Sarajevo, December 2022

INVITATION TO EXPRESSION OF INTEREST

FOR ENTITIES TO BE ENTRUSTED WITH THE IMPLEMENTATION OF IPA 2021 support in the PRIVATE sector DEVELOPMENT, TRADE, research AND INNOVATION:

***“EU4 Private Sector Development in Bosnia and Herzegovina (BiH) / Post Covid-19***"[[1]](#footnote-1)

The European Union (EU) will support the Private Sector Development in Bosnia and Herzegovina through a programme with the overall objective to contribute to the post COVID-19 economic recovery and creation of a more competitive and sustainable economic space in BiH. In specific terms, the Action should increase competitiveness and innovation of MSMEs through their transition towards a *green and digital economy*. In that respect, the Delegation of the European Union to BiH, building on the suggestions of BiH’s authorities, is looking into possibilities for indirect management with eligible entities to implement the part of the Instrument for Pre-accession Assistance (IPA III) for year 2021, in a view of potentially entering into formal negotiations leading to the signature of an Indirect Management Contribution Agreement in the course of 2023.

**Legal bases and considerations:**

The financial rules applicable to the Union budget, specifically Articles 62 (1) (c) and 154 of Financial Regulation (EU Euratom) No 2018/1046 from 18/07/2018, Regulation (EU) 2021/1529 from 15/09/20211, establishing an Instrument for Pre-Accession assistance (IPA III Regulation), Articles 1 (4) and 5 (4) of the Regulation No 236/2014 from 11/03/2014, laying down common rules and procedures for the implementation of the Union’s instruments financing external actions, allow for a for a possibility for the Union's financial assistance to be implemented indirectly by entrusting budget implementing tasks to among others, international organisations as well as their agencies and Member States agencies.[[2]](#footnote-2)

This invitation to expression of interest aims at identifying entities which could be, later on, invited to negotiations on a potential subsequent entrustment of the Union's budget implementation tasks (BIT) in respect to specific action of the Annual Action Programme for Bosnia and Herzegovina for year 2021 “**EU4 Private Sector Development in BiH/Post Covid-19"**. The organisation does not commit itself in expressing an interest to this consultation. At the same time, the European Commission reserves the right to take its final decision on the delegated actions upon its discretion.



**IPA II Action context**

This invitation includes the following annexes:

Annex I - Brief description of the Action “EU4 Private Sector Development in BiH/Post Covid-19"

Annex II – Eligibility and Selection Criteria

Annex III – Standard template for assessing potential applicants responding to a consultation/negotiation process for expression of interest

Annex IV – Evaluation grid

**IPA III context**

The IPA III Programming Framework[[3]](#footnote-3) is the overarching European Commission's strategic document for the use of EU funds under 2021-2027 multiannual financial framework (MFF). In the field of competitiveness and inclusive growth, to accelerate sustainable economic recovery from the COVID-19 crisis, the IPA III provides leverage to the socio-economic reforms to address structural weaknesses, low competitiveness and high unemployment.

The IPA III Programming Framework will also support the implementation of the Economic and Investment Plan for the Western Balkans (EIP) to spur the long-term recovery through a green and digital transition and support to reforms for bringing the Western Balkans closer to the EU Single Market and to implementing the European Green Deal. Main instrument for implementing the EIP will be the “Western Balkans Guarantee Facility” which will tackle the socio-economic impact of the crisis to modernise the economies, support the reforms and facilitate the twin of green and digital transition. IPA III should mainstream climate actions by increasing the finance to climate objectives to 20% by 2027.The European Green Deal remains the strategic reference for the Green Agenda, to support the just transition in IPA beneficiaries towards a circular, climate resilient and low carbon economy. The IPA III should support digital transformation of the beneficiaries’ economies to help them integrate into the EU’s higher added-value supply chains and the EU digital single market.

Specifically, *Window 4 - Competitiveness and inclusive growth* of the IPA III Programming Framework and its Thematic Priority 2: *Private sector development, trade, research and innovation* are attributed to this action. They aim to improve the business environment and ecosystem for innovation and investment climate in a context of the post COVID-19 socio-economic recovery.

The foreseen Action could be implemented by the **Entrusted entity/Delegated body (with its implementing partner(s) and/or sub-delegate(s), if any**) which has the highest competences and specialisation in this given area and has a proven track record in EU Member States, candidate and potential candidate countries.

**Responsibilities of the future entrusted entity:**

The Entrusted entity shall be responsible for implementing the envisaged Action planned under the IPA Annual Action Programme for Bosnia and Herzegovina for year 2021 related to the Private Sector Development namely, **“EU4 Private Sector Development in BiH/Post Covid-19**", which includes the tasks described in Annex I.

The Entrusted entity shall be responsible for the overall administration of all the tasks required to implement the above *Action,* among others, preparation, implementation and conclusion of procurement contracts, and management of corresponding expenditures, as well as providing for respective technical assistance. The entrusted Entity/Delegated body will also be responsible for lead coordination amongst its implementing partner(s) and/or sub-delegate(s), if any. It will participate in coordination meetings and other jointly organised common activities with the European Union.

In performing the *Action*, the Entrusted entity may not carry out tasks involving a large measure of discretion implying political choices and it may not set nor modify the primary objectives of the activities as described in Annex I, without the consent of the European Union.

The entrusted entity (with its implementing partner(s) and/or sub-delegate(s), if any) is envisaged to directly provide technical assistance with its own staff. In case that the outsourcing would be needed, the entrusted entity (with its implementing partner(s) and/or sub-delegate(s), if any) will recruit local and where relevant, international experts.

The financing of the Action shall be done by the European Union as prescribed in the Financing Decision. A flat rate of **up to** a maximum 7% administrative cost is applicable to all Indirect Management Contribution Agreement contracts and will be subject to further discussions and negotiations.

**Selection process:**

**Submission Requirements**: Interested entities are invited to submit their proposals to this Expression of Interest by replying to the questions mentioned under **Annexes II & III.**

The proposal should be sent by email to the following e-mail address [DELEGATION-BOSNIA-AND-HERZEGOVINA-CFP@eeas.europa.eu](mailto:DELEGATION-BOSNIA-AND-HERZEGOVINA-CFP@eeas.europa.eu) **by Friday, 3rd March 2023, 17:00hrs, CET, at latest.**

**Any questions related to this Expression of Interest** should be addressed to the EU Delegation by email to the e-mail address [DELEGATION-BOSNIA-AND-HERZEGOVINA-CFP@eeas.europa.eu](mailto:DELEGATION-BOSNIA-AND-HERZEGOVINA-CFP@eeas.europa.eu) **not later than Friday, 3rd February 2023, 12:00hrs, CET.**

All replies to the questions related to this Expression of Interest received within the deadline specified above, will be published on 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.

The entity responding to this Expression of Interest will be assessed along a transparent set of criteria mentioned below. The best-placed entity will be invited to start negotiations, potentially leading to a Contribution Agreement. The selection would be made from responses to this notification.

The selection of the entities under indirect management should not to be compared with, and does not constitute, a full competitive procedure. However, the present Invitation to Expression of Interest with all potentially eligible/interested entities ensures a transparent selection process on objective grounds.

The potential Contribution Agreement signature is expected in the course of 2023, following a negotiation procedure.

More information on the type of arrangements for managing the EU projects (referred to as ‘**management modes’**) is available on the EU website

<https://ec.europa.eu/europeaid/funding/about-funding-and-procedures/how-do-we-offer-funding_en>

**Annex I – Brief description of the Action “EU4 Private Sector Development in BiH/Post Covid-19”**

The overall objective (Impact) of the IPA 2021 Annual Action Programme for BiH, related to the Private Sector Development “EU4 Private Sector Development in BiH/Post Covid-19“, is to contribute to the post COVID-19 economic recovery and the creation of a more competitive and sustainable economic space in BiH.

The specific objective (Outcome) of this Action is to increase competitiveness and innovation of MSMEs in BiH line with transition toward a green and digital economy.

The foreseen Action will support BiH's efforts for accelerating SMEs technological (digital) transformation and digital innovation by combining i) grant support (mainly for achievement of outputs 2 and 3 and ii) technical assistance (for achievement of output 1). Specifically, grants will target SMEs digitalisation, high-tech industry innovation and digital empowerment for local communities. Together with technical assistance to support the creation of policy and operational framework for SME digital ecosystem, they present the two main components of the Action comprised of activities (and related outputs), as described below.

The foreseen outputs are:

1: Capacities for long-term regenerative economic recovery planning strengthened.

2: Continuity, resilience and sustainability of post COVID-19 operation improved in MSMEs (focus on export orientated), innovative start-ups and women and youth run businesses, thanks to better access to finance targeting eco-innovation.

3: Resilience of MSMEs in strategic sectors strengthened, based on the principles of green economy and digital transition.

Activities envisaged for achieving the Outputs

***Activities related to Output 1:***

Activities will be implemented through the technical assistance aimed at building capacities of main institutional stakeholders for defining the long-term economic recovery measures. Support will be provided for the preparation of recovery and resilience action plans. Activities will be closely linked with the process for development of Economic Reform Programme in BiH, thus ensuring the sustainability of the Action. Recovery and resilience policy measures will take into account the policy dialogue concerning green and digital transition that will be facilitated by the digital platform envisaged under Output 3. In doing so, activities under Output 1 also provide basis for the piloting of grant support measures envisaged under Output 2 and Output 3, which would best complement each other, if equally represented.

***Activities related to Output 2:***

This support will mainly be channelled via grants, as a most suitable model of assistance for innovative MSMEs, given that more diversified financing instruments are still insufficiently developed in BiH for supporting MSMEs long-term post Covid-19 recovery. In comparison to existing grant schemes aimed at short-term relief for MSMEs affected by the Covid-19 crisis, the grant scheme under this Action will focus on the promotion of best practices in eco-innovation for a gradual MSMEs green transition towards a more sustainable long-term recovery. Hence, introduction of green economy principles underpins the sustainability of the Action. However, a gradual approach is necessary to avoiding the risk that companies are not ready for tackling the challenges of green transition. Finally, the piloted measures will provide good examples to promote the implementation of activities related to circular economy under Output 3.

Concrete activities include:

*A 2.1 Support to MSMEs with particular focus on export orientated SMEs*

Assistance will be distributed mainly through grants to priority sectors[[4]](#footnote-4) including advisory for the pilot introduction of new products and services. Development of a platform for dialogue between the public and private sector and experts should also be considered. At least 15% of grants for MSMEs should be allocated to those with capacity to facilitate green transition, for the same reasons as outlined below.

*A 2.2. Support for start-ups, innovative, green and digital entrepreneurships*

Support will be provided through a specific grant component combined with advisory to increase beneficiaries access to know how through the cooperation with innovation centres and networking. The Activity should prioritise support for green and digital entrepreneurships, given that new investments in this area require new technologies and processes to support a shift. This will be done by following the best EU practices, which will be adapted to BiH realities.

*A 2.3. Support to women and youth lead businesses*

Continued support via grants and advisory will be ensured for an uptake of new business models and inclusion of vulnerable groups into value chains to strengthen their resilience for the future crisis. Advisory services should support education, training and upskilling of women and youth entrepreneurs including promotion of their networking. The training component is therefore complementary to the upskilling to be provide under COVID-19 Social Action (focused on labour market needs and conditions).

Also, the synergies with Youth Guaranty Facility will be explored to the extent possible, as well as with ongoing and planned programmes supporting youth and women entrepreneurship, such as support to the business links with diaspora.

***Activities related to Output 3:***

Measures implemented under this activity will provide for development of a digital platform (i.e. “BiH going green”) to raise awareness, share information and initiate a dialogue between the relevant stakeholders on the key issues concerning green and digital transition and incorporation of circular models into specific sectors.

Targeted campaigns should initiate a policy dialogue for increasing the sustainable practices among businesses, such as *How to reduce waste while adding value to SMEs*. Moreover, enhanced inter-sectoral cooperation should initiate a dialogue on issues such as *How to achieve successful stakeholders ‘collaboration when adopting national strategies for circular econom*y, with involvement of private sector and non-state actors. This platform could also be upgraded and streamlined in the future with the virtual communication tools established by the current EU projects which support SMEs. For example, IT solutions could be upgraded for providing a more client-specific information and to facilitate the communication between the registered users.

The support should also include pilot actions that promote resource efficient and circular processes and infrastructure. It will be channelled via the local partners through the network of qualified advisors, who will train SMEs on sustainable practices for green and digital business solutions and models, to foster introduction of relevant energy and resource efficiency standards.

**Intervention logic**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Results** | **Results chain:**  **Main expected results (maximum 10)** | **Indicators**  **(at least one indicator per expected result)** | **Baselines**  **(year)** | **Targets**  **(year)** | **Sources of data**  **(1 per indicator)** | **Assumptions** |
| **Impact** | To contribute to the post COVID-19 economic recovery and creation of a more competitive and sustainable economic space in BiH | Composite indicator on readiness of candidates and potential candidates | TBD[[5]](#footnote-5) | TBD | European Commission  Eurostat | *Not applicable* |
| Global Competitiveness Index (ranking) | 92  (2019) | 89[[6]](#footnote-6)  (2026) | World Economic Forum |
| Summary Innovation Index | 34.6  (2021) | 40  (2026) | European Innovation Scoreboard |
| GDP per capita in (PPS)[[7]](#footnote-7)/ EU average | 32  (2020) | 34  (2026) | BiH Agency for Statistics |
| Progress in most of the indicators under SDG 12, 13 and 15 | moderate  (2020) | significant  (2026) | The SDGs Framework in BiH |
| **Outcome** | Increased **competitiveness and innovation** of MSMSs in line with transition towards a *green and digital* economy | Doing Business (DB) score | 65.4  (2020) | 66.3  (2026) | DB, Distance to Frontier  BiH Agency for Statistics | Improved health situation in 2021 allows gradual rebound of economy.  COVID-19 government measures are effective for MSMEs. |
| SME Policy Index Dimension 10 score | 2.57  (2019) | 3  (2026) | SME Policy Index |
| SME Policy Index Dimension 9 score | 2.4  (2019) | 3  (2026) | SME Policy Index |
| **Output 1** | Capacities for **long-term *regenerative* economic recovery** planning strengthened | Number of new measures targeting long-term resilience introduced in reform plans for economic recovery in BiH | 1  (2021) | 2  (2026) | ERP 2023-2025 | Satisfactory cooperation among BiH actors relevant for economic recovery planning. |
| Status of recovery and resilience action plan | Recovery and resilience action plan not available  (2021) | Recovery and resilience action plan agreed and adopted  (2026) | Action Report |
| **Output 2** | **Continuity and resilience of post COVID-19 operation** improved in MSMEs (export-orientated),innovative start-ups and women/ youth run businesses thanks to better access *to finance for eco-innovation* | Number of SMEs supported (disaggregated data for women led businesses, youth led and innovative businesses) disaggregated for *green businesses* | 0  (2020) | 200[[8]](#footnote-8)  (2026) | Action Report | There are no further restrictions drastically limiting trade and MSMEs operations. |
| Number of SMEs with enhanced resilience | 0  (2020) | 50  (2026) | Action Report |
| Number of SMEs with access to Tech-transfer and to Innovation disaggregated for *green businesses* | 0  (2020) | 30  (2026) | Action Report |
| Number of new employees in supported SMEs disaggregated for *green jobs* | 0  (2020) | At least 70  (2026) | Action Report |
| **Output 3** | **Resilience** of MSMEs in strategic sectors strengthened, based on the principles of **green economy** and **digital transition** | Status of networkfor sustainability services in resource efficient, circular processes and infrastructure | Networkfor sustainability services in resource efficient, circular processes and infrastructure does not exist  (2020) | Networkfor sustainability services in resource efficient, circular processes and infrastructure established  (2026) | Action Report | SMEs aware of the benefits of the new resilience services and are willing to participate in green and digital transition. |
| Number of business support services (such as sustainability advisors in resource efficient, circular processes/ infrastructure; innovation; access to tech transfer) implemented by local partners | 0  (2020) | 3  (2026) | Action Report |
| Status of digital platform for *greening* of SME policies | Digital platform for ‘greening’ of SME policies does not exist  (2020) | Digital platform for ‘greening’ of SME policies set up and operational  (2026) | Action Report |
| Number of SMEs that introduced new digital solutions into their business | 0[[9]](#footnote-9)  (2020) | 50[[10]](#footnote-10)  (2026) | Action Report |
| Number of SMEs that obtained resource efficiency (such energy efficiency standard ISO 50001) | 0[[11]](#footnote-11)  (2020) | 50[[12]](#footnote-12)  (2026) | Action Report |

**Location of the action:** Bosnia and Herzegovina countrywide

**The Action office:** Due to the complexity of fields of interventions and multi-layered structure of stakeholders, it is expected that the Entrusted entity/Delegated body will ensure Action office(s) (of a reasonable standard and appropriate space for the project teams) in at least one administrative centre in the beneficiary country.

**Indicative implementation period:** Q1 2024 – Q2 2027

**Rationale**

Build up MSMEs resilience based on digital transition and use of new technologies presents the **main challenge** for accelerating the recovery of BiH’s economy after the COVID-19 pandemic. The majority of MSMEs in BiH are exporters in metal, wood, and textile and food production which are affected by the crisis through the broken supply and value chains and liquidity problems. On the other hand, the crisis created an opportunity for nearshoring and inclusion into a regional and EU value chains, which MSMEs could utilise by modernising its production processes to enhance competitiveness and compliance with EU standards.

Additional problem linked to MSMEs reduced operations as a consequence of the COVID-19 pandemic presents unemployment and lack of quality jobs, in particular for young people, women and vulnerable groups. A more targeted MSME support and better business environment are needed to create jobs and increase wellbeing of vulnerable categories in the aftermath of pandemic.

**To tackle SMEs resilience in a more sustainable way**, BiH needs to foster their digital and green transition. The EU support should catalyse this process through awareness raising amongst MSMEs on available instruments and tools for introduction of circular economy principles and standards.

To help **mitigating consequences of COVID-19 on MSMEs over a longer term**, BiH’s government policies should provide a country-wide approach for harmonising business environment and support in competitive sectors, including cross- cutting topics of green and digital transition.

All this calls for the continued EU support to MSMEs through the grants and technical assistance to modernise, restructure and wrap-up the immediate assistance to the private sector introduced during pandemics. The **continued EU support via grants** should increase business resilience through a new business models, product diversification and inclusion in EU value chains, while targeted support to innovative start-ups and vulnerable groups will be provided for entrepreneurial initiatives impaired by the pandemic.

**Technical assistance** should contribute to a long-term sustainability of grants, through the capacity building of main institutional stakeholders for the preparation of recovery and resilience plans and measures linked with Economic Reform Programme (ERP).

The support will also provide for development **of a digital platform** to promote principles of green economy and digital transition (i.e. “BiH going green”) and for implementation of pilot actions via the local partners to promote the resource efficient and circular processes and infrastructure.

**Implementation arrangements**

**The Action** will be implemented under indirect management by signing a Contribution Agreement. The entrusted Entity/Delegated body will be responsible for managing the overall Action (including coordination with its partner(s) and/or sub-delegate(s), if any) which will include the combination of grants support (min. 60% of the EU contribution) and technical assistance.

Operationally, the activities related to Output 1 will be implemented through technical assistance, and activities related to Outputs 2, and 3 will mainly entail support through grants.

The entrusted entity, as well as its implementing partner(s) and/or sub-delegate(s), if any, **must be positively pillar assessed**, including for the **procurement of grants** to ensure transparent management and coordination of the Action. **Sub-delegation** should be exceptionally granted for implementing technical assistance (Output 1) and for implementation of activities related to the circular and green economy under Output 3.

Dynamics of the Action implementation should take into account capacities of applicants to the calls for grants/final beneficiaries. The Action will therefore support further development of their capacities via relevant advisory and coaching mechanisms, like information and awareness campaigns, trainings, but also during monitoring of the grants implementation, etc. Also, it is expected that the Action may facilitate possible partnerships with the banking sector (exploring also local co-funding opportunities) for the co-funding to be provided at the applicant's level.

Relevant institutions competent for SMEs and for development of sectors selected for support, will be included in the implementation of the proposed activities. Should it be necessary, other institutions relevant to the achievement of the planned activities will be included in the implementation. The role and responsibilities of the institutions that will be involved in the implementation will be in accordance with their respective mandate.

In line with standard practice, in the initial stage of project implementation, the Entrusted entity/Delegated body will establish the Project Steering Committee whose role, amongst other, will be to monitor the progress of Action implementation, provide advice, and include main institutional stakeholders in accordance with common practice under the chair of the EU Delegation to BiH. The capacities of existing sector coordination and working groups may also be considered for use in this regard. The administrative and logistics support to these structures is to be provided by the Action.

Rights and obligations of the Steering Committee members will be prescribed by the Rules of Procedure to be developed at the start of implementation, with the final goal to enable full commitment and ownership of BiH in this Action. Tentative list of the members of Steering Committee for implementing the results should include: indicative list of institutions involved in the above activities/fora includes representatives of: BiH Ministry of Foreign Trade and Economic Relations (MoFTER), FBiH Ministry of Development, Entrepreneurship and Crafts, FBiH Ministry of Education and Science, RS Ministry of Economy and Entrepreneurship, RS Ministry for Scientific and Technological Development, Higher Education and Information Society, Brčko District of BiH Government, Department for Economic Development.

**Annex II - ELIGIBILITY AND SELECTION CRITERIA**

1) ELIGIBILITY OF ACTORS:

Eligibility of the potential entities for a Contribution Agreement is conditioned to the Pillar Assessment, which is requested by the EU under the Financial Regulation (EU Euratom) No 2018/1046 from 18 July 2018. The potential Entrusted entity submitting the expression of interest should be:

1. An International Organisation as defined by Article 62 (c) (ii) within the meaning of Article 156 of the EU Financial Regulation [[13]](#footnote-13) whose pillars have been positively assessed for Budget Implementation Tasks (BIT) by the European Commission; or
2. EU Member State organisations.[[14]](#footnote-14)

The pillar-assessed Entrusted entity (as a coordinator) may work with implementing partner(s) and/or *exceptionally,* pillar- assessed sub-delegate(s), to demonstrate the experience in the relevant sectors specified below.

2) SELECTION CRITERIA:

Technical capacity

1. *The potential Entrusted entity or at least one Implementing partner* have to demonstrate their presence in the country;
2. *The potential Entrusted entity* has to demonstrate capacity for managing large scale interventions, which should combine technical assistance and grants to ensuring transparency of the grant award and management procedures) with at least one project implemented and completed in the past 10 years in an EU member state or EU candidate countries or EU potential candidate countries;
3. *The potential Entrusted entity* and *implementing partner(s)* should demonstrate sectoral competences, either individually, or, in partnerships, with at least one similar project (capacity building and/or grants) implemented in the private sector development with a focus on MSMEs competitiveness and innovation, completed in the past 10 years in an EU member state and/or EU candidate countries and/or EU potential candidates.

***Please provide a complete list of relevant projects for demonstrating technical capacity under criteria a), b) and c) with title, scope, duration, amount, source(s) of funding and results achieved.***

**The potential applicants, which pass the eligibility and selection criteria (technical capacity), shall be assessed further as per criteria specified in Annex III.**

**Annex III – Standard template for assessing potential applicants responding to a consultation process for expression of interest**

**1. CONTEXT**

* **Introductory part:**

1. Country / Project/Programme Title: **Bosnia and Herzegovina/ “EU4 Private Sector Development in BiH/Post Covid-19 ”**
2. **Sector: Private Sector Development**
3. Short description of the project/programme and its general objectives: **Please refer to Annex I of this Expression of Interest**
4. EU programme amount / other contributions (if any): **EU Programme – allocation of EUR 8 million**

* **For the potential Entrusted entity – To be filled in by the entity replying to the Expression of interest:**

1. Name of potential Entrusted entity and implementing partner(s) and/or sub-delegate(s), if any (in case that any sub-contracting may be foreseen, please indicate possible/envisaged arrangements and for which Action's part accordingly)
2. Presentation of foreseen division of roles within the partnership between potential entrusted Entity, implementing partner(s) and/or sub-delegate(s) if any i.e. who covers which aspect of the Action's implementation and what the coordination chain would be, with the overarching responsibility of the potential Entrusted entity under and for the Action
3. Eligibility – Please provide relevant information to demonstrate eligibility as per criteria defined in Annex II of this Expression of Interest.

**2. ASSESSMENT CRITERIA**

**For the potential Entrusted entity – To be filled in by the entity replying to the expression of interest on max 9 pages, in Times New Roman font 11:**

* Please draft your expression of interest strictly using the following structure:

**1. Methodology (weight 35%)**

*Please describe your methodology for implementation of the tasks indicated in Annex I, with special* emphasis on the following issues:

1. *Please explain how do you plan to link the implementation of technical assistance and grant components? How the implementation of the technical assistance will contribute to achieving the impact and sustainability of grants?*
2. *Please describe how you will define the grants selection criteria, also specifying challenges to address the needs of main target groups (export oriented MSMEs[[15]](#footnote-15), innovative start-ups and women and youth run businesses);*
3. *Please describe how will you manage grants component, including its monitoring and evaluation to achieve the related indicators from the intervention logic?[[16]](#footnote-16) Also, identify main stakeholders, how will they be involved in this process, and propose your mitigation measures in case of insufficient number of quality applications received under the calls;*
4. *In the grants component, please describe how will you ensure reaching out less developed areas of Bosnia and Herzegovina within a countrywide approach, and how will you stimulate less skilled/capacitated/experienced potential applicants’ participation in the related calls?*
5. *How do you plan to implement and monitor the related technical assistance? Please briefly elaborate your approach to rolling out the ecosystem for introduction of circular economy in BiH. Please identify the main stakeholders that should be involved in this process and how will you support establishing a digital platform “BiH going green”?*
6. *Please identify and describe the key stakeholders in this component and how will you ensure their involvement, in particular in capacity building for achieving the Output 1?[[17]](#footnote-17)*
7. *What is your proposal to ensure institutional ownership and/or governmental support for implementation of the Action? In particular, please elaborate their expected involvement in development of the recovery and resilience action plan.[[18]](#footnote-18)*
8. *In your view, what are the particular opportunities and challenges important for the success of the overall Action? Also, please identify more specific risks for achievement of indicators on green economy in the intervention logic and propose the related mitigation measures.*
9. *How do you plan to ensure coordination with other programmes and donors in the sector? In addition, please briefly elaborate the prospective synergies of the Action with the current initiatives which support implementation of the EU Economic Investment Programme (EIP).*

**2. Technical and professional capacity (weight 45%)**

*2.1. Please describe your (i.e. potential Entrusted entity) capacities for managing large-scale interventions, which combine technical assistance and grants as well as your capacity for a transparent implementation of grant award and management procedures. In that respect, a specific reference to mechanisms for prevention and protection from any conflict of interest as well as for due application of the principles of traceability and accountability should be elaborated.*

*Furthermore, please address in particular, will the potential Entrusted entity manage the funds and the procurement procedures itself and/or does it intend to work with implementing partners, and/or, exceptionally, through a sub-delegation to another entrusted body? In case of sub-delegation, please provide an indicative list of sub-delegate(s) and indicative amounts to be sub-delegated as well as for which aspects.*

*2.2. The potential Entrusted entity should indicate its experience in the private sector development with a focus on MSMEs competitiveness and innovation, in particular on introduction of innovative business and financial models, digital technologies, policies and skills which promote green economy and digital transition.*

*2.3.* *Please provide information of the profile of the potential Entrusted entity, namely the organisation and staffing–internationally, in the Region and in the country/Bosnia and Herzegovina, where relevant.*

*In particular, please specify the following:*

1. *The number of staff working in the field related to this Expression of interest;*
2. *Will you implement the Action (both components) with your own staff or will you recruit? If the recruitment will be foreseen, please indicate profiles of experts (including whether local or international) and their positions/for which parts of the Action are envisaged.*
3. *Will you sub-contract any part of the Action? If sub-contracting will be foreseen, please indicate profiles of sub-contractors and for which parts of the Action are envisaged.*

*2.3.1 Please also provide relevant information on above points a), b) and c) (i.e. staffing, recruitment, if any sub-contracting) as related to each of your implementing partner(s).*

*2.4. Please indicate how you will ensure a countrywide coverage of the foreseen intervention.*

**3. Involvement of the potential Entrusted entity/Delegated body in the partner country/Bosnia and Herzegovina (weight 10 %)**

*3.1. Please indicate your past and current involvement in the private sector development in Bosnia and Herzegovina, if any.*

*3.2 Do you have sector related experience in the Western Balkans and if yes, in which countries?*

**4. Other (weight 10%)**

*4.1. Willingness to co-finance and/or complement this Action with your own resources would be an asset. How much do you plan to contribute from your side?*

*4.2. Please describe your specific activities envisaged to guarantee the visibility of the EU funding (including reference to the Communication and Visibility requirements for EU External Action –January 2018* [*https://ec.europa.eu/international-partnerships/comm-visibility-requirements\_en*](https://ec.europa.eu/international-partnerships/comm-visibility-requirements_en)*. In that respect, how do you plan to ensure that the EU is promoted and recognised as the main donor? Please provide an outline of your communication and visibility plan (to be developed in detail[[19]](#footnote-19) in negotiation phase). Please also note that Communication and public relations expert(s) is/are expected to be allocated for managing communication and visibility activities under the Action.*

**3. Contact Sheet**

|  |  |
| --- | --- |
| **Full legal name of Lead Organisation/ Individual:** |  |
| **Name** (if different from above)**:** |  |
| **Country of Registration:** |  |
| **Address of registered office:** |  |
| **Postal address** (if different from above)**:** |  |
| **Telephone number (including country code):** |  |
| **Fax number (including country code):** |  |
| **Main contact person for this assignment:** |  |
| **Main contact person’s position in the Organisation:** |  |
| **Contact person’s email address:** |  |
| **Alternate contact person:** |  |
| **Alternative E-mail:** |  |
| **Website of the Organisation:** |  |

**Further information about Agreements with pillar-assessed organisations, Contribution Agreements etc. can be found at** [**https://ec.europa.eu/international-partnerships/working-partner-organisations\_en**](https://ec.europa.eu/international-partnerships/working-partner-organisations_en)

**ANNEX IV – Evaluation grid**

**EXPRESSION OF INTEREST FOR POTENTIAL ENTRUSTMENT WITH IMPLEMENTATION OF IPA 2021 SUPPORT IN THE PRIVATE SECTOR DEVELOPMENT,** **TRADE, RESEARCH AND INNOVATION:**

**“EU4 Private Sector Development in BiH/Post Covid-19”**

**Name of the candidate, partner(s) and sub-delegatee(s), (if any):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |  |  |
| --- | --- | --- | --- |
| **ELIGIBILITY CRITERIA** | **Comments** | | **Assessment** |
| The potential entrusted Entity submitting the expression of interest should be: |  | |  |
| 1. An International Organisation as defined by Article 62 within the meaning of Article 156 of the EU Financial Regulation [[20]](#footnote-20) whose pillars have been positively assessed for Budget Implementation Tasks (BIT) by the European Commission;   or |  | | **Y/N** |
| 1. The EU Member States organisation.[[21]](#footnote-21) |  | | **Y/N** |
| **TECHNICAL CAPACITY CRITERIA** |  | |  |
| 1. *The potential Entrusted entity or at least one Implementing partner* have to demonstrate their presence in the country |  | | **Y/N** |
| 1. *The potential Entrusted entity* has to demonstrate capacity for managing large scale interventions, which should combine technical assistance and grants to ensuring transparency of the grant award and management procedures, with at least one project implemented and completed in the past 10 years in an EU member state or EU candidate countries or EU potential candidate countries;. |  | | **Y/N** |
| 1. *The potential Entrusted entity* and *implementing partner(s)* should demonstrate sectoral competences, either individually, or, in partnerships, with at least one similar project (capacity building and/or grants) implemented in the private sector development, in the field of MSMEs competitiveness and innovation, completed in the past 10 years in an EU member state and/or EU candidate countries and/or EU potential candidates. |  | |  |
| **Eligibility and selection criteria assessment overall** |  | |  |
| **The potential applicants, which pass the eligibility and selection criteria, will be assessed further as per assessment criteria specified below** | | | |
| **II. ASSESSMENT CRITERIA** |  |  | |
| **1. Methodology** |  | **Max 35 points** | |
| *Please describe your methodology for implementation of the tasks indicated in Annex I, with special emphasis on the following issues:* |  |  | |
| *a) Please explain how do you plan to link the implementation of technical assistance and grant components? How the implementation of the technical assistance will contribute to achieving the impact and sustainability of grants?* |  |  | |
| *b) Please describe how you will define the grants selection criteria, also specifying challenges to address the needs of main target groups (export oriented MSMEs[[22]](#footnote-22) , innovative start-ups and women and youth run businesses);* |  |  | |
| *c) Please describe how will you manage grants component, including its monitoring and evaluation to achieve the related indicators from the intervention logic?[[23]](#footnote-23)Also, identify main stakeholders, how will they be involved in this process, and propose your mitigation measures in case of insufficient number of quality applications received under the calls;* |  |  | |
| *d) In the grants component, please describe how will you ensure reaching out less developed areas of Bosnia and Herzegovina within a countrywide approach, and how will you stimulate less skilled/capacitated/ experienced potential applicants’ participation in the related calls?* |  |  | |
| *e) How do you plan to implement and monitor the related technical assistance? Please briefly elaborate your approach to rolling out the ecosystem for introduction of circular economy in BiH. Please identify the main stakeholders that should be involved in this process and how will you support establishing a digital platform “BiH going green”?* |  |  | |
| *f) Please identify and describe the key stakeholders in this component and how will you ensure their involvement, in particular in capacity building for achieving the Output 1? [[24]](#footnote-24)* |  |  | |
| *g) What is your proposal to ensure institutional ownership and/or governmental support for implementation of the Action? In particular, please elaborate their expected involvement in development of the recovery and resilience action plan.[[25]](#footnote-25)* |  |  | |
| *h) In your view, what are the particular opportunities and challenges important for the success of the overall Action? Also, please identify more specific risks for achievement of indicators on green economy in the intervention logic and propose the related mitigation measures.* |  |  | |
| *i) How do you plan to ensure coordination with other programmes and donors in the sector?* *In addition, please briefly elaborate the prospective synergies of the Action with the current initiatives which support implementation of the EU Economic Investment Programme (EIP).* |  |  | |
| **2. Technical and professional experience** |  | **Max 45 points** | |
| *2.1. Please describe your (i.e. potential Entrusted entity) capacities for managing large-scale interventions, which combine technical assistance and grants as well as your capacity for a transparent implementation of grant award and management procedures. In that respect, a specific reference to mechanisms for prevention and protection from any conflict of interest as well as for due application of the principles of traceability and accountability should be elaborated.*  *Furthermore, please address in particular the following issues:*  *- Will the potential Entrusted entity manage the funds and the procurement procedures itself and/or does it intend to work with implementing partners, and/or, exceptionally, through a sub-delegation to another entrusted body? In case of sub-delegation, please provide an indicative list of sub-delegate(s) and indicative amounts to be sub-delegated as well as for which aspects.* |  |  | |
| *2.2.* *The potential Entrusted entity should indicate its experience in the private sector development with a focus on MSMEs competitiveness and innovation, in particular on introduction of innovative business and financial models, digital technologies, policies and skills which promote green economy and digital transition.*  *-Please summarise the relevant projects/assignments which support your technical capacity requirements under questions 2.1 and 2.2, by also referring to your concrete contribution to achievement of the issues raised, and to indicative targets /indicators from the intervention logic provided in this document.* |  |  | |
| *2.3.* *Please provide information of the profile of the potential Entrusted entity, namely the organisation and staffing–internationally, in the Region and in the country/Bosnia and Herzegovina, where relevant.*  *In particular, please specify the following:*   1. *The number of staff working in the field related to this Expression of interest;* 2. *Will you implement the Action (both components) with your own staff or will you recruit? If the recruitment will be foreseen, please indicate profiles of experts (including whether local or international) and their positions/for which parts of the Action are envisaged.* 3. *Will you sub-contract any part of the Action? If sub-contracting will be foreseen, please indicate profiles of sub-contractors and for which parts of the Action are envisaged.* |  |  | |
| *2.3.1 Please also provide relevant information on above points a), b) and c) (i.e. staffing, recruitment, if any sub-contracting) as related to each of your implementing partner(s).* |  |  | |
| *2.4. Please indicate how you will ensure a countrywide coverage of the foreseen intervention.* |  |  | |
| **3. Involvement of the potential Entrusted entity in the partner country/Bosnia and Herzegovina** |  | **Max 10 points** | |
| *3.1. Please indicate your past and current involvement in the private sector development in Bosnia and Herzegovina, if any.* |  |  | |
| *3.2 Do you have sector related experience in the Western Balkans and if yes, in which countries?* |  |  | |
| **4. Other** |  | **Max 10 points** | |
| *4.1. Willingness to co-finance and/or complement this Action with your own resources would be an asset. How much do you plan to contribute from your side?* |  |  | |
| *4.2. Please describe your specific activities envisaged to guarantee the visibility of the EU funding (including reference to the Communication and Visibility requirements for EU External Action –January 2018* [*https://ec.europa.eu/international-partnerships/comm-visibility-requirements\_en*](https://ec.europa.eu/international-partnerships/comm-visibility-requirements_en)*. In that respect, how do you plan to ensure that the EU is promoted and recognised as the main donor? Please provide an outline of your communication and visibility plan (to be developed in detail in negotiation phase). Please also note that Communication and public relations expert(s) is/are expected to be allocated for managing communication and visibility activities under the Action.* |  |  | |
| ***TOTAL SCORE*** |  | **…../100 points** | |
| *Comments(strong/weak points)* |  |  | |

1. The present Expression of Interest is launched with a "suspensive clause". Please note that the awarding of the contract is subject to the condition of: the prior conclusion of a financing agreement. Consequently, the procedure shall invariably be cancelled if the IPA 2021 Financing Agreement for Bosnia and Herzegovina is not signed. [↑](#footnote-ref-1)
2. Specifically, Article 9 of IPA III Regulation prescribes that “Assistance under this Regulation shall be implemented in direct management or indirect management in accordance with the Financial Regulation through annual or multiannual action plans and measures, as referred to in Chapter III of Title II of Regulation (EU) 2021/947. In addition, Annex I to the same Regulation, prescribes that “IPA III will rely on a variety of partners, such as relevant EU Agencies, central and local authorities, Member States’ agencies and organisations, international and regional organisations, civil society organisations, and international and development financial institutions), in situations where they have a clear added value, building on the experience achieved and the lessons learned from the implementation of IPA and IPA II.” [↑](#footnote-ref-2)
3. as described in the Regulation (EU) 2021/1529 establishing the Instrument for Pre-Accession assistance IPA III [↑](#footnote-ref-3)
4. The sectors supported under the current EU4Business Recovery project are: metal, wood, food production, textile and tourism [↑](#footnote-ref-4)
5. EU defined [↑](#footnote-ref-5)
6. Estimated; based on analysis of 2012-2015 data. [↑](#footnote-ref-6)
7. Purchasing Power Standards [↑](#footnote-ref-7)
8. 50 women-led businesses, 50 youth led businesses, 20 innovative businesses [↑](#footnote-ref-8)
9. Data to be determined at the beginning of action [↑](#footnote-ref-9)
10. As a result of this Action [↑](#footnote-ref-10)
11. Data to be determined at the beginning of Action [↑](#footnote-ref-11)
12. As a result of this Action [↑](#footnote-ref-12)
13. Defined as per Articles 62 (c) (ii) and 156 of the EU Financial Regulation [↑](#footnote-ref-13)
14. Defined as per Article 157 of the EU Financial Regulation [↑](#footnote-ref-14)
15. The sectors supported under the current EU4Business Recovery project are: metal, wood, food production, textile and tourism [↑](#footnote-ref-15)
16. See pages 6 and 7 of this document [↑](#footnote-ref-16)
17. Long-term regenerative economic recovery planning and introduction of new measures in reform plans for BiH’s economic recovery. [↑](#footnote-ref-17)
18. 2nd indicator of the Output 1 [↑](#footnote-ref-18)
19. Along the requirements of the *Communication and Visibility requirements for EU External Action –January 2018* [↑](#footnote-ref-19)
20. Defined as per Articles 62 and 156 of the EU Financial Regulation [↑](#footnote-ref-20)
21. Defined as per Article 157 of the EU Financial Regulation [↑](#footnote-ref-21)
22. The sectors supported under the current EU4Business Recovery project are: metal, wood, food production, textile and tourism [↑](#footnote-ref-22)
23. See pages 6 and 7 of this document [↑](#footnote-ref-23)
24. Long-term regenerative economic recovery planning and introduction of new measures in reform plans for BiH’s economic recovery. [↑](#footnote-ref-24)
25. 2nd indicator of the Output 1 [↑](#footnote-ref-25)