



Contracting Authority:
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

EU4Business – *For a Competitive and Innovative Domestic Economy*

Implementation of the IPA 2016 Support in the Sector of Competitiveness and Innovation –
Action “Local Development Strategies” (Programme for Local Self-Government and Economic Development in BiH)

CALL FOR PROPOSALS FOR PARTNERSHIPS IN TOURISM

Guidelines for Grant Applicants

Budget:
1,500,000 EUR
(2,933,745 BAM)

Reference: **15.2191.3-007.00G.C1**
Deadline for submission of Concept Notes: 1st July 2019

Sarajevo, 14th May 2019

I. Background information

The objective of the EU co-financed action, "Local Development Strategies" (the Action), is to strengthen BiH's capacity for generating growth and employment through support for competitiveness and innovation.

The EU4Business project is worth 16.1 million EUR. It is jointly funded by the European Union (15 million EUR) and the Federal Republic of Germany (1.1 million EUR). The project, which began in April 2018 and will run until March 2022, is being jointly implemented in Bosnia and Herzegovina by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ GmbH), UNDP and ILO. The implementing partners have defined budget allocations and different sets of responsibilities.

The specific objective of the project is to support the development of BiH's private sector, with a focus on export-oriented, agro-rural and tourism sectors, as well as on enhancing the operational environment for MSMEs, including the development of local digital entrepreneurship.

Tourism is playing an increasing role in the economy, but is at its early stages of development compared to neighbouring countries. Given the country's cultural and natural assets, there is a potential for further growth. Outdoor tourism (sports and recreation, ecotourism, adventure tourism, research tourism, mountain tourism, activities on water) and cultural tourism (culture, events, history, ethno-tourism, gastronomy), in particular, have been singled out as key tourism pillars with great development potential, despite inadequate infrastructure and a shortage of accommodation capacities and services. Overall, a more diversified tourism offering is needed, which requires skills development and better networking among actors within each sector.

Tourism is, by nature, a "connecting business", so networks and clusters are key elements for the success of MSMEs in tourism. Consequently, there has been considerable interest in developing cluster partnerships and networks among destinations and tourism-related MSMEs¹ that aim to strengthen their competitive advantage. Both the agricultural and tourism sectors offer additional opportunities for the development of the SME sector, as well as economic inclusion of underdeveloped regions.

Tourism is also an information-intensive sector which is highly reliant on digital delivery, and tends to target customers who are not local. Information Communication Technology (ICT) tools can be very helpful in bringing the tourism offering closer to customers on international markets, thereby allowing for greater customer satisfaction and more individualised treatment. Based on the above-mentioned considerations, this **Call for Proposals supports the development of MSMEs in the BiH tourism sector through grants for projects which have the potential to increase the competitiveness of MSMEs, create jobs, improve the business environment and foster innovation.**

¹ MSMEs (Micro, Small and Medium Enterprises) are defined as businesses which employ fewer than 250 staff members and have an annual turnover of less than 50 million EUR, and/or a balance sheet that reflects a total of less than 43 million EUR.

1. OBJECTIVE AND PRIORITIES OF THE CALL FOR PROPOSALS

1.1. OBJECTIVE OF THE CALL FOR PROPOSALS (CfP)

The EU4Business Grant Fund Facility (GFF) for Tourism supports the integration of BiH's tourism offering into international value chains, stimulates the development of new tourism products, as well as the improvement of existing ones, and encourages the use of ICT tools.

Having in mind that sustainable development of the sector requires networking among different actors, cooperation among (local) development partners will be promoted. Beneficiaries of the GFF for Partnerships in Tourism are MSMEs, entrepreneurs and tour operators and citizens, with a special focus on women and youth, all of whom will benefit from access to value chains, business development services and digital tools, and will see an increase in incomes and sales, new jobs, and improved products and marketing.

This Call should improve MSMEs performance in the tourism sector of BiH, as a result of better access to and availability of innovative business development services, improved business environment "on the ground" as well as the through increases entrepreneurial initiatives.

The **specific objectives** of this Call for Proposals are:

- Valorisation of BiH's cultural and natural heritage, and improvement of the volume, quality and visibility of BiH tourism through the utilisation of ICT tools.
- Inclusion of BiH tourism offerings in brand-name tourism concepts such as Via Dinarica Green Trail and/or UNESCO Heritage Sites.

Funding priorities for intervention are:

1. Cultural tourism along routes that include UNESCO sites.
2. Outdoor tourism along the Via Dinarica Green Trail.

The following results are expected to be achieved by 2022:

- 50 new jobs created (to include 20 women and 15 youth)
- 10% increased incomes at the level of MSMEs
- 10% increased sales at the level of MSMEs
- 30 business entities (MSMEs) using market-led BDS and digital tools
- 10 business entities (MSMEs) gaining access to a value chain
- 1 harmonised business environment measure

Funding Priority 1: Cultural tourism along routes that include UNESCO sites

Definition of Cultural Tourism

Cultural tourism is defined as tourism that is concerned with the culture of a country or region, specifically the lifestyle of the people in certain geographical areas, their history, art, architecture, religion and other elements that have helped shape their way of life.

Description of potentials for Funding Priority 1 (Cultural tourism along routes that include UNESCO sites)

Cultural tourism has been proposed as one of the two key priorities for tourism development in the EU4Business programme. Culture can be many things, from a historic site, local gastronomy and language, to music and a festival. It is a broad concept that covers many branches of tourism and crosses many sectors. In order to connect, present and promote these various aspects of cultural tourism, Cultural Heritage Trails are becoming more popular. In keeping with the guidance (provided in the programme) highlighting the need to include Bosnia and Herzegovina in regional and international projects, the creation of the World Heritage Journeys of Bosnia and Herzegovina Trail (which integrates UNESCO World Heritage Sites) is recommended as the foundation for the Cultural Tourism segment of the grant scheme.

Locations in the following *municipalities* represent areas eligible for Funding Priority 1:

- Banja Luka ("Zmijanje embroidery" Hub – UNESCO Intangible Heritage)
- Čapljina ("The historic urban site of Počitelj" Hub – UNESCO Tentative List)
- Doboj ("Picking iva grass/mountain germander on Mt. Ozren" Hub – UNESCO Intangible Heritage)
- Foča ("Strict nature reserve/Perućica primeval forest" Hub – UNESCO Tentative List)
- Jablanica ("The natural and architectural ensemble of Blidinje" Hub – UNESCO Tentative List)
- Jajce ("The natural and architectural ensemble of Jajce" Hub – UNESCO Tentative List)
- Konjic ("Konjic woodcarving" Hub – UNESCO Intangible Heritage)
- Mostar ("Old Bridge Area of the Old City of Mostar" Hub – UNESCO Tangible Heritage; "The natural and architectural ensemble of Blagaj" Hub – UNESCO Tentative List; "The natural and architectural ensemble of Blidinje" Hub – UNESCO Tentative List)
- Posušje ("The natural and architectural ensemble of Blidinje" Hub – UNESCO Tentative List)
- Prozor-Rama ("The natural and architectural ensemble of Blidinje" Hub – UNESCO Tentative List)
- Ravno ("Vjetrenica Cave" Hub – UNESCO Tentative List)
- Sarajevo ("Sarajevo – a unique symbol of universal multiculturalism – a continual open city" and "Jewish Cemetery in Sarajevo" Hubs – UNESCO Tentative List)
- Stolac ("The natural and architectural ensemble of Stolac" Hub – UNESCO Tentative List)
- Tomislavgrad ("The natural and architectural ensemble of Blidinje" Hub – UNESCO Tentative List)
- Višegrad ("Mehmed Paša Sokolović Bridge in Višegrad" Hub – UNESCO Tangible Heritage)

Adjacent area of Funding Priority 1 is Brčko District

In duly justified cases, expenditures incurred while implementing Actions or part of Actions in an adjacent area may be financed up to a certain limit, which is 20% of the total eligible costs of the project. In the Grant Application Form, Applicants must clearly indicate if and where any activities will be performed in an adjacent area.

Project proposals that include activities in adjacent areas must meet all eligibility criteria, as set forth in this Guidelines for Applicants.

Funding Priority 2: Outdoor tourism along the Via Dinarica Green Trail

Definition of Outdoor Tourism

Outdoor tourism is a generic term that generally refers to nature-based activities and usually includes ecotourism, as well as adventure, mountain, winter, rural and village tourism.

Description of the potentials for Funding Priority 2: Outdoor tourism along the Via Dinarica Green Trail

Outdoor tourism is recommended as the second funding priority of the EU4Business tourism development programme. Outdoor tourism, also known as ecotourism, is a multi-faceted sector that includes nature-based activities, such as hiking, biking and rafting, as well as gastronomy and event tourism. In keeping with the guidance provided in the programme, which highlights the need to include Bosnia and Herzegovina in regional and international projects, the Via Dinarica mega-trail is recommended as the foundation for the Outdoor Tourism segment of the grant scheme – The Green Trail.

Areas eligible for this funding priority along the Via Dinarica Green Trail include locations in the following *municipalities*: Banovići, Banja Luka, Bihać, Bosanska Krupa, Bosanski Petrovac, Centar Sarajevo, Čelinac, Donji Vakuf, Drvar, Foča, Fojnica, Goražde, Gornji Vakuf-Uskoplje, Han Pijesak, Ilijaš, Istočni Stari Grad, Jajce, Kakanj, Kladanj, Ključ, Kneževio, Kotor Varoš, Krupa na Uni, Maglaj, Mrkonjić Grad, Novi Travnik, Olovo, Pale, Pale-Prača, Petrovac, Prijedor, Ribnik, Rogatica, Rudo, Sanski Most, Sokolac, Srebrenica, Stari Grad Sarajevo, Šipovo, Teslić, Travnik, Tuzla, Vareš, Višegrad, Vlasenica, Vogošća, Zavidovići, Zenica and Žepče.

All funded projects must align their approach with the needs and priorities of the tourism sector. They must address the issue of public benefit, as well as the specific problems/causes that adversely affect the private tourism sector in selected eligible areas and provide innovative² solutions to the problems facing the private sector.

² The definition of "innovation" adopted by the OECD: "An innovation is the implementation of a new or significantly improved product (good or service) or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations."

1.2. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The total available EU4Business grant fund is 10,000,000 EUR, while the overall indicative amount made available under this Call for Proposals is 1,500,000 EUR (2,933,745.00 BAM). GIZ GmbH, as Contracting Authority (CA) for this Call, reserves the right not to award all available funds. The **indicative** allocation of funds available under this Call for Proposals (per funding priority) is as follows:

| Measure | EUR | KM |
|--------------------|-----------|--------------|
| Funding Priority 1 | 750,000 | 1,466,872.50 |
| Funding Priority 2 | 750,000 | 1,466,872.50 |
| TOTAL | 1,500,000 | 2,933,745.00 |

Size of grants

Any grant requested under this Call for Proposals, must fall between the following minimum and maximum amounts:

- Minimum amount: 156,466.40 KM
- Maximum amount: 586,749.00 KM

This allocation is subject to a decision by the Contracting Authority, whereby the allocations between the funding priorities can be revised as deemed appropriate. This means that, in the event there is a lack of projects of sufficient quality under one of the funding priorities, the Contracting Authority may decide to use unspent funds on projects that belong to another funding priority.

Any grant requested under this Call for Proposals must fall between the following minimum and maximum percentages of total eligible costs (for a given Action):

- Minimum percentage: 20% of the total eligible costs of the Action
- Maximum percentage: 80% of the total eligible costs of the Action

Wherever reference is made in the Call for Proposals to the percentage of eligible costs, the further limitation to the percentage applicable to the total accepted costs will apply. As a reminder, before sending your application, please check that the requested contribution is equal to or less than the maximum percentage of the estimated total accepted costs allowed.

The balance (i.e. the difference between the total cost of the Action and the amount requested from the Contracting Authority – GIZ GmbH) for both funding priorities must be financed from sources other than the budget of the German Government, the European Union Budget or that of the European Development Fund.³

³ Where a grant is financed by the European Development Fund, any mention of European Union financing must be understood as referring to European Development Fund financing.

2. RULES FOR THIS CALL FOR PROPOSALS

2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

(1) the actors (Applicants):

- The Lead Applicant, i.e. the entity submitting the Application Form (2.1.1)
- Co-applicants

The Lead Applicant and its Co-applicant(s) are hereinafter jointly referred to as "Applicants" (2.1.1)

(2) the actions:

- Actions for which a grant may be awarded (2.1.2)

(3) the costs:

- Types of cost that may be taken into account when determining the amount of the grant (2.1.3)

2.1.1. Eligibility of Applicants, i.e. Lead Applicant and Co-applicants

Eligibility of the Lead Applicant

To be eligible, the Lead Applicant must:

- Be a legal person.
- Be registered in Bosnia and Herzegovina prior to 01.01.2017.
- Be directly responsible for the preparation and management of the Action with the Co-applicant(s), not acting as an intermediary.
- Be a specific type of organisation, such as:
 - o Local and regional tourism organisations/associations/clusters.
 - o Local and regional development bodies/agencies (with a wider scope of responsibilities than simply tourism).
 - o Educational institutions and training centres/organisations actively engaged in tourism development.
 - o Municipalities
 - o Public sector operators with verifiable experience in cultural and outdoor tourism
 - o National parks
 - o Local business support organisations, such as chambers of commerce, business centres, sectoral and professional associations, etc.
 - o Non-governmental organisations and foundations with verifiable experience in tourism.
 - o MSMEs⁴ operating in the tourism and IT sectors.

Registration codes for eligible MSMEs are presented in the following table:

⁴ MSMEs are defined as businesses which employ less than 250 staff and have an annual turnover of less than 50 million EUR, and/or a balance sheet total of less than 43 million EUR.

| MSMEs in Tourism (Description) | NACE Code |
|--|-----------|
| Recreational vehicle parks, trailer parks and camping grounds | 55.30 |
| Travel agency activities | 79.11 |
| Tour operator activities | 79.12 |
| Other reservation services and related activities | 79.90 |
| Performing arts | 90.01 |
| Support activities to performing arts | 90.02 |
| Artistic creation | 90.03 |
| Operation of arts facilities | 90.04 |
| Library and archives activities | 91.01 |
| Museum activities | 91.02 |
| Operation of historic sites, buildings and similar visitor attractions | 91.03 |
| Botanical and zoological gardens and nature reserve activities | 91.04 |
| Operation of sports facilities | 93.11 |
| Other sports activities | 93.19 |
| Activities of amusement parks and theme parks | 93.21 |
| Other amusement and recreational activities | 93.29 |
| MSMEs in the IT sector (Description) | |
| Other software publishing | 58.29 |
| Computer programming, consultancy and related activities | 62.0 |
| Data processing, hosting and related activities; web portals | 63.1 |
| Other information service activities | 63.9 |

Potential Applicants may not participate in this Call for Proposals or be awarded grants if they are in any of the situations listed in Section 2.6.10.1 of the Practical Guide to Contract Procedures for EU External Actions (PRAG):

- They are bankrupt, in pre-bankruptcy proceedings, financial consolidation proceedings or any similar proceedings; they are being wound up or are having their affairs administered by the courts; they have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning these matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations.
- They have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata.
- They have been found guilty of grave professional misconduct proven by any means, which the Contracting Authority can justify.
- They have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the economy in which they are established, with those of the economy of the Contracting Authority or those of the economy where the contract is to be performed.

- They have been the subject of a judgment (which has the force of res judicata) for fraud, corruption, involvement in a criminal organisation or any other illegal activity.
- they are subject to a conflict of interest with the Contracting Authority Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ GmbH) and other Applicants or parties involved in the Actions.
- They are guilty of providing false information (which is required as a precondition for participation in the call for submission of project proposals) to an authorised contractual party, or they fail to submit the required information.
- They have tried to obtain confidential information, expert influence over the Evaluation Committee or authorised contractual party during the project proposal evaluation process.

Lead Applicants, Co-applicants and, in the case of legal entities, persons who have powers of representation, decision-making or control over the Lead Applicant and the Co-applicants, are informed that, should they be in one of the situations of early detection or exclusion according to Section 2.6.10.1 of the PRAG, personal details [name, given name (if a natural person), address, legal form; and name and given name of the persons with powers of representation, decision-making or control (if a legal person)] may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned, in relation to the award or the execution of a grant contract.

In line with the above-mentioned, the Lead Applicant must provide the Declaration(s) of the Lead Applicant and declare that neither the Lead Applicant nor any Co-applicants are in any of these situations.

Co-applicant(s)

- The Lead Applicant must act with at least **two (2) Co-applicants**.
- At least one operator in the partnership must be a representative of the private sector.
- Co-applicants participate in the design and implementation of the Action, and the costs they incur are eligible in the same way as those incurred by the Lead Applicant.
- Co-applicants must satisfy the same eligibility criteria as the Lead Applicant.

During the Concept Note phase, the Lead Applicant and Co-applicants must jointly sign and upload the Memorandum of Understanding (document can be downloaded from the EU4Business Application Portal).

When completing the full application, the Lead Applicant must upload and submit the Declaration of the Lead Applicant and a Mandate of Co-applicant(s) for each Co-applicant in the project.

Applicants (Lead Applicant and Co-applicants) included in the list of EU restrictive measures (see Section 2.4. of the PRAG) at the moment of the award decision cannot be awarded the contract.⁵

⁵ An updated list of sanctions is available at www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In the case of a discrepancy between the published legal acts and the updates on the website, it is the OJ version that prevails.

Please note that political parties, as well as entity and/or state institutions, are not eligible, neither as Applicants nor as Co-applicants. Furthermore, Applicants (Lead Applicants and Co-applicants) must not have proprietary relationships.

2.1.2. Eligible Actions: Actions for which an application may be made

Definition

An Action is composed of a set of activities.

Duration

The initial planned duration of an Action must not be less than 8 months or more than 18 months.

Location

The Actions must:

- ☐ Take place mainly⁶ in the listed eligible municipalities/cities.
- ☐ Have visible and attributable effects on the eligible municipalities.

| Funding Priority | Eligible municipalities/cities |
|--------------------|--|
| Funding Priority 1 | <i>Banja Luka, Čapljina, Doboj, Foča, Jablanica, Jajce, Konjic, Mostar, Posušje, Prozor-Rama, Ravno, Sarajevo, Stolac, Tomislavgrad and Višegrad</i> Adjacent area: Brčko Distrikt |
| Funding Priority 2 | <i>Banovići, Banja Luka, Bihać, Bosanka Krupa, Bosanski Petrovac, Centar Sarajevo, Čelinac, Donji Vakuf, Drvar, Foča, Fojnica, Goražde, Gornji Vakuf-Uskoplje, Han Pijesak, Ilijaš, Istočni Stari Grad, Jajce, Kakanj, Kladanj, Ključ, Knežev, Kotor Varoš, Krupa na Uni, Maglaj, Mrkonjić Grad, Novi Travnik, Olovo, Pale, Pale-Prača, Petrovac, Prijedor, Ribnik, Rogatica, Rudo, Sanski Most, Sokolac, Srebrenica, Stari Grad Sarajevo, Šipovo, Teslić, Travnik, Tuzla, Vareš, Višegrad, Vlasenica, Vogošća, Zavidovići, Zenica and Žepče</i> |

Types of Actions

The Actions should relate to the objectives stated in Section 1.1. above.

The following types of Actions are ineligible:

- Actions concerned only (or mainly) with sponsorships for individuals to participate in workshops, seminars, conferences and congresses.
- Actions concerned only (or mainly) with scholarships for individuals for studies.
- Preparatory studies or the preparation of preliminary designs for works to be carried out as part of the project.
- Actions linked to political parties.

⁶ Activities implemented outside the programme area can only be justified in exceptional cases, when the project proposal can prove that its objectives cannot be achieved without the implementation of those activities, or that the implementation of certain activities will have a synergetic effect on the proposed Action.

Attention should be paid to **cross-cutting issues**, specifically those issues that contribute to the promotion of gender equality, human rights and democracy and respect for the rule of law. The implementation of the Action should be based on the principles of equal treatment in order to avoid discrimination based on ethnicity, gender, nationality, age, sexual orientation, language or religion. Please note that the attention paid by the applicants to cross-cutting issues will be scored in the evaluation grid. (See question 2.4 of the Evaluation Grid in Section 2.3.)

Types of activities

Eligible activities

Suggested types of activities that fall under Funding Priority 1 are (this list is not exhaustive):

- Supporting the integration of BiH cultural tourism into larger international/regional clusters/value chains [**internationalisation**].
- Creating clusters of sites/events/topics with the aim of specialising (e.g. music festivals) and/or diversifying (e.g. combining heritage sites with events) [**clusters/networks**].
- Aiming at the creation/improvement of networks, exchanges of good practices [**clusters/networks**].
- Strengthening B&B offers in supported clusters (cf. above) [**product development**].
- Developing an attractive image for active tourism destination clusters [**marketing**].
- Developing the image of chosen cultural sights as attractive, authentic and unique cultural places (e.g. using storytelling through the development of multilingual interpretation) [**marketing**].
- Creating and/or mapping cultural trails [**infrastructure**].
- Investing in signage and enhancing the visibility of attractions [**infrastructure**].
- Utilising ICT tools to improve products/services related to cultural attractions [**product development**].
- Linking cultural tourism concepts with other tourism niches; for example, with health/wellness offerings in the eligible areas [**product development**].
- Improving content in museums and developing creative interpretation (through the use of modern technology) [**product development**].
- Providing support for local festivals and events [**product development & marketing**].
- Supporting small-scale of infrastructural works [**infrastructure**].

Eligible activities

Suggested types of activities that fall under Funding Priority 2 are (this list is not exhaustive):

- Supporting the integration of tourism products into larger international/regional clusters/value chains [**internationalization**].
- Creating clusters of products/locations with the aim of specialising (e.g. focusing on cultural aspects of specific destinations along hiking trails) and/or diversifying (e.g. extending the tourism season for mountain destinations) [**clusters/networks**].
- Actions aiming at the creation and the improvement of networks, exchanges of good practices (e.g. creating a network of municipalities with a health/wellness focus along hiking trails) [**clusters/networks**].

- Supporting the development of new tourism products and the improvement of existing ones (thematic routes, festivals, sports events, etc.) **[product development]**.
- Strengthening B&B offers in supported clusters (cf. above) **[product development]**.
- Improving promotional activities (joint promotional events, joint brands, storytelling) **[marketing]**.
- Utilising ICT tools for the promotion of tourism attractions and/or destinations and the improvement of products/services offered at these attractions/destinations **[product development & marketing]**.
- Linking outdoor activities with other tourism niches, for example with health/wellness offers along the Via Dinarica Green Trail **[product development]**.
- Mapping out and marking trails, sites and locations **[infrastructure]**.
- Developing different training programmes aimed at upgrading skills **[training]**.
- Improving the safety of tourists (e.g. safety equipment for adventure activities, such as water rafting) **[product development]**.
- Supporting small-scale of infrastructural works **[infrastructure]**.

In addition, please note that construction work and/or the purchase of equipment cannot be considered a stand-alone project. In order to be eligible, it must be part of an integrated effort, inseparable from the rest of the Action, and indispensable for implementation of the project. It can be up to a maximum value of 50% of the eligible cost of the Action for purchasing equipment, and up to a maximum value of 30% of the eligible cost for construction/infrastructural work.

Financial support for third parties⁷

Applicants may not propose financial support to third parties.

Visibility

The grant beneficiaries must take all necessary steps to publicise the fact that the European Union and the German Federal Ministry for Economic Cooperation and Development have financed the EU4Business project and that the project is being implemented by GIZ GmbH, UNDP and ILO, and that their projects are funded as part of the EU4Business project.

As far as possible, Actions that are wholly or partially funded by the European Union and the German Federal Ministry for Economic Cooperation and Development must incorporate information and communication activities designed to raise an awareness (among specific or general audiences) of the reasons for the Action, and mention that support for the Action (in the country or region concerned) is being provided by the EU and the German Federal Ministry for Economic Cooperation and Development. Information on the results and impact of this support must also be provided.

⁷ These third parties are neither affiliated entity(ies), associates nor contractors.

Number of Concept Notes/full applications and grants per Applicants

- An Applicant (Lead Applicant and Co-applicant) **may not submit** more than 2 (two) applications under this Call for Proposals.
- An Applicant **may not be** awarded more than 2 (two) grants under this Call for Proposals, but only one as a Lead Applicant.
- A Lead Applicant receiving a grant **may be** a Co-applicant in 1 (one) other application at the same time.
- A Co-applicant **may not be** the Co-applicant in more than 2 (two) applications under this Call for Proposals.

2.1.3. Eligibility of costs: costs that can be included

Only "eligible costs" can be covered by a grant and included as costs in the overall project budget. The categories of eligible and non-eligible costs are indicated below. The budget is both a cost estimate and an overall ceiling for "eligible costs". It is, therefore, in the Applicants' interest to provide a **realistic and cost-effective budget**.

Eligible direct costs

Only "eligible costs" can be covered by a grant. Eligible costs are those incurred by the Applicant or its co-applicants during the implementation of the Action with the purpose of implementing the activities whose eligibility is defined in this Guidelines for Applicants document.

They must be:

- Necessary for the implementation of the Action which is the subject of the grant.
- Real, stated in the budget and part of the contract.
- Identifiable, justifiable and verifiable (in particular, recorded in the accounting records of the beneficiary and its partners).
- Incurred by the Applicant and/or its partners within the period of project implementation prior to the payment (original documents should be verified by the Contracting Authority).

The following direct costs of the Beneficiary(ies) shall be eligible:

- a) The cost of staff assigned to the Action (and only to the Action), corresponding to actual gross salaries, including social security charges and other remuneration-related costs; salaries and costs shall not exceed those normally borne by the Beneficiary(ies); The maximum percentage of the cost of staff cannot exceed 25% of the eligible costs.
- b) Travel and subsistence costs for staff and other persons taking part in the Action, provided they do not exceed those normally borne by the Beneficiary(ies), according to its rules and regulations.
- c) Purchase costs for new equipment and supplies specifically procured for the purposes of the Action, provided that ownership is transferred at the end of the Action. The maximum amount that may be spent on purchasing the equipment is 50% of the eligible costs, only if it can be proven that it is part of an integrated effort, is inseparable from the rest of the Action and indispensable for its implementation.

- d) Costs of construction work cannot exceed 30% of the eligible costs.
- e) Costs of consumables.
- f) Costs of service, awarded by the Beneficiary(ies) for the purposes of the Action.
- g) Costs derived directly from the requirements of the contract (dissemination of information, evaluations that are specific to the Action, expenditure verifications and audits, translation, reproduction, etc.).

Eligible indirect costs

The indirect costs incurred in the course of carrying out the Action may be eligible, but the total must not exceed 7% of the estimated total eligible direct costs. Indirect costs are eligible provided they do not include costs assigned to another budget heading in the standard grant contract. The Lead Applicant may be asked to justify the percentage requested before the contract is signed.

If any of the Applicants or Co-applicants are in receipt of an operating grant financed by the EU or the German Government, they may not claim indirect costs on their incurred costs within the proposed budget for the Action.

Ineligible costs

The following costs are not eligible:

- Debts and debt service charges (interest)
- Provisions for losses or potential future liabilities
- Costs declared by the Beneficiary(ies) and financed by another Action or work programme receiving a European Union grant (including through EDF), support from the German Government or any other donor (no double funding)
- Purchases of land or buildings
- Credit to third parties
- Taxes, including value added taxes
- Customs and import duties, or any other charges
- Financial penalties and expenses of litigation
- Currency exchange losses
- Second-hand equipment
- Costs of guarantees and similar charges
- In-kind contributions (only the costs of project staff are eligible)
- Costs of Actions which fall within the scope of general activities of competent public institutions or public administration services, including the local government

Please note that:

The grants shall not have the purpose or effect of producing a profit for the Beneficiary as the direct result of the operations/activities financed under the grant during the period of implementation.

Civil servants or other public employees of cantonal or local administrations which participate under this Call for Proposals shall not receive fees for their contribution to the

Action other than their standard, regular salaries from their respective institution. The salaries of civil servants or other public employees of cantonal and local administrations may be presented as co-financing a contribution of the Applicants.

Ethics clauses and Code of Conduct

a) Absence of conflict of interest

The Applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other Applicants or parties involved in the Actions. Any attempt by an Applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the Contracting Authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties in accordance with the Financial Regulation that is in force.

b) Respect for human rights, as well as environmental legislation and core labour standards

The Applicant and its staff must comply with human rights standards. More specifically, and in accordance with the applicable act, Applicants who have been awarded contracts must comply with environmental legislation, including multilateral environmental agreements, and with core labour standards, as applicable and as defined in the relevant International Labour Organisation conventions (such as the conventions on freedom of association and collective bargaining, elimination of forced and compulsory labour, abolition of child labour).

Zero tolerance for sexual exploitation and sexual abuse:

The Contracting Authority adheres to a policy of "zero tolerance" in relation to all wrongful conduct which has an impact on the professional credibility of the Applicant. Physical abuse or punishment, threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

c) Anti-corruption and anti-bribery

The Applicant shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption. The Contracting Authority reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract, and if the Contracting Authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, "corrupt practices" are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or the execution of a contract already concluded with the Contracting Authority.

d) Unusual commercial expenses

Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract with reference to the main contract, commissions not paid in return for any

actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries which are found to have paid unusual commercial expenses during projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving EU/BMZ/EDF funds.

e) Breach of obligations, irregularities or fraud

The Contracting Authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to a breach of obligations, irregularities or fraud. If a breach of obligations, irregularities or fraud are discovered after the award of the contract, the Contracting Authority may refrain from concluding the contract.

2.2. HOW TO APPLY AND PROCEDURES TO FOLLOW

To apply for this Call for Proposals, Lead Applicants must:

I. Provide information about the organisations involved in the Action. Please note that the registration of the following data via the **EU4Business Application Portal** (www.eu4business.ba) **is obligatory** for this Call for Proposals:

- Concept Note step: Registration is obligatory for Lead Applicants.
- Full Application step: Registration is obligatory for Lead Applicants

Lead Applicants must make sure that their profile is up to date.

II. Provide information about the Action in the sections listed under the Concept Note and Full Application on-line forms. Please note that online submission via the EU4Business Application Portal is obligatory for this Call.

It is strongly recommended to register well in advance and not to wait until the last minute before the deadline to submit your application.

Before starting to use the EU4Business Application Portal, please read the user guide available on the website. All technical questions related to the use of these systems should be addressed to the following e-mail: support@enigma.ba.

2.2.1. Concept Notes

Concept Notes must be submitted in accordance with the instructions provided in the on-line form (www.eu4business.ba). Applicants must apply in English.

Please note that:

1. In the Concept Note, Lead Applicants must only provide an estimate of the requested CA contribution, as well as an indicative percentage of that contribution in relation to the eligible costs of the Action. A detailed budget is to be submitted only by the Lead Applicants who are invited to submit a full application in the second phase.
2. The elements outlined in the Concept Note may not be modified in the full application. The CA contribution may not vary from the initial estimate by more than 20%. Lead Applicants are free to adapt the percentage of co-financing required within the minimum and maximum amounts and percentages of co-financing, as laid down in these Guidelines in Section 1.1. The Lead Applicant may replace a Co-applicant only in duly justified cases (e.g. bankruptcy of the initial Co-applicant). In this case, the new Co-applicant must be of a similar nature to the initial one. The Lead Applicant may adjust the duration of the Action if unforeseen circumstances beyond the Applicant's control have taken place following submission of the Concept Note and require such adaptation (due to the risk that the Action may not be carried out). In such cases, the duration must remain within the limits imposed by the Guidelines for Applicants. An explanation/justification of the relevant replacement/adjustment shall be included in an accompanying letter or e-mail.
3. Only the Concept Note form will be evaluated. It is, therefore, of the utmost importance that this document contains ALL relevant information concerning the Action. Only the Memorandum of Understanding signed between the Lead Applicant and its Co-applicants should be additionally uploaded.

Any error or major discrepancy related to the Concept Note instructions may lead to the rejection of the Concept Note. Clarifications will only be requested when the information provided is unclear and thus prevents the Contracting Authority (Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ GmbH)) from conducting an objective assessment.

Please note that, during this phase, only Concept Note forms completed and submitted online will be evaluated.

2.2.1.1. Where and how to send Concept Notes

The Concept Note must be submitted online via the EU4Business Application Portal (www.eu4business.ba) by following the instructions given in the user manual. Please note that an incomplete Concept Note will not be accepted by the system.

Once the full application has been submitted online, Lead Applicants will receive an automatic confirmation of receipt (by e-mail).

2.2.1.2. Deadline for submission of Concept Notes

The deadline for the submission of Concept Notes is 1st July 2019 at 16:00 (CET+1). The Lead Applicant is strongly advised not to wait until the last day to submit the Concept Note, since

heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submitting documentation. As the Contacting Authority, GIZ GmbH cannot be held responsible for a delay due to any of the above-mentioned difficulties.

Any Concept Note submitted after the deadline will be rejected.

2.2.1.3. Further information about Concept Notes

Information sessions on this Call for Proposals will be held in accordance with the schedule listed in Section 2.5.2. (the indicative timetable) of this Call for Proposals.

Questions may be sent by e-mail to the address provided below no later than 21 days before the deadline for the submission of applications.

E-mail address: eu4business@giz.de

The Contracting Authority (GIZ GmbH) is under no obligation to provide clarification on any questions received after this date.

Replies will be given no later than 11 days before the deadline for the submission of the Concept Notes.

Questions that may be relevant to other Applicants, together with the answers, will be published on the EU4Business project website.

No individual replies will be given to questions. All questions and answers, as well as other important notices to Applicants during the course of the evaluation procedure, will be published on the EU4Business project website (www.eu4business.ba). It is, therefore, advisable to consult the above-mentioned website regularly in order to be informed of the questions and answers that may be published.

To ensure equal treatment of Applicants, the Contracting Authority cannot give a prior opinion on the eligibility of Lead Applicants, Co-applicants, an Action or specific activities.

All **technical questions** related to registration on the EU4Business application portal or online submission via the EU4Business application portal should be sent to the following e-mail address: support@enigma.ba. Please note that the working languages of the IT support team are English and BHS. Therefore, users are invited to send their questions in English or BHS, should they wish to benefit from an optimum response time.

2.2.2. Full applications

Lead Applicants invited to submit a full application following pre-selection of their Concept Note must do so using the on-line version of the Full Application Form. Lead Applicants should then strictly follow the format of the Full Application Form and fill in the paragraphs in order.

The elements outlined in the Concept Note cannot be modified by the Lead Applicant in the full application. The donor's contribution may not vary from the initial estimate by more than 20%, although Lead Applicants are free to adapt the percentage of co-financing required within the minimum and maximum amounts and percentages of co-financing, as laid down in these Guidelines under Section 1.2.

The Lead Applicant may replace a Co-applicant only in duly justified cases (e.g. bankruptcy of initial Co-applicant). In this case, the new Co-applicant must be of a similar nature to the initial one. The Lead Applicant may adjust the duration of the Action if unforeseen circumstances beyond the Applicant's control have taken place following submission of the Concept Note and require such adaptation (due to the risk that the Action may not be carried out). In such cases, the duration must remain within the limits imposed by the Guidelines for Applicants. An explanation/justification of the relevant replacement/adjustment shall be included in an accompanying letter or e-mail.

Lead Applicants must submit their full applications in the same language as their Concept Notes (English). All required supporting documents must be uploaded and submitted jointly with the full application. A list of required supporting documents is presented in Section 2.4. of this document.

Please complete the full application form carefully and as clearly as possible so that it can be assessed properly. Any error or any major inconsistency in the full application (e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

Clarifications will only be requested when the information provided is unclear and thus prevents the Contracting Authority (GIZ GmbH) from conducting an objective assessment.

A paper version of the Concept Note will not be accepted.

Please note that only the full application form and its respective annexes (budget, logical framework), which must be completed online, will be evaluated. It is, therefore, of the utmost importance that these documents contain ALL relevant information concerning the Action.

The Lead Applicant must also complete and submit the following along with the full application:

- Budget
- Logical framework
- Memorandum of Understanding
- Declaration of the Lead Applicant
- Mandate of each Co-applicant in the Action
- Supporting documents

2.2.2.1. Where and how to send full applications

Full application forms, together with the budget, logical framework, memorandum of understanding, declaration of the Lead Applicant, mandate of the Co-applicants and supporting documents, must be completed and uploaded/submitted online via the EU4Business application portal (www.eu4business.ba) by the set deadline.

Once the full application has been submitted online, Lead Applicants will receive an automatic confirmation of receipt (by e-mail).

Please note that the system will not allow partial completion, submission and uploading of applications.

It will not be possible to submit the full application, budget and logframe if:

- The mandatory fields of the required documents are not filled in.
- The requested grant amount does not fall within the set minimum and maximum amounts indicated.
- The requested percentage of the grant is not in line with the set percentages of the total eligible costs of the project.
- The deadline for submission of completed applications has passed.
- The supporting documents have not been uploaded.

2.2.2.2. Deadline for submission of full applications

The deadline for the submission of full applications will be indicated in the letter sent to the Lead Applicants whose application has been pre-selected.

Lead Applicants are strongly advised not to wait until the last day to submit their full applications, since heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submitting documentation. As the Contracting Authority, GIZ GmbH cannot be held responsible for a delay due to any of the above-mentioned difficulties.

2.2.2.3. Further information about full applications

Questions may be sent by e-mail to the address provided below no later than 21 days before the deadline for the submission of full applications. The subject heading of the e-mail must clearly refer to the Call for Proposals.

E-mail address: eu4business@giz.de

The Contracting Authority is under no obligation to provide clarification on any questions received after this date. Replies will be given no later than 11 days before the deadline for the submission of full applications.

No individual replies will be given to questions. All questions and answers, as well as other important notices to Applicants during the course of the evaluation procedure, will be published on the EU4Business project website (www.EU4Business.ba). It is, therefore, advisable to consult the above-mentioned website regularly in order to be informed of the questions and answers that may be published.

All **technical questions** related to registration on the EU4Business application portal or online submission via the EU4business application portal should be sent to the following e-mail address: support@enigma.ba. Please note that the working languages of the IT support team are English and BHS. Therefore, users are invited to send their questions in English or BHS, should they wish to benefit from an optimum response time.

2.3. EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the Contracting Authority with the assistance of external assessors. All applications will be assessed according to the following steps and criteria.

If the examination of the Application reveals that the proposed Action does not meet the eligibility criteria stated in Section 2.1., the Application will be rejected on that sole basis.

(1) STEP 1: ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

Please note that it will not be possible to submit/upload Concept Notes and Memorandums of Understanding if:

- The mandatory fields of the required documents are not filled in.
- The requested grant amount does not fall within the minimum and maximum amounts indicated.
- The requested percentage of the grant is not in line with the set percentages of the total eligible costs of the project.
- The deadline for submission of the Concept Notes has passed.

This step also includes an evaluation of the relevance and design of the proposed Action. The Concept Notes will receive an overall score (with 50 being the maximum score) by using the breakdown of points in the evaluation grid below. The evaluation will also include a check

on compliance with the instructions on how to complete the Concept Note, given in the on-line form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation Grid

| Section | Maximum Score |
|---|---------------|
| 1. Relevance of the Action | 25 |
| 1.1. How relevant is the proposal to the objectives and funding priorities of this Call for Proposals and to the specific areas? Are the expected results of the Action aligned with the funding priorities defined in the Guidelines for Applicants (Section 1.2.)? | 5 |
| 1.2. How relevant is the proposal to the particular needs and constraints of tourism and the private sector in the target area(s) (including synergy with other development initiatives and avoidance of duplication)? | 5 |
| 1.3. To what extent have those involved (final beneficiaries, target groups) been clearly defined and strategically chosen? Have their needs and constraints been clearly defined, and does the proposal address them appropriately? | 5 |
| 1.4. Does the proposal contain at least one of the recommended elements? - Involvement of the private sector (MSMEs as final beneficiaries) - Internationalisation - Innovation - Utilisation of ICT tools | 5x2** |
| 2. Design of the Action | 25 |
| 2.1. How coherent is the overall design of the Action? Does the proposal indicate the expected results to be achieved by the Action? Are the results (output, outcome and impact) realistic? Are the activities feasible and consistent in relation to the expected results (including the time frame)? | 5x2** |
| 2.2. Does the proposal include an analysis of the core problem to be addressed by the Action? | 5 |
| 2.3. Does the design of the Action propose a sufficiently adequate and innovative solution for the noted problem? Does it take into account external factors (risks and assumptions)? | 5 |
| 2.4. To what extent does the proposal integrate relevant cross-cutting elements, such as: promotion of gender equality and equal opportunities, needs of youth, needs of disabled people, minorities, environmental/climate change issues, etc.? | 5 |
| Maximum total score | 50 |

****:** this score is multiplied by 2 because of its importance

Once all Concept Notes have been assessed, a list will be drawn up with the proposed Actions ranked according to their total scores.

Firstly, only those Concept Notes with a score of at least 30 will be considered for pre-selection. Secondly, the number of Concept Notes will be reduced by taking into account the ranking and the number of Concept Notes whose total aggregate amount of requested contributions is equal to 200% of the available budget for this Call for Proposals. The amount of requested contributions from each Concept Note will be based on the indicative financial envelopes for each funding priority, where relevant.

Once the Concept Notes have been evaluated, the Contracting Authority will send letters to all Lead Applicants, informing them of the results of that evaluation. The pre-selected Lead Applicants will subsequently be invited to submit full applications.

(2) STEP 2: EVALUATION OF THE FULL APPLICATION

Please note that it will not be possible to submit an application package (full application, budget and logframe) if:

- The mandatory fields of all required documents are not filled in.
- There are inconsistencies in the data provided.
- The requested grant amount does not fall within the set minimum and maximum amounts indicated.
- The requested percentage of the grant is not in line with the set percentages of the total eligible costs of the project.
- The deadline for submission of the full applications has passed.

A paper version of the full application will not be accepted.

The Applicant must satisfy all of the criteria specified in the Guidelines for Applicants, as summarised in the following table:

| Administrative criteria | To be submitted during the FULL APPLICATION phase |
|--|---|
| Application completed and submitted | X |
| Budget completed and submitted | X |
| Logframe completed and submitted | X |
| MoU completed and uploaded | X |
| Declaration of Lead Applicant completed, signed and uploaded | X |
| Mandate of each Co-applicant completed, signed and uploaded | X |
| Supporting documents uploaded | X |

| | |
|--|---|
| Duration of the Action (within the minimum and maximum extent allowed) | Minimum: 8 months Maximum: 18 months |
| Grant amount (within the minimum and maximum amounts indicated) | Minimum: 80,000 EUR Maximum: 300,000 EUR |

If any of the requested information is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

Full applications submitted online will be subject to further quality evaluation, including an assessment of the proposed budget and the capacities of the Applicants and Co-applicants. The evaluation criteria in the evaluation grid below will be used. There are two types of evaluation criteria: selection criteria and award criteria.

The selection criteria help to evaluate the Applicants' operational capacity and the Lead Applicant's financial capacity. The criteria are used to verify that they:

- Have stable and sufficient sources of finance to maintain activities throughout the duration of the proposed Action and to participate in its funding (this only applies to Lead Applicants).
- Have the management capacity, professional competencies and qualifications required to successfully complete the proposed Action. This applies to all operators in the Action (Lead Applicants and Co-applicants).

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities set forth in the Guidelines, and to award grants to projects which maximise the overall effectiveness of the Call for Proposals. They help to select applications which the Contracting Authority can be confident will comply with the objectives and priorities. They cover the relevance of the Action, its consistency with the objectives of the Call for Proposals, quality, expected impact, sustainability and cost-effectiveness.

Scoring

The evaluation grid is divided into sections and subsections. Each subsection will be awarded a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation grid

| Section | Maximum Score |
|---|---------------|
| 1. Financial and operational capacity | 20 |
| 1.1. Do the Applicants (Lead Applicant and Co-applicants) have sufficient in-house project management experience? | 5 |
| 1.2. Do the Applicants (Lead Applicant and Co-applicants) have sufficient in-house technical expertise (especially knowledge of the issues to be addressed)? | 5 |
| 1.3. Do the Applicants (Lead Applicant and Co-applicants) have sufficient in-house management capacity (including staff, equipment and the ability to handle the budget for the Action)? | 5 |
| 1.4. Does the Lead Applicant have stable and sufficient sources of finance? | 5 |
| 2. Relevance of the Action | 25 |
| Transfer score from the Concept Note | 25 |
| 3. Design of the Action | 25 |
| 3.1. How coherent is the overall design of the Action? Does the proposal indicate the expected results to be achieved by the Action? Are the results (output, outcome and impact) realistic? Are the activities feasible and consistent in relation to the expected results (including the time frame)? | 5x2** |
| 3.2. Was an analysis of the problem carried out? Does the design take into account external factors (risks and assumptions)? | 5 |
| 3.3. Does the design propose a sufficiently adequate and innovative solution for solving the noted problem? | 5 |
| 3.4. To what extent does the proposal integrate relevant cross-cutting elements, such as environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, minorities, youth, etc.? | 5 |
| 4. Implementation approach | 20 |
| 4.1. To what extent will the project positively influence the tourism sector (e.g. an increase in the number of employees, an increase in the number of tourists and overnight stays, an extended tourist season, an increase in income and sales at the sectoral level)? | 5 |
| 4.2. Does the Action allow for the creation of new tourism products/services and/or the innovation and/or integration of the BiH tourism sector into regional/international tourist clusters and value chains? | 5x2** |
| 4.3. Is the action plan for implementation clear, feasible and realistic? Is there a satisfactory level of involvement and participation in the Action on the part of the Co-applicant? | 5 |
| 5. Sustainability of the Action | 15 |
| 5.1. Is the Action likely to have a tangible impact on its target groups? | 5 |
| 5.2. Is the Action likely to have multiplier effects, including scope for replication, experience capitalisation and knowledge sharing? | 5 |

| | |
|--|------------|
| 5.3. Are the expected results of the proposed Action sustainable? - Financially: (e.g. in terms of financing follow-up activities, providing sources of revenue to cover all future operating and maintenance costs) - Institutionally: Will structures allow results of the Action to be sustained at the end of the Action? Will there be local "ownership" of the results of the Action? - At policy level (where applicable): What will be the structural impact of the Action (e.g. improved legislation, codes of conduct, methods)? - Environmentally (if applicable): Will the Action have a negative/positive environmental impact? | 5 |
| 6. Budget and cost-effectiveness of the Action | 15 |
| 6.1. Are the activities appropriately reflected in the budget? | 5 |
| 6.2. Is the ratio between the estimated costs and the expected results satisfactory? | 5x2** |
| Maximum total score | 120 |

** : this score is multiplied by 2 because of its importance

If the total score for Section 1 (financial and operational capacity) is less than 12 points, the application will be rejected. If the score for at least one of the subsections under Section 1 is 1, the application will also be rejected.

Provisional selection

After the evaluation, a table will be drawn up to list the applications and rank them according to their scores. The highest-scoring applications will be provisionally selected until the available budget for this Call for Proposals is reached. In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list. The validity period of the reserve list is 12 months.

(3) STEP 3: VERIFICATION OF ELIGIBILITY OF APPLICANTS (LEAD APPLICANT AND CO-APPLICANTS) AND SITE VISITS

Eligibility verification will be performed on the basis of the uploaded supporting documents requested by the Contracting Authority (see Section 2.4.). It will, by default, be performed only for applications that have been provisionally selected according to their scores and that fall within the available budget for this Call for Proposals.

- The Declaration of the Lead Applicant will be cross-checked with the supporting documents provided by the Lead Applicant. Any missing supporting document or any incoherence between the declaration of the Lead Applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of Applicants (Lead Applicant and any Co-applicants) will be verified according to the criteria set out in Sections 2.1.1., 2.1.2. and 2.1.3.

Any rejected application will be replaced by the next best-placed application on the reserve list that falls within the available budget for this Call for Proposals.

2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

A Lead Applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by GIZ GmbH, as the Contracting Authority. The Lead Applicant will be requested to upload and supply the following documents in order to allow the Contracting Authority to verify the eligibility of the Lead Applicant and Co-applicants:

Supporting documents must be provided through the EU4Business application portal.

Every operator in the project in the category of public institutions applying either as a project Lead Applicant or Co-applicant shall upload and deliver the following:

1. The most recent Notice on Classification of the Applicant issued by the relevant statistical authority (project participants recommended for contracting will have to deliver the original copy or a certified photocopy of this document, and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).
2. 2017 and 2018 Budget Implementation Reports
3. 2019 Budget
4. A certificate not older than 3 months, starting from the deadline for submission of the full application, certifying that there are neither due unsettled tax liabilities, nor debts based on contributions (the Lead Applicants recommended for contracting will have to deliver the original copy or a certified copy of this certificate issued by the responsible authority, and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).
5. A certificate not older than 3 months, starting from the deadline for submission of the full application, certifying that there are no due unsettled liabilities based on indirect taxes (the Lead Applicants recommended for contracting will have to deliver the original copy or a certified photocopy of this certificate issued by the responsible unit of the Indirect Taxation Authority of BiH – for VAT tax payers only – and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).
6. Proof that the Applicant (Lead Applicant and Co-applicants) has not been convicted by a final judgment of criminal offences (organised crime, corruption, fraud or money laundering), in accordance with applicable regulations in Bosnia and Herzegovina. Documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting.

7. Evidence that the Applicant (Lead Applicant and Co-applicants) is not bankrupt or subject to bankruptcy proceedings, in accordance with applicable regulations in Bosnia and Herzegovina. Documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting.

Every operator in the project in the category of small and medium-sized enterprises or non-profit organisations or organisations representing the private sector that is applying as a Lead Applicant or Co-applicant shall upload and deliver the following documents:

1. Decisions on the registration of the Applicant and (any) decisions on amendments (the project participants recommended for contracting will have to deliver the original copy or a certified photocopy of these decisions, and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).

2. The most recent Notice on Classification of the Applicant issued by the relevant statistical authority (project participants recommended for contracting will have to deliver the original copy or a certified photocopy of this document, and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).

3. The Articles of Association and documents on incorporation (project participants recommended for contracting will have to deliver the original copy or a certified photocopy of this document, and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).

4. A certificate not older than 3 months, starting from the deadline for submission of the full application, certifying that there are neither due unsettled tax liabilities, nor debts based on contributions (the Lead Applicants recommended for contracting will have to deliver the original copy or a certified photocopy of this certificate issued by the responsible authority, and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).

5. A certificate not older than 3 months, starting from the deadline for submission of the full application, certifying that there are no due unsettled liabilities based on indirect taxes (the Lead Applicants recommended for contracting will have to deliver the original copy or a certified photocopy of this Certificate issued by the responsible unit of the Indirect Taxation Authority of BiH – for VAT tax payers only – and documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting).

6. Applicant's 2017 and 2018 Balance Sheets and Income Statements (if applicable). The Lead Applicants recommended for contracting will have to deliver the original copy or a certified photocopy of these documents as verified by the RS Agency for Intermediary, IT and Financial Services (APIF) or the FBiH Intermediary Agency for IT and Financial Services (AFIP) not older than 3 months, starting from the deadline for submission of the full application. Otherwise they will be removed from the list of projects recommended for contracting.

7. An original or certified copy of the document acknowledging the number of employees, as issued by the relevant Tax Office. Documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting.

8. Proof that the Applicant (Lead Applicant and Co-applicants) has not been convicted by a final judgment of criminal offences (organised crime, corruption, fraud or money laundering), in accordance with applicable regulations in Bosnia and Herzegovina. Documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting.

9. Evidence that the Applicant (Lead Applicant and Co-applicants) is not bankrupt or subject to bankruptcy proceedings, in accordance with applicable regulations in Bosnia and Herzegovina. Documentation must not be older than 3 months, starting from the deadline for submission of the full application. Otherwise, they will be removed from the list of projects recommended for contracting.

The requested supporting documents (uploaded to the EU4Business application portal) must be uploaded in the form of originals, stamped photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals. Applicants must take into consideration the time necessary to obtain official documents from the competent authorities.

If the above-mentioned supporting documents are not provided before the deadline for submission of the full application, the application may be rejected. It is not necessary to have these documents translated into English. After verifying the supporting documents, the evaluation committee will make a recommendation for the site visit.

Recommended potential grant beneficiaries will be visited in order to verify the capacities of the Applicants and the content of the application. After verification, a final list of the projects recommended for contracting will be compiled.

Applicants recommended for funding will be asked to submit originals or stamped photocopies of the above-mentioned documents.

2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.5.1. Content of the decision

The Lead Applicants will be informed, in writing, of the Contracting Authority's decision concerning their application and, if rejected, the reasons for the negative decision. This letter will be sent by e-mail.

Any Applicant that believes it has been harmed by an error or irregularity during the award process may lodge a complaint with the EU4Business project.

2.5.2. Indicative timetable

| | DATE | TIME |
|---|------------------------------|-------|
| 1. Information meeting | | |
| Višegrad (Andrićev konak hotel) | 20.05.2019 | 11:00 |
| Bihać (Emporium hotel) | 22.05.2019 | 11:00 |
| Banja Luka (Jelena hotel) | 23.05.2019 | 11:00 |
| Mostar (INTERA Technological Park) | 24.05.2019 | 11:00 |
| Sarajevo (Novotel Sarajevo Bristol hotel) | 29.05.2019 | 11:00 |
| 2. Deadline for requesting any clarifications from the Contracting Authority | 10.06.2019 | 16:00 |
| 3. Last date by which clarifications are issued by the Contracting Authority | 20.06.2019 | 16:00 |
| 4. Deadline for submission of Concept Notes | 01.07.2019 | 16:00 |
| 5. Information to Lead Applicants on administrative checks and Concept Note evaluation | September 2019 | - |
| 6. Invitations to submit full applications | September 2019 | - |
| 7. Deadline for submission of full applications | October 2019 | - |
| 8. Evaluation of the full applications | November - December 2019 | - |
| 9. Eligibility check and site visits | December 2019 – January 2020 | |
| 10. Notification of award | January 2020 | - |
| 11. Contract signature | January – February 2020 | - |

All times are in the time zone of the country of the Contracting Authority (CET+1).

This indicative timetable refers to provisional dates (except for 1, 2, 3, and 4) and may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the EU4Business website.

2.6. CONDITIONS FOR IMPLEMENTATION FOLLOWING THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT

Following the decision to award a grant, beneficiaries will be offered a contract (Grant Agreement). The type of contract depends on the Lead Applicants' capacity. More details on contracts may be found at the following link: <https://www.giz.de/en/workingwithgiz/34529.html>

Subcontracting:

Subcontracting is the implementation of specific tasks comprising part of the Action as described in the annex to the Grant Contract. This is carried out by a third party, with which one or more beneficiaries have concluded a procurement contract. Such contracts must be awarded in accordance with GIZ's tender procedure or public procurement law.