



EUROPEAN UNION

DELEGATION TO BOSNIA AND HERZEGOVINA

Sarajevo, 1 February 2019

CLARIFICATION NO 2

to

Invitation to Expression of Interest for candidate entities to be entrusted with the implementation of IPA 2018 support in the sector of agriculture and rural development: *EU Support to Agricultural competitiveness and rural development in Bosnia and Herzegovina (EU4AGRICULTURE)*

Question 1: In relation to the Annex I of the Invitation for Expression of Interest, description of the Component 1, it is mentioned: “The measures are to be launched via calls for applications to channel grants and subsidised support...” Could you kindly clarify what is meant by subsidised support and is it expected that the implementation methodology includes both grants and subsidised support?

Answer 1: The implementation methodology should include grants only.
The term 'subsidised' is mentioned in the Expression of interest in order to imply that EU support to be provided to the sector beneficiaries via grants represents an investment 'incentive' to encourage the sector socio-economic development.

Question 2: In relation to the Annex I of the Invitation for Expression of Interest, the GIP measures in support of rural economy and diversification, would improvements of rural public infrastructure and services be eligible for investments (e.g. local roads, water supply, etc.)? Are capacity development activities for actors in rural areas (e.g. local action groups, associations, etc.) eligible under this support measure? Also, are public (local governments, cantons) and civil sector actors eligible for assistance under this measure?

Answer 2: No, improvements of public infrastructure per se are not eligible, as considered an ownership and competence of local authorities, thereby providing for basic conditions for investments. However, appropriate infrastructure activity(ies) may be considered as a part of applications to calls for proposals, where such activity(ies) may be relevant and necessary for sustainable realisation of an intervention proposed by a grant applicant/sector beneficiary.

Capacity development activities may only be eligible if contributing to implementation of investments/grants in order to achieve the objective of support measures under 1.3: "support rural jobs and services to ensure a better quality of life in rural areas". It cannot be for core operations and capacities of any actors per se.

Local partnerships are referred to in support measures 1.3, so it is expected that all actors in those partnerships, like public, civil society etc., will have their roles and responsibilities to contribute to realisation of support measures to foster rural economy and support sector beneficiaries, and not to support their core operations per se.

Detailed eligibility criteria and other specificities of the calls for proposals will be developed during negotiations of the Contribution Agreement and in full at the stage of the Action's implementation, when preparations for their design will also be needed, like needs and feasibility assessments, analyses, studies etc.

Question 3: In relation to the Annex II of the Invitation for Expression of Interest, question 1.1.a, could you kindly clarify what is meant by “selection criteria”? Do they imply eligibility and quality criteria for selecting proposals under the GIP, including from the viewpoint of e.g. beneficiaries, target sectors, etc.?

Answer 3: Under "*Selection criteria*" it is expected to provide description on how the selection of grant beneficiaries will be done within Grant Investment Package (GIP). In this respect the description of how aspects, including the following, will be defined (= methodology) for GIP:

- the objectives and results to be obtained with the financial support,
- the different types of activities eligible for financial support,
- the types of persons or categories of persons which may receive financial support,
- the criteria for selecting these entities and giving the financial support,
- the criteria for determining the exact amount of financial support,
- the maximum amount which may be given.

Detailed selection criteria and other specificities of the calls for proposals (within GIP) will be developed during negotiations of the Contribution Agreement and in full at the stage of the Action's implementation, when preparations for their design will also be needed, like needs and feasibility assessments, analyses, studies etc.

Question 4: In relation to the Annex II of the Invitation for Expression of Interest, questions 2.1.a and 5.a, could you kindly explain the meaning of "procurement procedures" vs. "contracting"? In other words, does contracting relate to outsourcing (which can also be secured through procurement procedures) or rather sub-delegation?

Answer 4: Yes, contracting, as stated in 2.1.a refers to outsourcing.

Question 5: In relation to the Annex II of the Invitation for Expression of Interest, question 1.1.e, could you kindly specify what is meant by local co-funding (e.g. parallel, direct contribution, etc.)?

Answer 5: Reference to "*local co-funding*" means to explore possibilities of other sources of co-funding.