CORRIGENDUM No. 1

REFERENCE TO THE CALL FOR PROPOSALS DOSSIER

"EU Support to Economic Development in Bosnia and Herzegovina – Call VI"

EC/BIH/CFP/03/009

Publication reference: EuropeAid/128-861/L/ACT/BA

PLEASE READ:

- **"Guidelines for grant applicants responding to the call for proposals for IPA 2008" *shall be modified as follows*:**

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.1 *Eligibility of applicants: who may apply*, Sub-section *(2)* referring to the list of situations under which, if being, potential applicants may not apply shall be deleted and replaced by:

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations which are listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions (available from the following Internet address: http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm);

In part B section VI of the grant application form ("Declaration by the applicant"), applicants must declare that they do not fall into any of these situations.

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.2 *Partnerships and eligibility of partners*, first paragraph, the following sentence shall be deleted:

Applicants may act individually or in consortium with partner organisations as specified hereafter.

and replaced by:

Applicants may act individually or with partner organisations.

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.2 *Partnerships and eligibility of partners*, first paragraph, the following sentence shall be removed:

Please note that in accordance with the Evaluation grid (Step 3 – Evaluation of the Application Form), section 3 Methodology, sub-section 3.3, the application is awarded one (1) point under reference sub-section if there are no partners.

Guidelines for Application, Section 2.1.3. *Eligible actions: actions for which an application may be made,* a paragraph here below referring to an added value the project proposals may have:

Proposals may have an added value if they:

- Take into account and, where possible, use the outcome of other tourism projects implemented in BiH;
- Apply to tourism products which span a wide geographical area with coverage of as many municipalities as possible.

shall be deleted and replaced by:

Proposals under Clusters 1 and 2 may have an added value if they:

- Take into account and, where possible, use the outcome of other tourism projects implemented in BiH;
- Apply to tourism products which span a wide geographical area with coverage of as many municipalities as possible within each of six shortlisted DEZs and each of three shortlisted Heritage trails.

In case of including additional location(s) for the outlined activities to the list of those suggested within each of six shortlisted DEZs and each of three shortlisted heritage trails, it has to be clearly elaborated in the project proposal and it may be appropriate if relevant and when these additional locations may contribute to the effectiveness of the Action for the specified DEZ or Heritage trail.
Only those locations within the area of each of six shortlisted DEZs and each of three shortlisted heritage trails may be taken into account for addition.

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.3 *Eligible actions: actions for which an application may be made*, a part referring to the types of action that are ineligible, first two bullet points:

- individual sponsorships for participation in workshops, seminars, conferences, congresses;
- individual scholarships for studies or training courses;

shall be deleted and replaced by:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.4 *Eligibility of costs: cost which may be taken into consideration for the grant*, first paragraph, second sentence:

Note that the eligible costs must be based on real costs, not lump sums (except for subsistence costs and indirect costs).

shall be deleted and replaced by:

Note that the eligible costs must be based on real costs based on supporting documents, not lumps sums (except for subsistence costs and indirect costs where flat-rate funding applies).

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.4 *Eligibility of costs: cost which may be taken into consideration for the grant*, the list of eligible direct costs including footnote 15 shall be deleted and replaced by :

To be eligible under the Call for Proposals, costs must comply with the provisions of article 14 of the General Conditions to the Standard Grant Contract (see Annex H_2 of the Guidelines)[15].

Guidelines for Application, Section 2. Rules of this call for proposals, 2.1 Eligibility criteria, 2.1.4 Eligibility of costs: cost which may be taken into consideration for the grant, sub-section referring to the contributions in kind shall be deleted and replaced by:

Any contributions in kind made by the Beneficiary or the Beneficiary's partners or any other source, which must be listed in Section I.4 of the application form, do not represent actual expenditure and are not eligible costs. They may not be treated as co-financing by the Beneficiary. The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget for the Action when paid by the Beneficiary or its partners.
However, the Beneficiary must undertake to make such contributions as stated on the application form if the grant is awarded.

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.1 *Eligibility criteria*, 2.1.4 *Eligibility of costs: cost which may be taken into consideration for the grant*, sub-section referring to the list of ineligible costs shall be deleted and replaced by:

<u>Ineligible costs</u>
The following costs are not eligible:
- debts and provisions for losses or debts;
- interest owed;
- items already financed in another framework;
- purchases of land or buildings;
- currency exchange losses;
- taxes, including VAT, unless the Beneficiary (or the Beneficiary's partners) cannot reclaim them and the applicable regulations do not forbid coverage of taxes;
- credit to third parties.

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15 Please note that the result of the new local income tax will have no impact on projects' budget. In terms of presentation of the expenses resulting from this law, when submitting on invoice, please be informed on the following: the Taxes in subject are income taxes that must be paid by your company on behalf of your service providers of employees. According to the Law, they are to be borne you your company and reported as expenses under the relevant budget heading (Salaries; gross amounts, local staff) according to Annex B to the application package - Budget for the Action.

By derogation from Article 14.2 of the General Conditions to the Standard Grant Contract (see Annex H_2 of the Guidelines), the following direct costs are also not eligible:

- financial service cost (bank charges, cost of guarantees and similar charges)
- fines, financial penalties and expenses of litigation
- purchase costs for used (second hand) equipment.

Guidelines for Application, Section 2. *Rules of this call for proposals*, 2.3 Evaluation and selection of applications, Sub-section (2) step 2: evaluation of the concept note, the evaluation grid and Sub-section *Scoring* shall be deleted and replaced by:

	Scores	
1. Relevance of the action	Sub-score	15
1.1 Relevance of the action needs and constraints of the country/region to be addressed in general, and to those of the target groups and final beneficiaries in particular.	5	
1.2 Relevance to the priorities and objectives mentioned in the Guidelines.	5(x2)*	
2. Effectiveness and Feasibility of the action	Sub-score	25
2.1 Assessment of the problem identification and analysis.	5	
2.2 Assessment of the proposed activities (practicality and consistency in relation to the objectives, purpose and expected results).	5(x2)*	
2.3 Assessment of the role and involvement of all stakeholders and, if applicable, proposed partners.	5(x2)*	
3. Sustainability of the action	Sub-score	10
3.1 Assessment of the identification of the main assumptions and risks, before the start up and throughout the implementation period.	5	
3.2 Assessment of the identification of long-term sustainable impact on the target groups and final beneficiaries.	5	
TOTAL SCORE		**50**

*the scores are multiplied by 2 because of their importance

Once all Concept Notes have been assessed, a list will be established with the proposed actions ranked according to their total score.

Firstly, only the Concept Notes which have been given a score of a minimum of 12 points in the category "Relevance" as well as a minimum total score of 30 points will be considered for pre-selection.

Secondly, the list of Concept Notes will be reduced in accordance to the ranking to those whose sum of requested contributions amounts to at least twice the available budget for this Call for proposals, taking into account the indicative financial envelopes foreseen by lot.

The Evaluation Committee will subsequently proceed with the applicants whose proposals have been pre-selected.

For the purpose of evaluation of Lot 1, special attention will be paid to the following points (the number in brackets indicates the evaluation criterion to which the point is related):

- ❖ Does the proposal identify all of the stakeholders/partners involved and demonstrate their commitment to the project? (2.3)
- ❖ Does the proposal identify the geographical area that the grantee intends to target. The geographical area includes the SMEs that will be benefit from the proposal? (1.1)
- ❖ Does the proposal describe how the proposed activities will contribute to achieve its objective? (2.2)
- ❖ Does the proposal demonstrate how sustainability will be achieved once the project is completed? (3.2)
- ❖ Does the proposal plan to address a greater number of obstacles identified in the value chain, particularly addressing in a sustainable manner marketing and human resource issues? (2.1)
- ❖ Does the proposal build on previous efforts undertaken to develop economic sectors? (2.2)

For the purpose of evaluation of clusters 1& 2 under Lot 2, special attention will be paid to the following points (the number in brackets indicates the evaluation criterion to which the point is related):

- ❖ Does the proposal describe the tourism product which is the target of the initiative (e.g. cultural, activity, extreme sport, sightseeing trail, religious, wine and gastronomic trip, thermal and wellness, etc.) (1.1)?
- ❖ Does the proposal describe the strategy which will be used to reinforce or create its tourism product (2.2)?
- ❖ Does the proposal describe the plan to introduce or reinforce the position of its tourism product on the international market (2.1)?
- ❖ Does the proposal describe how the proposed activities will contribute to achieve its objective (1.2)?
- ❖ Does the proposal take into account and use the outcome of other tourism projects implemented in BiH (2.2)?
- ❖ Does the proposal apply to tourism products which span a wide geographical area with coverage of as many municipalities as possible (2.3)?

Following the evaluation of the concept note, the Contracting Authority will send a letter to the applicants whose concept note has been evaluated, indicating the scores obtained for this first part of the evaluation and whether their full application form will be evaluated.[17]

Guidelines for Applicants, Section 2.2.4 *Further information*, a paragraph referring to the Fax No shall be deleted and replaced by:

Fax: + 387 33 666 037 (addressed to the Delegation of the European Commission to Bosnia and Herzegovina, Contracts and Finance Section – Procurement).

Guidelines for Applicants, Annex B – Budget for the Action:

Please note that budget line No 5.6 *Financial services (bank guarantee costs etc.)* has been deleted from the standard budget breakdown template and the revised Budget for the Action format is herewith enclosed in a form of Annex I to this Corrigendum of which it represents an integral part.

[17] Please note that the length of period between the opening session and the sending of this letter will depend on the number of proposals received

Annex I

Budget for the Action