions for the award of the grant funds stipulated in the Invitation to Tender, the Tender Documentation, the application and in this grant contract.

The credit transfer made to the grant beneficiary is a grant and it is a form of State aid.

The Agency shall monitor the use of the grant funds by having the person responsible for the contract before honouring the request for payment on the basis of the off-site examination of the reports and the supporting documents and on-site examination check their eligibility and the grant amount to be disbursed (annexes to the grant contract Nos. 1, 2, 3, 4, 5, 6 complete with the supporting documents and appendices).

Article 5

The basis for disbursing the grant funds shall be the request for payment prepared by the grant beneficiary and certified by the person responsible for the contract by the Agency. The mandatory form and the content of the request are stipulated in Appendix 1 to this Grant Contract. The payment request forms an integral part of this Contract, mandatory appendices to accompany the request are listed below:

- a report on the progress and the results of the investment project, the scope and content of which are defined in Appendix 2 to this Grant Contract,
- financial calculation of the project / schedule of eligible costs incurred under the investment project, the scope and content of which is defined in Appendix 3 to this Grant Contract. The grant beneficiary may submit supporting documents relating to the incurred costs eligible in the context of this Invitation to Tender (copies of invoices with supporting documents to prove that payments have been actually made) following the date of the signing of the Grant Contract until the date on which the request for payment is submitted and being actually paid until the submission of the request for payment.
- a report on net new jobs accompanied by supporting documents relating to the new employees hired to work on the investment project, that is, relating to all employees in the enterprise, the scope and content of which is defined in Appendix 4 to this Grant Contract,
- the original banking guarantee issued by an investment-grade bank identical to the specimen bank guarantee in Appendix 5 to this Grant Contract referred to in the third paragraph of this Article, and
- the declaration of the grant beneficiary, that all copies of the enclosed documents are true copies of the original documents (Appendix 6 this Grant Contract).

Under the co-financing scheme, grant funds will be awarded to cover a part of eligible costs/expenses incurred during a three-year period following the date of the signing of the Grant Contract. The grant beneficiary must issue a request for payment for the disbursement of grant funds within 60 days of the signing of the contract or no later than 30 October 2013. The grant applicant must enclose to the request a bank guarantee issued by an investment-grade bank undertaking to make the payment upon receipt of the Agency's first written claim and valid for the period of three years and three months following the date of the signing of the Grant Contract for the total amount of the grant received in which the bank guarantees on behalf of the beneficiary that the grant funds will be used for the specified purpose and that the investment will be carried out in accordance with the grant application.

The person responsible for the execution of the grant contract by the Agency shall issue a confirmation approve the request for payment and the supporting documentation no later than 8 business days from the date of receipt of the request for payment. In the case that the request for payment or the supporting documentation are incomplete, the Agency shall call the grant beneficiary to amend the request within the period of 5 (five) business days from the date of the receipt of the call to make the necessary amendment. Insofar as the grant beneficiary should fail to amend the request within the stipulated period, the Agency shall reject the request for payment.

If the actually paid costs/expenses stated in the request for payment in the financial calculation of the project, that is, the schedule of eligible costs/expenses incurred under the investment project (Appendix 3 to the Grant Contract) are lower than the costs/expenses approved as eligible for co-financing or if the request is not accompanied by a bank guarantee stipulated (Appendix 5 to the Grant Contract), the Agency will reject the request for payment.

The grant beneficiary shall submit to the persons responsible for the grant contract the entire documentation in the physical form and on his/her request certified translations.

Article 6

The Agency hereby undertakes to transfer the approved grant funds after the date of the confirmation of the request and of the mandatory documentation by the person responsible for the Grant Contract within the period of 60 days, that is, on the first business day after it receives the funds from the Ministry of the Republic of Slovenia of the Economic Development and Technology to the business bank account of the grant beneficiary TRR No., opened with the bank.....

The grant funds are allocated from the budget heading 534310.

Article 7

In the case that the grant beneficiary should fail to act in accordance with the provisions laid down in the fourth and in the fifth article of this Grant Contract, the Agency may terminate the Grant Contract and demand the repayment of the sums already paid together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed, that is, calls up (cashes in) the bank guarantee.

Article 8

The grant beneficiary will complete the investment no later than three years following the date of the signing of the Grant Contract, that is, the investment will be carried out as specified in the grant application and approved, will submit a report on the completion of the investment. The investment completion date shall be deemed to be the completion of the activities stated in the grant application and at the same time achieving the value of the net investment at least in the amount ofEuros.

The grant beneficiary must be obliged until the fulfilment of all contractual obligations stipulated in the first paragraph of this Article submit to the Agency at prescribed intervals the semi-annual reports. The semi-annual report must comprise the following elements:

- the report on technical implementation and the results of the investment, substantially and financially and on its operations (Appendix 2 to the Grant Contract),
- a financial calculation of the project/schedule of eligible costs connected directly to the investment (Appendix 3 to the Grant Contract),
- the report on net new employments (Appendix 4 to the Grant Contract), and
- a declaration that the enclosed documents are true and accurate copies of the original documents (Appendix 6 to the Grant Contract).

The grant beneficiary shall submit the first semi-annual report after the first 6-month period following the date on which the grant contract is signed on grant funds.

The grant beneficiary must in accordance with the first paragraph of this Article submit to the Agency a report on the investment completion, which must comprise:

- a report on technical implementation and the results of the entire investment, from which it is made clear that the investment has been completed substantially and financially, as it was approved and it is clear from the application, An integral part of this report includes the report on the fulfilment of criteria of this Invitation to Tender (share of domestic supplier companies, influence on human capital, development research effects, impact on the environment or level of international marketing of services and technology transfer to other Slovenian companies as well as influence on their productivity, etc.),
- a final financial calculation of the investment/the final schedule of eligible costs of the investment (Appendix 3), from which it is to be concluded that the achieved value of the investment referred to in the first paragraph of this Article,
- a report on the net new employments already achieved (Appendix 4), and
- a declaration declaring that all copies of the enclosed documents are identical to the original (Appendix 6).

Insofar as the grant beneficiary should fail to submit the interim reports, that is, the report on the completion of the investment to the Agency or supplements of reports in accordance with the time schedule, the Agency shall invite the grant beneficiary in writing to submit the mandatory reports or supplements within eight business days. In the case that the grant beneficiary should fail to submit the reports or supplements by the set deadline, the Agency may terminate the Contract and demand that the funding received be paid back together with the statutory late payment (penalty) interest applied to the time which lapses between the date on which the grant funds were received until the date on which the payment funds are paid back, that is, the bank guarantee is called in.

Article 9

In the case that the grant beneficiary should fail to meet the condition referred to in the first paragraph of Article 8 of this grant contract, commits itself to within the period of 5 (five) business days after the demand sent by the Agency for the repayment of the sums already paid together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed and specifically:

- the total awarded grant in the case it achieves less than 75 per cent of the value of the investment from the first paragraph of Article 8, and
- the appurtenant share of funds arising from the second pillar (together with the appurtenant share of the first entry, in the case of the first entry of the foreign investor), if he achieves 75 per cent or more of the net value of the investment stipulated in the first paragraph of Article 8.

In the case that the value of the investment at the completion of the investment and it must not be later than three years following the signing of the grant contracts, is below 1,000,000 Euros in the manufacturing sector, that is, below 500,000 Euros in the internationally tradable services or in the development and research activity, the Agency shall terminate the Grant Contract and require the total repayment of all the sums already paid under the Contract, together with statutory late payment interest applied to the time which lapses between the date on which the grant funds were transferred to the grant beneficiary until the date on which the repayment is made within the period of 5 business days after receiving the invitation to do so, that is, calls up (cashes in) the bank guarantee.

Article 10

The grant beneficiary will create no later than three (3) years following the date the completion of the investment net new jobs. Increase the number of new jobs shall be determined as the net increase in the number of employees in comparison with the average for the past twelve months before signing the grant contract, which means that the grant beneficiary will have on his payroll at least employees no later than three years following the date of the completion of the investment.

If the applied project is from the area of research and development, the grant beneficiary must create net new jobs no later than by the end of the investment.

Until the completion of the investment, the grant beneficiary shall report on the created new net employments within the framework of the semi-annual reports referred to in Article 8 of this grant contract. After the completion of the investment, the grant beneficiary shall continue until the contractual obligations referred to in the preceding paragraph of this Article to submit to the Agency semi-annual reports on a regular basis. The semi-annual report must comprise:

- the report on technical implementation and the results of the investment project (Appendix 2),
- the report on net new employments under the investment project (Appendix 4), and
- a declaration, that all enclosed documents are true copies of the original documents (Appendix 6).

The final report on created new employments must the grant beneficiary submit no later than one month before the expiry of the period three years following the date of the completion of the investment (or three years following the date when the contract was signed in the case of projects from the area of development and research). The final report must comprise the following:

- a report on the status and the results of the completed investment project. An integral part of this report includes the report on the fulfilment of criteria of this Invitation to Tender (share of domestic supplier companies, influence on human capital, development research effects, impact on the environment or level of international marketing of services and technology transfer on other Slovenian companies as well as influence on their productivity, etc.),
- a report on achieved net new employments on the investment project (Appendix 4),
- a declaration that all enclosed documents are true and accurate copies of the original documents (Appendix 6).
- a list of all employees in the enterprise showing that within the period of three years after the completion of the investment achieved at least of all employees in the enterprise – the beneficiary/recipient of the grant,
- a report on the realisation of the objectives of the investment and the time schedule (Table 8.1.8. Time schedule of investment and 8.1.9 Objectives of the investment project form the approved grant application with additional column for realisation).

In the case that the grant beneficiary has received funds for an investment project in the field of research and development, he must enclose to the final report on the created net new jobs also the organisational chart and the effective act on the classification of work places.

In the case that the grant beneficiary fails to submit to the Agency semi-annual reports, that is, the final report or supplements of reports on the creation of net new employments as stipulated, the Agency shall invite the grant beneficiary to submit these mandatory reports or supplements within the period of 8 business days. In the case that the grant beneficiary should fail to submit the report or supplements by the new deadline, the Agency may terminate the Grant Contract and require the repayment of sums already paid together with statutory late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed within the period of 5 (five) business days after receiving the invitation.

Article 11

In the case that the grant beneficiary has failed to fulfil the condition demanding the creation of net new jobs referred to in Article 10 of this Grant Contract, he must repay within 5 business days after receiving an invitation sent by the Agency to do so, the funding together with penalty interest accrued on these funds together with the accrued late payment interest for the period between the date of payment and the date when the Agency receives full payment of the amount owed, and specifically:

- all the awarded grant funds, if the number of net new jobs is below 50 per cent of the obligation stipulated in the Contract,
- the appurtenant share of funds arising from the first pillar (together with the appurtenant share of the first entry in the case of the first-time foreign investor), if the number of net new jobs is at least 50 per cent or more of the obligation assumed under the Grant Contract. In the case that in the research and development activity more than 5 new jobs have been created, in order to maintain the Grant Contract in force, at least 80 per cent of all new job openings with the lowest level of professional qualification/education: specialisation after higher educational programmes or high educational professional programmes, that is, First Bologna level (Level 6/2) must be maintained.

In the case, that is achieved number of net new jobs within the period of three years of the completion of the investment, to is no later than six years following the signing of the grant contract less than 25 net new jobs in the manufacturing activities, that is, less than 10 net new jobs in the service activities, whose services are traded in the international market, or less than 5 net new jobs (with the lowest level of qualification/education: specialisation according to higher educational programmes or high professional qualification programmes, that is, First Bologna Level) in the development and research activities, the Agency shall terminate the grant contract and require the total repayment of sums already paid together with statutory late payment interest for the period between the date of payment and the date when the Agency receives full payment of the amount owed.

Article 12

The grant beneficiary will maintain employment in the region for at least 3 years without a break in continuity in the case of small or medium-sized project enterprise, that is, 5 years, in the case of large project enterprise. Employment must be maintained in the region for at least 5 years in the case of medium-sized and in the case of small enterprises 3 years after the day when employment/a job was created for the first time. In the case of employments/jobs created before the day of the investment completion, the period during which employment must be maintained shall be calculated from the day of the investment completion onward.

The grant beneficiary must maintain the investment in the region until the conditions laid down in the first paragraph of this Article have been fulfilled.

The grant beneficiary must report to the Agency during the period of mandatory maintenance of the investment about the following:

- the status and the results of the investment project, an overview of the content and of the financial aspect of the maintenance of the investment and employment in the region (Appendix 2),
- possible difficulties,
- the total volume of operations of the grant beneficiary during the previous one-year period,
- maintain net new jobs (Appendix 4).

The project enterprise must lay before the Agency its final report on the maintenance of the investment project no later than one month before the expiry of period for maintenance of the investment project.

Article 13

Should the grant beneficiary fail to fulfil the commitment to maintain employment in accordance with Article 12 of this Grant Contract, he shall have to repay within 5 business days after receiving the invitation sent by the Agency the sums already paid together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed, and specifically:

- the total amount of the allocated grant funds, if the number of the net new jobs following the completion of the investment has fallen below 50 per cent of the obligation stipulated in the Contract ,
- the appurtenant share of funds allocated under the first pillar (complete with the appurtenant share of the first entry in the case of the first entry of the foreign investor), if the number of net new jobs following the completion of the investment has fallen up to 50 per cent of the obligation stipulated in the Contract. If more than 5 new jobs have been created in the research and development activity, in order to comply with this condition laid down in the Contract, at least 80 per cent of all new employees shall have at least the qualification level 6/2 (specialisation after higher educational programmes, that is, First Bologna level).

The condition for keeping this Grant Contract in full force and effect is the minimum number of net newly created jobs that must not be less than 25 jobs in the processing sector, not less than 10 jobs in the internationally tradable sector and not less than 5 jobs in the research and development activity, with the lowest qualification level: specialisation after higher educational programmes or higher education vocational programmes, that is, First Bologna level (level 6/2).

Should the grant beneficiary fail to achieve the structure of employees in line with the requirement laid down in the previous paragraph of this Article, he must within 5 business days after receiving the invitation sent by the Agency repay the sums already paid together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed.

Article 14

The grant beneficiary commits itself to the Agency and to the Ministry of the Economic Development and Technology for the purpose of monitoring the use of the awarded funds to enable oversight of the use of the funds so that at any time it is possible to control the realisation of the project and gain insight into the project documentation at any point of the investment project, as well as also the in the project enterprise.

The grant beneficiary commits itself to the Agency to submit evidence when requested to do so serving to demonstrate that all data and information stated in the application and in the sent reports is true.

In the case that the grant beneficiary has received grant funds, and the subsequent supervision of the use of the budgetary funds awarded to the investment project reveals that the beneficiary was not entitled to those funds, that is, that the funds were used for a purpose other than the purpose stated in the application, he commits itself to repay within the period of five business days of receiving the request for the repayment of the funds unduly received, that is, unjustifiably spent grant funds together with statutory interest charged on late payment interest for the period between the date of payment and the date when the Agency receives full payment of the amount owed.

The grant beneficiary commits itself during the period from the submission of the application to the fulfilment of all obligations that arise from the Invitation to Tender, the Tender Documentation in contracts, notify the Public Agency of the Republic of Slovenia for Entrepreneurship and Foreign Investments in writing on all modifications (for example: changes in the content and financial changes to the approved investment project, changing the address, the instigation of bankruptcy proceedings, exit of the foreign investor, etc.) that refer either to the investment project or to the grant beneficiary or to the foreign investor immediately after the change is made.

Article 15

Should the Agency authorise an external institution for monitoring the use of the budgetary funds, the grant beneficiary hereby undertakes to enable the authorised representatives of the respective institution to examine the project documentation at each and every point of the project.

Article 16

By signing this Contract, the grant beneficiary hereby declares on his honour that for the costs that are the subject matter of the grant funds, he did not obtain other funds from the budget of the central government, local authorities or the EU budget (including *de minimis* aid), that is, the total amount of funding received for this purpose is not excess of the maximum allowed amount of grant funds stipulated by the Rules on State aid. Should it be established that the grant beneficiary has already obtained also other funds from the national budget, local budget or EU funding, that is, the total amount of the funds received for this purpose is in excess of the maximum allowed amount of grant funds stipulated by the rules governing the state aid or that such funds have been approved to him and the grant beneficiary has failed to notify the Agency of it in writing prior to signing this grant contract, the Agency shall terminate this grant contract (that is, the contractual value shall be reduced to the amount that does not exceed the total value of the aid intensity stipulated under the Rules on State aid) and request the repayment of the unlawfully received sums together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed. The grant beneficiary must repay the grant funds within the period of 5 (five) days after receiving the invitation sent by the Agency.

By signing this grant contract the grant beneficiary declares that as of the date of the submission of the application for the award of grant funds, he is not a company in difficulty in accordance with the Community guidelines on State aid for rescuing and restructuring firms in difficulty (UL C 244 of 1 October 2004, p. 2) and the Act Governing the Rescue and Restructuring Aid for Companies in Difficulty (Official Gazette of the Republic of Slovenia, Nos. 44/2007-UPB2, 51/2011).

In the case that the grant beneficiary shall initiate the procedure for obtaining aid for enterprises in difficulties, the Agency may terminate the Grant Contract. In the case that the Agency has already fulfilled its contractual obligation, the grant beneficiary must repay within 5 business days after

receiving the invitation sent by the Agency the sums already paid together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed.

Article 17

By signing this Contract, the grant beneficiary certifies that all information stated in the application to the Invitation to Tender as well as in the request for payment, including all appendices, is true and accurate and should that not be the case, the grant beneficiary shall be liable for any damage or injury that the Agency may sustain. In the case that it is determined that the end beneficiary (recipient) has knowingly presented wrong information in relation to the purpose of the investment or fulfilling the conditions or did not reveal information that would have had an effect on the score of the investment, the Agency shall have the right to withdraw from this grant contract penalty interest for the period between the date of payment and the date when the Agency receives full payment of the amount owed.

Article 18

In the case that the foreign investor's direct interest (equity holding) in the grant beneficiary should fall below 10 per cent prior to the end of the investment project, the grant beneficiary must repay to the Agency the amounts paid to the grant beneficiary increased by late payment (penalty) interest applied to the time which lapses between the date of the payment of the grant funds and the date on which payment is actually made within 5 business days after receiving an invitation sent by the Agency to do so.

Article 19

In the case that during the effectiveness of the Grant Contract the grant beneficiary commits itself to the administration of compulsory/forced settlement, bankruptcy or liquidation proceedings, the Agency shall be informed of it immediately. As of the date of the notification, that is, the decision to instigate the compulsory settlement, bankruptcy or liquidation proceedings, the obligation of the Agency vis-à-vis the grant beneficiary arising from this Grant Contract shall cease to exist and at the same time the Agency shall become entitled to require the repayment of all sums already paid in real value together with statutory interest on late payment for the period between the date of payment and the date when the Agency receives full payment of the amount owed.

Article 20

The grant beneficiary commits itself to maintain the entire documentation referring to the project in accordance with effective legislation, that is, for at least 10 years more after the obligations assumed under the Grant Contract were fulfilled for the needs of subsequent checks/verifications. Before the expiry of the aforementioned term, the Agency may extend this deadline.

Article 21

The person responsible for the grant contract on behalf of the Agency is, andon behalf of the grant beneficiary.

Article 22

The contracting parties hereby agree to settle amicably any outstanding matters. In the case of a dispute to which no amicable settlement could be found, it shall be referred to the Ljubljana Court as the competent court.

Article 23

Pursuant to the Integrity and Prevention of Corruption Act (Official Gazette of the Republic of Slovenia, No. 69/2011-UPB2) any contract shall be deemed null and void in which a person promises, offers or gives any undue advantage to the representative or agent of a public sector body or organisation on behalf of or for the account of another contracting party for the purpose of:

- obtaining business,
- concluding business under more favourable terms and conditions,
- omitting due supervision over the fulfilment of contractual obligations,
- any other act or omission which causes a public sector body entering into the contract damage or by which the other contracting party or its representative, agent or are put in a position to obtain an undue advantage.

The contracting parties are obliged to abstain from any acts that by virtue of the content laid down in the preceding paragraph would constitute a violation of the provisions of law.

In the case that based on the findings made by the Agency, there is an alleged existence of the facts referred to in the first and the second paragraph of this Article, it is obliged to instigate the procedure to make the contract null and void and it shall notify the competent authorities of that.

Article 24

The contract has been drawn up in five identical copies, of which three copies are for the Agency and two copies for the grant beneficiary.

Article 25

This grant contract shall enter into full force and effect on the date on which it is duly signed by both parties to the contract and it shall remain in full force and effect until all contractual obligations are duly fulfilled.

Place and date:

Place and date:

FOR THE GRANT BENEFICIARY:

For THE AGENCY:

.....
.....
.....

Slovenian Public Agency for Entrepreneurship,
Innovation, Development, Investment and
Tourism

Director

TO BE COMPLETED ON PAPER BEARING THE LETTERHEAD OF THE ENTERPRISE:

THE REQUEST FOR PAYMENT OF GRANT FUNDS - the request is the integral part of the grant contract

(mandatory form, only when submitting the request for drawing down grant funds by 30 October 2013 at the latest)

DATE:

ENTERPRISE:

TAX NUMBER:

REGISTRATION NUMBER:

BANK ACCOUNT:

NAME OF THE BANK:

AUTHORISED PERSON (PROXY):

DECISION NUMBER:

CONTRACTNUMBER:

SUBJECT: The request for payment of grant funds for the investment project

TITLE OF THE PROJECT:

In accordance with the grant contract and the submitted documentation on the carrying-out of the investment project, we hereby submit the request for payment of grant funds

in the amount of _____ euros.

ENTERPRISE: ENTERPRISE SEAL:

AUTHORISED FOR SIGNING (PROXY):

SIGNATURE OF THE PERSON

Appendices:

- The report on the technical implementation and the results of the investment project (*Appendix 2*)
- The financial statement of the project / Schedule of eligible costs directly connected with the project with appendices (*Appendix 3*)
- The report on net new employments (*Appendix 4*)
- The original bank guarantee issued by an investment-grade bank (*Appendix 5*)
- The declaration that all enclosed documents are true copies of original documents (*Appendix 6*)

TO BE COMPLETED ON PAPER BEARING THE LETTERHEAD OF THE ENTERPRISE:

REPORT ON TECHNICAL IMPLEMENTATION AND THE RESULTS OF THE INVESTMENT PROJECT

(mandatory form)

The mandatory form of the report on technical implementation and the results of the investment project shall apply **to the first report to accompany the request for payment of grant funds**, that is, drawing down grant funds and it shall be used for all **semi-annual reports to follow until the completion of the investment project** (until the investment part of the project is completed and until the creation of all new jobs).

1. The situation and the results of the investment project in terms of content and financing,
2. the realisation of the time schedule for the investment project (the table from the approved project/the application with an additional column for realisation),
3. Any difficulties encountered and the plans for the following semi-annual period (on the investment project),
4. A brief description of the operations of the enterprises/the grant beneficiary during the past 6 months.

When submitting the final report on the investment project, it shall be accompanied also by a report on the realisation of the objectives of the investment and the time schedule (Table 8.1.8, the time schedule of the investment and Table 8.1.9 Objectives of the investment project from the approved grant application with an additional column for realisation).

After the completion of the investment project (the period during which the jobs must be maintained in the region), reports shall be drawn up on the **annual basis** concerning the situation and the results of the completed investment project (point 1), any difficulties (point 2) and operating results achieved by the grant beneficiary (point 3).

5. The situation and the results of the investment project in terms of content and a financial overview of maintaining the investment and the jobs in the region;
6. Possible difficulties encountered;
7. A short description of the results of operations of the entire enterprise/grant beneficiary during the past year.

The project enterprise must lay before the Agency its final report on the maintenance of the investment project no later than one month before the expiry of period for maintenance of the investment project.

Date:

Authorised person (proxy):

Signature:

FINANCIAL CALCULATION OF THE PROJECT / SCHEDULE OF ELIGIBLE COSTS DIRECTLY CONNECTED WITH THE INVESTMENT PROJECT ACCOMPANIED BY APPENDICES (mandatory form)

The mandatory form of the cost schedule (breakdown of costs) shall apply **for the first report submitted with the request for payment**, that is, drawing down the grant funds and for **all the following semi-annual reports until the completion of the investment**, when the final financial calculation, that is, the final cost schedule shall be submitted.

APPENDICES: Copies of invoices and records attesting to payments made / bank account statements separately for each eligible cost (enclosed in the order of the invoices stated in the table below)

Grant funds will be awarded to co-finance **eligible costs/expenses incurred during a three-year period following the date of the signing of the grant contract**. The grant beneficiary/recipient must issue a request for payment **by 30 October 2013 at latest**. The grant applicant must enclose to the request a **bank guarantee issued by an investment-grade bank** undertaking to make the payment upon receipt of the Agency's first written claim and valid for the period of **three years and three months following the date of the signing of the Grant Contract** for the total amount of the grant received in which the bank guarantees on behalf of the beneficiary that the grant funds will be used for the specified purpose and that the investment will be carried out in accordance with the grant application. The date of the invoice shall be deemed to be the date on which the invoiced cost was incurred.

Eligible costs stated in the table must be in accordance with the application (table 8.3.2. Eligible costs of the investment and expected grant funds on page 47 of the Tender Documentation).

SER. DOC. No.	TYPE OF ELIGIBLE COST/EXPENSE (COST BREAKDOWN)	INVOICE (NUMBER AND ISSUER)	PAYMENT DATE (BANK ACCOUNT STATEMENT)	AMOUNT INCLUDING VAT	AMOUNT EXCLUDING VAT	INTENSITY OF CO-FINANCING (30% / 40% / 50%; ENTER AMOUNT)	BANK GUARANTEE
SERVICE CONNECTIONS AND INFRASTRUCTURE FACILITIES FOR THE PARCEL:							
1.							
2.							
Total							
PURCHASE/CONSTRUCTION OF BUILDINGS WITH LAND LYING DIRECTLY UNDER THE BUILDING *, THAT IS, MODERNISATION OF BUILDINGS							
1.							

2.							
Total							
SER. DOC. No.	TYPE OF ELIGIBLE COST/EXPENSE (COST BREAKDOWN)	INVOICE (NUMBER AND ISSUER)	PAYMENT DATE (BANK ACCOUNT STATEMENT)	AMOUNT INCLUDING VAT	AMOUNT EXCLUDING VAT	INTENSITY OF CO- FINANCING (30% / 40% / 50%; ENTER AMOUNT)	BANK GUARANTEE
PURCHASE OF MACHINERY AND EQUIPMENT (FOR SMES ALSO PURCHASE OF SECOND-HAND MACHINERY AND EQUIPMENT)							
1.							
2.							
Total							
ACQUISITION OF PATENTS, LICENCES, KNOW-HOW OR UNPATENTED TECHNICAL KNOWLEDGE (WHERE INVESTMENTS ARE MADE IN LARGE ENTERPRISES, INTANGIBLE INVESTMENT COSTS/EXPENSES ELIGIBLE FOR CO-FINANCING SHALL NOT EXCEED 50 PER CENT OF ELIGIBLE COSTS/EXPENSES OF THE TOTAL INVESTMENT)							
1.							
2.							
Total							
TOTAL VALUE OF ELIGIBLE COSTS WITH SUPPORTING DOCUMENTS:							
TOTAL VALUE OF ELIGIBLE COSTS; RESIDUAL VALUE							

* The cost of land eligible for co-financing shall be a portion of the whole parcel on which the buildings are constructed, that is, will be constructed. The portion of land eligible for co-financing shall be determined on the basis of the documentation for construction and/or extract from the land register and the actual use of that land. Insofar as the value of land lying under the building cannot be determined on the basis of the sales contract, the grant beneficiary must submit a valuation of that land duly certified by a court-appointed valuer from which the value of the land lying under the building can be determined.

Furthermore, the purchase of land may account for a maximum of 25 per cent of the eligible costs started in the application for co-financing. The purchase of land and the purchase of buildings is eligible for co-financing except in the cases where the real estate – land parcel and buildings – is purchased from the first-, second- and third-degree relatives or from a private individual who has been registered as a sole proprietors (s.p.) and his company or between the shareholders of the company and the company.

Date:

Authorised person (proxy):

Company seal:

Signature:

TO BE COMPLETED ON PAPER BEARING THE LETTERHEAD OF THE ENTERPRISE:

REPORT ON NET NEW EMPLOYMENT

(mandatory form)

The mandatory form for reporting on net new employment shall apply **to the first report submitted at the time when the request for payment**, that is, for drawing down the grant funds is made and to **all subsequent interim reports until the completion of the investment project** (until the number of net new jobs stipulated in the Grant Contract is achieved).

During the period following the completion of the investment project (during the period for the maintenance of net new jobs), the reports shall be produced **on the annual basis**.

1. Table: the number of new employees on the investment project, together with M1 forms and a copy of the achieved qualification/education in the case of R&D projects;
2. The declaration on the current number of all employees in the enterprise – the grant beneficiary/recipient;
3. In the case of R&D projects, the beneficiary shall submit also the company's organisational chart and the internal act on the job classification in force at the time when the final report on the net new jobs (new net employment) created is laid before the Agency.

The creation of new employment (job openings) is calculated as the **net increase in the number of employees**, directly employed in the enterprise – the grant beneficiary (recipient) in comparison with the average headcount for the preceding 12 months before signing the grant contract, by taking into account pro rata both full-time and part-time employees. Consequently, every job lost during these 12 months has to be deducted from the total number of jobs created during the same period. New employment must be created no later than three years after the date the completion of the investment. Employment must be preserved in region for at least five years, in the case of medium-sized in small enterprises for at least three years after the day when the jobs were opened for the first time. As regards jobs created before date of the completion of the investment, the period for the preservation of employment shall be calculated from the date of the completion of the investment onward.

Please enclose the supporting documents as **evidence on new employees (the M1 forms filed with the Health Insurance Institute of Slovenia)** for each new job, that is, each replacement job. **In the case of R & D projects, you are requested to submit also a copy of the achieved professional qualification/education** for every new job, that is, replacement job. Where semi-annual, that is, annual reports are to be submitted for the purpose of monitoring the situation regarding **already existing jobs, it is necessary to enclose the complete table in accordance with the previous one**. It is not necessary to enclose new M1 forms to prove the achieved professional qualification for the already existing employment (jobs); **the proofs shall be submitted for new employment only**.

NEW EMPLOYMENT UNDER THE PROJECT AFTER THE DATE OF CONTRACT SIGNING				REPLACEMENT JOBS (if the employee's employment relationship was terminated)	
SER. NO.	FIRST NAME AND FAMILY NAME	DATE OF ENTERING INTO EMPLOYMENT RELATIONSHIP	DATE OF TERMINATION OF EMPLOYMENT RELATIONSHIP	FIRST NAME AND FAMILY NAME	DATE OF ENTERING INTO EMPLOYMENT RELATIONSHIP
1.					
2.					
3.					
...					

The purpose of the table is to enable a straightforward and transparent tool for monitoring job openings and tenure. If a **vacancy opens up, it must be filled in as soon as possible with a new employee – JOB REPLACEMENT** – so that the number of **net new jobs** is achieved within the time line stipulated in the Grant Contract. In order to maintain employment continuity, replacement employment shall be given advantage over new employment.

The declaration on the current total number of employees in the enterprise, which forms an integral part of this Annex. For the purpose of monitoring **net new jobs in the enterprise** (the grant beneficiary/recipient), every semi-annual report, that is, annual report (after the completion of the investment project) must be accompanied by a declaration about the current total number of all employees in the enterprise (the grant beneficiary/recipient).

Date:

Authorised person (proxy):

Signature:

**SAMPLE FORM: BANK GUARANTEE ISSUED BY AN INVESTMENT-GRADE BANK FOR
THE FULL AND PROPER EXECUTION OF THE CONTRACT**
(mandatory text)

Name of the bank

Place and date

The bank's client (the principal):

The beneficiary under the Guarantee:

Contract Performance Guarantee No.....

In accordance with the Grant Contract (title of the Grant Contract, number of the Grant Contract, date), made by and between the beneficiary of the guarantee and the principal of the guarantee for co-financing a portion of eligible costs incurred in the course of the execution of the investment project (title of the project), in the amount of euros, the principal of the guarantee undertakes to submit to the beneficiary a bank guarantee issued by an investment- grade bank in the amount of euros, to guarantee the faithful performance of the obligations under the grant contract.

In consideration of the request made by the principal of the guarantee, we the undersigned hereby undertake irrevocably and unconditionally to pay within the period of 15 days upon the receipt of your first written claim the sum of euros (in the amount of grant funds awarded by the Agency), if the principal of the Performance Guarantee fails to use the grant funds for the specified purpose, i.e. if he fails to present the supporting documents attesting to the payment of the costs considered eligible in the context of the investment project or in the case that the investment is not carried out in accordance with the grant application and within the deadlines stipulated in the Grant Contract.

The demand for cashing in the Performance Guarantee must be presented to the bank and it shall be accompanied by the following documents:

1. The original letter for cashing in the Performance Guarantee drawn up in accordance with the above paragraph, and
2. The original Performance Guarantee No. /

This Performance Guarantee shall be reduced by every amount paid under this Guarantee.

This Performance Guarantee shall remain in full force and virtue until (three years and three months following the signing of the Grant Contract). After the expiry of the specified deadline, the Guarantee shall no longer be valid, and our obligation shall automatically cease, regardless of whether the guarantee has been returned.

Should the beneficiary of the Performance Guarantee agree at any time during the period of validity of this guarantee to extend the deadline under the Grant Contract or in the event that the principal of the guarantee has failed to fulfil his contractual obligations, the principal of the Guarantee and the bank can agree to extend the validity of the guarantee.

This guarantee is not transferable.

Any disputes that may arise between the beneficiary of the guarantee and the bank shall be referred to the court of competent jurisdiction at

Bank (signed, sealed and delivered)

TO BE COMPLETED ON PAPER BEARING THE LETTERHEAD OF THE ENTERPRISE

THE DECLARATION THAT THE SUPPORTING DOCUMENTS ARE TRUE AND ACCURATE
COPIES OF THE ORIGINAL DOCUMENTS

Grant beneficiary:

Authorised person (proxy):

We declare under the penalties of criminal and civil liability for wilfully making any false statements herein, that the supporting documents are true and accurate copies of the original documents.

Place and date:

Authorised person (proxy):