

**AGREEMENT ON FINANCIAL CONTRIBUTION
BETWEEN
THE MINISTRY OF FINANCE OF MONTENEGRO
AND
THE MINISTRY OF FINANCE OF THE SLOVAK REPUBLIC
No. 2018/178**

The Ministry of Finance of Montenegro (hereinafter referred to as the “Beneficiary“) on the one side
and

The Ministry of Finance of the Slovak Republic (hereinafter referred to as the “Donor“) on the other
side,

(hereinafter referred to as the “Contracting Parties“)

Taking into account the Slovak Republic’s international commitments in the field of development cooperation (the Council (EU) Conclusions on A New Global Partnership for Poverty Eradication and Sustainable Development after 2015, adopted on 26 May 2015) and the successful cooperation between Montenegro and the Slovak Republic in the field of public financial management reform, as well as the intent of the Montenegro’s Finance Minister and of the Slovak Republic’s Finance Minister to deepen this cooperation,

Have agreed as follows:

**Article 1
Subject of the Agreement**

(1) The Donor undertakes to provide the Beneficiary with a financial contribution, and the Beneficiary agrees to receive the financial contribution to improve public finance management in national regulation of gambling in Montenegro.

(2) At the same time, the subject of this Agreement is also a legal regulation of mutual rights and duties related to the transfer of financial contribution.

(3) Total amount of the financial contribution of EUR 1 000 000 (EUR one million) stands for a non-repayable financial aid from the public budget resources of the Slovak Republic intended for the Slovak Republic’s official development cooperation.

**Article 2
Financial contribution**

(1) The Donor shall provide the Beneficiary with the financial contribution in compliance with the following payment schedule:

- a) The first instalment of EUR 500 000 within 30 days after the entry into force of this Agreement;
- b) The second instalment of EUR 500 000 before 30 January 2020, after meeting the conditions agreed in advance between the Donor and the Beneficiary. The Donor shall assess the

sufficiency of compliance with these conditions based on the written Report on Strategic Achievements filed by the Beneficiary under Article 4 of this Agreement.

(2) The Donor shall transfer the financial contribution in two instalments referred to in paragraph 1 to the following bank account:

Name of the Beneficiary:	Ministry of Finance of Montenegro
Address:	Stanka Dragojevića 2, 81000 Podgorica, Montenegro
Bank connection:	State Treasury
Intermediary:	
FIELD 56 A:	

Account with bank

FIELD 57A	CENTRALNA BANKA CRNE GORE Podgorica, Blvd. Sv. Petra Cetinjskog 6 MONTENEGRO
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Beneficiary

FIELD 58/59:	Ministry of Finance of Montenegro Stanka Dragojevića 2, Podgorica, Montenegro
Bank account currency:	EUR

(3) The Beneficiary is obliged to send the Donor a confirmation of receipt of financial contribution via email to oda@mfsr.sk and eva.goncalvesova@mfsr.sk within five working days after receipt of the payment and state the name of the Beneficiary and the Agreement's number in email and attach an extract from the Beneficiary's bank account.

Article 3

Use of the financial contribution

(1) The Beneficiary shall use the financial contribution to cover the financial gap in the approved State Budget of Montenegro following Article 1 par. 1, mainly for financing the expenditures intended for national regulation of gambling in Montenegro.

(2) Every interest income deriving from the financial contribution shall be credited to the Beneficiary's bank account and used for the purposes under the paragraph 1.

Article 4

Rights and duties of the Contracting Parties

(1) The Beneficiary undertakes to implement by 31 October 2019 the below listed strategic measures at national level that will lead to improvement of national regulation of gambling in Montenegro and/or more effective control of gambling revenues to the approved State Budget of Montenegro.

The Beneficiary's strategic measures at national level:

- a) Submission of the Law on Gambling to the Government by 31 October 2019;
- b) Preparation of technical IT specification for monitoring gambling revenues by 31 October

2019.

(2) As needed, the Beneficiary may consult with the Donor on the implementation of strategic measures referred to in paragraph 1 of this Article.

(3) The Beneficiary shall have the right to use financial aid and technical help from third parties in implementing the strategic measures referred to in paragraph 1 of this Article.

(4) In a case of failure to implement the strategic measures referred to in Article 4, paragraph 1, the Donor shall have the right not to pay the second instalment of financial contribution to the Beneficiary or to postpone the payment of second instalment until the time that the strategic measures referred to in paragraph 1 of this Article are met.

Article 5 Reporting

(1) The Beneficiary shall provide the Donor with a written Report on Strategic Achievements referred to in Article 4 paragraph 1 by 30 November 2019 at the latest. The report shall contain the information according to Annex no. 1 hereto.

(2) Upon submission of the written report following paragraph 1, in a case of doubts about unrealized measures, the Donor has the right to request additional information, original outputs drawn up as part of the implemented measures and other documents proving the fulfilment of contractual duties by the Beneficiary.

(3) The Donor reserves the right to perform an audit or control within the Beneficiary to verify the use of the financial contribution provided.

Article 6 Written communication

A written communication between the Donor and the Beneficiary shall be through the following correspondence addresses:

Donor: Ministry of Finance of the Slovak Republic
Address: Ministry of Finance of the Slovak Republic, 5 Štefanovičova Street, 817 82 Bratislava
Email address: oda@mfsr.sk and eva.goncalvesova@mfsr.sk

Beneficiary: Ministry of Finance of Montenegro
Address: Ministry of Finance of Montenegro, 2 Stanka Dragojevića Street, 81000 Podgorica
Email address: mf@gov.me i nemanja.katnic@mif.gov.me

Article 6 Amendments and supplements

This Agreement may be amended or supplemented based on a written addendum to this Agreement concluded between the Donor and the Beneficiary.

Article 7
Validity and effectiveness

(1) This Agreement shall enter into force on the day of its signature by the authorized representatives of both Contracting Parties and shall remain valid until all obligations of the Donor and the Beneficiary stated in this Agreement have been fulfilled.

(2) This Agreement shall become effective as of the day following its publication in the Central Register of Contracts, following the applicable legislation of the Slovak Republic.

Signed at Podgorica, on _____, in two originals, in the English language.

On behalf of the Ministry of Finance of Montenegro Darko Radunović	On behalf of the Ministry of Finance of the Slovak Republic Peter Kažimír
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Annex I:

Report on Strategic Achievements

This report is provided in regard to the requirements defined by the Agreement on Financial Contribution between the Ministry of Finance of Montenegro and the Ministry of Finance of the Slovak Republic No. 2018/178, signed by the ministers on 17 December 2018 in Podgorica. Disclosure of the second instalment is bounded to the fulfilment of the following agreed national strategic measures:

- c) Submission of the Law on Gambling to the Government by 31 October 2019;
- d) Preparation of technical IT specification for monitoring gambling revenues by 31 October 2019.

This Report should provide the overview of the implementation of above-mentioned measures. Please elaborate each question below separately for each strategic measure.

Reporting period	
Date of report submission	

Report

Baseline

(Please describe the baseline of the national Games of Chance regulation before this contract, including deficiencies to be addressed)

Introduction of the strategic measures

(Please state whether and to what extent the strategic measures have been introduced. The desired and actual effects of the measures should be described in qualitative terms. If the measures were only partially introduced, please give the reasons)

Means of verification of measures introduced

(Please provide the references to (i) the information proving submission of the draft law to the government session, and (ii) the provision of the technical analysis of the IT solution in written in Annex)

Future steps

(Please describe the optimal scenario o expected/desired developments.)

Information on financial contribution allocation

(Please give a short information on what has been supported by the financial contribution)

Slovak expertise

(If the technical assistance of Slovak experts was used in context of the implementation of above-mentioned strategic measures, please provide us with information on technical assistance output and experts contributing.)