



EUROPEAN UNION

DELEGATION TO BOSNIA AND HERZEGOVINA

Sarajevo, 18 December 2018

**CORRIGENDUM NO 1**  
**and**  
**CLARIFICATION NO 1**  
**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)***

**CORRIGENDUM NO 1**

The Invitation to Expression of Interest is modified as follows:

1. The dates stipulated under section "Submission requirements" on page 3 have been modified and now read:

"The proposal should be sent by email to the following address: [delegation-bosnia-and-herzegovina@ec.europa.eu](mailto:delegation-bosnia-and-herzegovina@ec.europa.eu) by **Thursday, 28 February 2019, 12:00 o'clock, CET, the latest.**

**Any questions related to this Invitation to Expression of interest** should be addressed to the EU Delegation by email to the following address: [delegation-bosnia-and-herzegovina@ec.europa.eu](mailto:delegation-bosnia-and-herzegovina@ec.europa.eu) **not later than Wednesday, 23 January 2019.**

**All replies to the questions received** in the period since the publication of this Invitation to Expression of interest until the above deadline, will be published at the website of the Delegation of the European Union to Bosnia and Herzegovina, section "Tenders and funding", sub-section "EU Delegation tenders" under the link to this Expression of interest **not later than Friday, 1 February 2019."**

2. The section "Description of related tasks" on page 8 of the referenced Invitation to Expression of Interest dossier is **modified** in the part related to the share of the EU contribution between the two Action components, Grant Investment Package and Technical assistance, and now reads:

**"The Action** will be implemented through a Contribution Agreement for indirect management. The entrusted entity will be responsible for managing the overall Action (including coordination with its partner(s) and/or exceptionally, its contractor(s), if any), which will comprise of a Grant Investment Package with a fixed value of 74% of the EU contribution while the remaining 26% of the EU contribution will be for the Technical assistance and for the **flat rate administrative cost of up to a maximum 7% of the total budget.**<sup>1</sup> "

All other terms and conditions of the Invitation to Expression of Interest remain unchanged. The above changes to the Invitation to Expression of Interest are integral part of the Invitation to Expression of Interest.

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<sup>1</sup> The percentage of administrative cost will be subject to further discussions and negotiations, as mentioned on page 2 of the Expression of Interest dossier.

## CLARIFICATION NO 1

**Question 1:** Given the complexity of the action, in order to have enough time to build effective partnership and in order to formulate a relevant and effective proposal in line with EU terms of reference and in line with the BiH Strategic Plan for rural development, and moreover for an effective contribution to the development of the agricultural sector of the country and for the best impact of the EU action we all ask for the possibility of postponing the deadline for the submission of the Expression of interest.

**Answer 1:** Please see Corrigendum no 1 above.

**Question 2:** How detailed should the "concept" be; for example page 18 demands a fairly specific description to the requested information; could you provide a description of the steps of approvals from the concept note to a final "implementation agreement"?

**Answer 2:** The concept should include replies to all questions mentioned under **Annex II** as stipulated on page 3 of the referenced Invitation to Expression of Interest. It is up to the interested entities to decide what they are considering as full replies.

As specified in the Section "Selection process" of the referenced Expression of Interest dossier, "the organisations that respond to this Invitation to Expression of interest will be assessed along the set of criteria mentioned in "I. Eligibility criteria", annexed to this Invitation. The best-placed entity will be invited to start negotiations, potentially leading to a Contribution Agreement, subject to confirmation of funding by the European Union. The selection will be made from responses to this Invitation."

After the deadline for the submission of proposals in reply to the referenced Invitation to Expression of Interest, the assessment of submitted proposals along eligibility and selection criteria will take place. In case needed, clarifications of any aspects of proposal(s) may be directly asked by the EU Delegation to BiH from the proposal's submitter(s).

Indicatively, it is expected to complete the assessment by end March 2019, after which the EU Delegation to BiH will start negotiations with the selected entity, potentially leading to a Contribution Agreement. As also specified in the referenced Expression of Interest dossier, "the signature of a Contribution Agreement is expected before the end 2019, following a negotiation between the selected entity and the EU Delegation to BiH".

**Question 3:** Is a different organization as an implementation partner required, or is it possible for one organization to apply as the entrusted entity and as the implementation partner at the same time?

**Answer 3:** Yes, a different organisation is required as an implementing partner as stipulated in the Section "I. Eligibility criteria" of the referenced Invitation to Expression of Interest dossier: *"The pillar assessed entrusted entity (as a coordinator) must work with at least one implementing partner [...]"*.

The entrusted entity is to be the lead implementing organisation in its created partnership and it has to implement all the relevant aspects of the Action, as specified for the role of the entrusted entity in the Expression of Interest dossier.

The entrusted entity must work with at least one implementing partner (meaning that it could be more than one implementing partner). Therefore, it is clear that everyone in a potential partnership is to implement relevant aspects of the Action, as required by the referenced Expression of Interest dossier.

In that respect, "division of roles within the partnership between potential entrusted entity and its implementing partner(s) ..." is also requested<sup>2</sup> to be presented in proposals of those that respond to the referenced Invitation to Expression of Interest.

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<sup>2</sup> In Annex II, point 6 on page 13 of the referenced Expression of Interest dossier.

**Question 4:** Is the ratification process for the fund a step further or is it still uncertain?  
**Answer 4:** The Commission Decision adopting IPA 2018 Annual action programme for Bosnia and Herzegovina was adopted on 5 December 2018.

The legal procedure of signing IPA 2018 Financing Agreement must be carried out by both signatory parties i.e. the European Commission on one side, and Bosnia and Herzegovina as the partner country on the other side. This process is still ongoing.

When signed by both parties the Financing Agreement enters into force and IPA 2018 funds will become operational i.e. available for contracting and implementation.

**Question 5:** How does the EU ensure coordination with ongoing projects in BiH in order to avoid overlaps? Are you able to include a mechanism for coordination of efforts both in the planning and the implementation stages?

**Answer 5:** The EU performs donor coordination at both the sector and specific programme(s)/project(s) levels, both bilaterally and/or multilaterally, where applicable. The EU also takes an active part in projects coordination led by the partner country's various stakeholders.

As for coordination of EU funded programmes and projects with other projects and sectors in BiH, all EU contractors and entities entrusted with implementation of EU funded projects are to ensure due donor/sector/project coordination as a part of their activities.

In that respect, some requirements in Annex II of the referenced Invitation to Expression of Interest dossier are specifically related to this particular aspect to which interested entities are to reply in their proposals.

**Question 6:** As it is written in the call for proposals it is envisaged that the ratio between technical assistance and grant schemes is 20/80. Is it a strict requirement to meet this ratio? Are you flexible to different ratio proposals? Given the experience of several donors in BiH, who claim that the grant absorption in agriculture sector in BiH is currently rather low and at the same time there is an increasing demand for technical assistance at all levels of public administration, it could be considered to increase the level of maximum amount allocated for technical assistance component (currently required at 20%).

**Answer 6:** The share of the EU contribution is precisely defined, as modified by Corrigendum no 1 above. The negotiable part refers to the administrative costs flat rate only.

**Question 7:** How should management costs (e.g. overall Action coordination/management function and related administrative costs) be calculated as part of the total Action budget? Should they be deducted from the total available budget or considered part of technical assistance only?

**Answer 7:** Please see Corrigendum no 1 above where a flat rate of up to a maximum of 7% administrative cost is calculated out of the total EU contribution of EUR 20 000 000.

**Question 8:** Is the Technical Assistance – Grant Investment Package ratio envisaged by the Invitation for Expression of Interest, free for minor adjustments?

**Answer 8:** Please see the answers no 6 and 7 and Corrigendum no 1 above.

**Question 9:** What is a definition of “non-state actors” for the measure 1.2 Strengthening advisory and extension services? In other words, would publicly funded bodies/institutions providing extension services be eligible for support under the Grant Investment Package?

**Answer 9:** The referenced Invitation to Expression of Interest dossier mentions under the Section "Component 1", Sub-section 1.2 on page 6 "[...] *non-state actors which act in support of the advisory services that the competent institutions provide for. Those actors may be education and professional training organisations, business support services, rural*

*development centres etc. [...] based on partnerships between public, private and non-state educational and training". They are to contribute to "assisting farmers in identifying sources of financing, writing project proposals and business plans and overcoming the gap between science and farming" as in line with the best EU practices.*

The authorities' institutional system of advisory services across the country will not be eligible to apply for sub-section 1.2, as it will be assisted under the Technical assistance component of the Action and is expected to work together with the non-state actors (that are eligible to apply for calls for proposals under sub-section 1.2) across relevant Action's activities, as mentioned in the dossier.

Details related to the specificities of particular activities, like eligibility of potential applicants under calls for proposals foreseen under sub-section 1.2, are to be developed during negotiations for potential Contribution Agreement and in full at the stage of the Action implementation.

**Question 10:** When it comes to the indicator on employment rate in agriculture (sex disaggregated), does this relate to the share of agriculture in total employment? The section on rationale as part of the Annex I of the Invitation for Expression of Interest indicates that the share of agriculture in total employment is 17%, while in the matrix of indicators the baseline for this indicator is set at 18% (2016). At the same time, the latest Labour Force Survey in Bosnia and Herzegovina indicates that the share of agriculture in total employment dropped to 15.7% in 2018. The Invitation for Expression of Interest mentions the need to refine the matrix of indicators at the start of the Action implementation; does this include the possibility to replace some of the existing indicators with more relevant ones?

**Answer 10:** The indicator of the employment rate is set as written i.e. "in agriculture" referring to the sector.

Those indicators derive from the Action Document<sup>3</sup> for IPA 2018 sector support developed in work with the competent stakeholders in BiH, consulting different available statistics related sources of information.

Therefore, in order to "define accurate baselines and realistic targets" that should not reduce the expected impact but strive to its realistic yet even improved values, where appropriate, the section "Indicative targets and indicators" contains "indicative" in its title and specifically stresses, for the aforementioned reason, that "at the start of implementation, the entrusted entity will refine the matrix of indicators for the Action after undertaking the necessary research and data collection".

**Question 11:** Would it be possible to extend the deadline for submission of expression of interest by 15 days, having in mind the end of the year which limits the availability of institutional partners and other stakeholders for consultations?

**Answer 11:** Please see Corrigendum no 1.

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<sup>3</sup> To be available to public as published at the European Commission's website [https://ec.europa.eu/neighbourhood-enlargement/instruments/funding-by-country/bosnia-herzegovina\\_en](https://ec.europa.eu/neighbourhood-enlargement/instruments/funding-by-country/bosnia-herzegovina_en) only after the enforcement of relevant IPA 2018 Financing Agreement between the European Commission and the partner country, Bosnia and Herzegovina.