



Implemented by



Contracting Authority:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Implementation of the Annual Action Programme for Bosnia and Herzegovina for the year 2020 Instrument for Pre-accession Assistance (IPA-II) CRIS No: 2021/425-779 Action 6: EU4DigitalSME

**CALL FOR PROJECT PROPOSALS FOR
Strengthening Innovation and Digitalisation in SMEs in BiH /EU4DigitalSME: EU support for digitalisation of Small and Medium Size Enterprises (SMEs) in Bosnia and Herzegovina**

Guidelines for Grant Applicants

Budget:
EUR 700,000
(BAM 1 396 081)

Reference: 18.2232.9-002.00

Deadline for submission: 10.03.2023

07.02.2023

I. Background information

Strengthening Innovation and Digitalization in SMEs in BiH (**The Project**), commissioned by the Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany (BMZ), as well as EU support for digitalization of Small and Medium size Enterprises (SMEs) in Bosnia and Herzegovina “EU4DigitalSME”, co-funded by the European Union (**the Action**) aims at increasing BiH’s capacity to support private-sector development through innovation and digitalization. To succeed in local, regional, and international markets, SMEs have to increasingly introduce innovations and digital solutions.

Technology Industry Innovation focuses on the capacities of SMEs in developing digital and technological innovations and researchers in collaborating internationally, developing knowledge transfer between academia and industry is relevant for this Call.

1. OBJECTIVE AND PRIORITIES OF THE CALL FOR PROPOSALS

1.1. OBJECTIVE OF THE CALL FOR PROPOSALS

SMEs struggle with numerous challenges that hamper their growth and productivity, one aspect of which is access to finance and know-how. In particular SMEs need to pursue innovation through greater adoption of technology in order to improve productivity, increase efficiency, lower costs, and overcome information asymmetries. In this context, the digital transformation of small businesses based on Information and Communication Technologies (ICT) is a key enabler for economic growth and development.

Cooperation between private sector and R&D institutions is vital for achieving a higher level of innovation. However, the current level of interaction between SMEs in BiH and academic and research institutions is low and especially the contribution of academic institutions to the innovation in industries remains low. In most economic sectors innovation has been sporadic and scattered as many of the SMEs are manufacturing purely as per customer design, not inventing, and designing their own products.

This Call for Proposals will contribute to achievement of the specific objective of the Project namely “To accelerate technological (digital) transformation and digital innovation of SMEs for mitigating effects of COVID-19 on BiH’s economy”

The specific goal of the Call is **providing support for innovative technology projects applicable in industry through public-private and private-private partnerships between industry, associations, business networks R&D in implementation of measures focused on technological transformation of SMEs in order to help SMEs grow and apply their innovative solutions.**

All funded projects must:

- align their approach with the needs and priorities of the industry/sector, issue of public benefit¹ especially addressing the gender issue, and the specific problems/causes that

¹ Improvement of the targeted sector including job creation, qualification level of jobs/employees, prevention of the “brain drain” and gender balance.

adversely affect the private sector and provide solutions to the problems the private sector is facing with.

- facilitate cross-sectoral support needed by manufacturing SMEs to test and adopt the latest digital technologies for transformation towards smarter, greener and more resource-efficient manufacturing, aligned with the latest EU policies.

Within this call, the following indicators are expected to be achieved by November 2024:

- **Cooperation between private sector and academia introduced with digital/ technological innovations in piloted SMEs (target: 7 partnerships established).**
- **Development of competitive advantages in SME supported (target: min. 21 SMEs supported out of which 30% of project team members are women)**
- **Number of innovative activities applied in SMEs through partnerships (target: minimum 7 innovations (at least one per project))**
- **Number of international RD&I collaboration partnerships (target: 5 international RD & I collaboration partnerships included in the project)**

** SMEs are defined as enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/ or an annual balance sheet total not exceeding EUR 43 million. Applicants participating in this CfP must verify their SME status by completing the [SME self-assessment questionnaire](#) provided by the European Commission. Please note that Applicants which have holdings with other enterprises through ownership/ capital/ voting rights must include data from the affiliated enterprises in calculations made with regards to staff headcount, turnover and balance sheet by using the [User guide to the SME Definition](#).*

1.2. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The indicative grant fund amount made available under this Call is **EUR 700,000 (BAM 1,369,081)**.

Size of grants

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

- Minimum amount: 50,000 EUR (97,791.50 KM)
- Maximum amount: 100,000 EUR (195,583.00 KM)

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

- minimum percentage: 30% of the total eligible costs of the project
- maximum percentage: 80% of the total eligible costs of the project

Wherever reference is made in the Call to the percentage of eligible costs, this will apply to the total accepted costs. The balance (i.e., the difference between the total cost of the project and the amount requested from the Contracting Authority – GIZ GmbH) must be financed

from sources other than the budget of the German Government, the European Union Budget and that of the European Development Fund.²

In its capacity as the Contracting Authority (CA) for this Call, GIZ GmbH reserves the right not to award all available funds.

2. RULES FOR THIS CALL FOR PROPOSALS

2.1. ELIGIBILITY CRITERIA

This Call is subject to three eligibility criteria, relating to:

1. the actors (Applicants³):
 - Lead Applicant, i.e., the entity submitting the Application Form (2.1.1),
 - Co-applicants (2.1.1).
2. the projects for which a grant may be awarded (2.1.2)
3. the types of costs that may be considered when determining the amount of the grant (2.1.3).

2.1.1. Eligibility of Applicants – Lead Applicant and Co-applicants
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Eligibility of Applicants

To be eligible, Lead Applicant in the partnership must:

- be a legal person
- be established in Bosnia and Herzegovina
- be registered at the latest by 31 December 2018
- be directly responsible for the preparation and management of the project with the Co-applicant(s), not acting as an intermediary
- be a specific type of organisation:
 - R&D institution (public and private)
 - Educational institution (public and private)
 - Business support organisation (chamber of commerce, business centre, sectoral and professional association, clusters, etc.) with verifiable experience in the private sector development
 - Local/regional development body/agency

The Lead Applicants must apply in partnerships, with a minimum of one (1) and up to three (3) entities. In other words, the Lead Applicant must collaborate with at least one (1) Co-applicant, and a maximum of three (3) Co-applicants.

² 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.

³ The Lead Applicant and its Co-applicant(s) are hereinafter jointly referred to as "Applicants".

Eligibility of Co-Applicant(s)

To be eligible, Co-applicant(s) in the partnership must:

- be a legal person
- be established in Bosnia and Herzegovina or other Western Balkan countries (Republic of Albania, Bosnia and Herzegovina, Montenegro, Kosovo⁴, Republic of North Macedonia, and Republic of Serbia)
- be registered at the latest by 31 December 2018
- be directly responsible for the preparation and management of the project with the Co-applicant(s), not acting as an intermediary
- be a specific type of organisation:
 - R&D institution (public and private)
 - Educational institution (public and private)
 - Business support organisation (chamber of commerce, business centre, sectoral and professional association, clusters, etc.) with verifiable experience in the private sector development
 - Local/regional development body/agency

All applicants (Lead Applicant and Co-applicant(s)) must have verifiable experience in implementation of EU funded project related to the Private Sector Development and/or Research, Development, and Innovation.

Applicants (Lead Applicant and Co-applicant(s)) who have generated taxable income in Germany and are subject to limited tax liability in Germany must contact the Contracting Authority to clarify their eligibility for participation within this Call.⁵

Please note that any potential Applicants (Lead Applicants and Co-applicants) may not participate in this Call 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 \(PRAG\)](#) and Declaration(s) of the Applicant. The Applicants must provide the Declaration of the Applicant and declare that none of these situations apply.

The Lead Applicant will be considered the leading organisation and, if selected as the contractual party, will assume all legal and financial liability for project completion. To be eligible, Co-applicants must participate in the design and implementation of the project.

Please note that political parties are not eligible as Lead Applicants or as Co-applicants. Furthermore, Applicants (Lead Applicants and Co-applicants) must not have proprietary relationships.

⁴ Kosovo (*) - This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence.

⁵ For further information, refer to the following webpage: https://www.gesetze-im-internet.de/estg/_49.html.

2.1.2. Eligible projects

Definition

A project is composed of a set of activities.

Duration

The planned duration of a project cannot exceed 10 months.

Location

Actions must perceive benefit and take place mainly⁶ in Bosna and Herzegovina.

Types of projects

The projects should relate to the objectives stated in Section 1.1.

The following types of projects are ineligible:

- projects focusing mainly or only on sponsorships for individuals to participate in workshops, seminars, conferences and congresses
- projects focusing mainly or only on study scholarships for individuals
- preparatory studies or the preparation of preliminary designs for activities which are part of the project implementation
- projects which have negative environmental impacts
- projects linked to political parties
- projects initiated prior to contracting

Types of activities

Eligible activities

An indicative list of activities that may be financed under this Call is given below:

- Supporting actions related to development of innovative products and services to be directly used by the enterprises, clusters or groups of SMEs (e.g., patents, industrial design, prototypes, modelling, trademark, specific research etc.);
- Implementing pilot and demonstration projects on innovative technologies and solutions;
- Smart specialization platform for high tech innovative industries;
- Digital industrial platforms for connecting smart factories with industrial applications for new innovative products and services;
- KETs (Key Enabling Technologies) - international (digital) value chains for advanced manufacturing technologies (i.e., components for automotive and industrial electronics and use of advanced materials, basis for innovations in a range of products across all industrial sectors);

⁶ Activities implemented outside the programme area can only be justified in exceptional cases, when the project can prove that it could not achieve its objectives without implementation of those activities.

- Digital service platforms for different sectors;
- Strengthening capacities of researcher and businesses to perform R&D relevant for private sector.

Please note that the list of eligible activities is not exhaustive.

The Applicants must ensure the proposed activities fall within the scope of the indicated objectives

SMEs cannot be Lead/Co-applicant, however the focus of each Project proposal must be support to digital transformation and innovation of SME. Each partnership must provide support to at least 3 SMEs in Bosnia and Herzegovina (Letter of Commitment signed by each SME must be submitted).

Please note that all funded projects must address the:

- **Cross-cutting and public benefit issues** specifically those issues that contribute to promotion of **gender balance**, job creation, qualification level of jobs/employees, prevention of the “brain drain” etc.
- The implementation of the project should be based on the principles of equal treatment to avoid discrimination based on ethnicity, gender, nationality, age, sexual orientation, language, or religion.

In addition to that, **digitalization and/or innovation of SMEs must be addressed in all intervention areas.**

Please note that Project proposals containing **transfer of knowledge and exchange with similar R&D organizations from the WB region** will be additionally scored.

Financial support to third party beneficiaries⁷

Applicants may not propose financial support to third party beneficiaries.

Visibility

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

As far as possible, projects 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 awareness (among specific or general audiences) of the reasons for the project, and must mention that support for the project (in the country or region concerned) is being provided by the EU and the German

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

Federal Ministry for Economic Cooperation and Development. Information on the results and impact of this support must also be provided.

Number of Project proposals and grants per Applicant

- Lead Applicant **may not submit** more than 1 (one) Project Proposals under this Call.
- A Lead Applicant receiving a grant **may act** as a Co-applicant in one (1) other Project Proposals at the same time.
- A Co-applicant **may not be** the Co-applicant in more than 2 (two) Project Proposals under this Call.

2.1.3. Eligibility of costs

Only “eligible costs” can be covered by a grant and included as costs in the overall budget. The categories of eligible and non-eligible costs are indicated below. All Lead Applicants must ensure that they provide a realistic and cost-effective budget.

Eligible costs are costs incurred by the Applicants (Lead Applicant and Co-applicants) during the implementation of the project with the purpose of implementing the activities eligible under the provisions of this Guidelines for Applicants document. These costs must be:

- necessary for the implementation of the project which is the subject of the grant;
- real, stated in the budget and part of the contract;
- able to be identified, justified and verified and in particular, recorded in the accounting records of the Applicants;
- supported by original documents, which will be verified by the Contracting Authority;
- incurred by the Applicants within the period of project implementation;
- in line with the local laws;
- not listed under “ineligible costs”.

Eligible direct costs

The following direct costs of the Applicants (Lead Applicant and Co-applicants) are eligible:

- The cost of staff assigned to the project (and only to the project), 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 Applicants; the maximum percentage of the cost of staff cannot exceed 50% of the total eligible costs. Staff members must have Employment contract.
- Other costs of service awarded by the Beneficiary(ies) for the purposes of the project (i.e., External experts).

- Costs derived directly from the requirements of the contract (dissemination of information, translation, reproduction, etc.).
- Travel and subsistence costs for staff and other persons taking part in the project, provided they do not exceed those normally borne by the Beneficiary(ies), according to its rules and regulations.
- Small-scale construction works (**up to 20% of the grant amount**). Eligible only when it can be proven that they are an integral part of and needed for the implementation of the project. Please note that Applicants whose projects and budgets don't comply with this will be excluded from the selection process.
- The costs for new equipment, software and supplies which are specifically procured for the implementation of the project. The ownership of the procured items will be transferred at the end of the project. **The maximum amount that may be spent on the procurement of the equipment is 50% of the grant amount, and only when it can be proven that they are an integral part of and needed for the implementation of the project. Please note that Applicants whose projects and budgets don't comply with this will be excluded from the selection process.**
- Costs of consumables goods.

Funds may be forwarded to partners (co-applicants) only if this is contractually agreed and the funds are budgeted in the budget line 'Funds for direct support to third-party recipients'. A separate budget must be agreed in each case for the individual forwarding of funds to third party recipient organisations, which may not exceed the forwarding amount per third-party recipient provided for in the Agreement. The Recipient must ensure that, in accordance with the Agreement, the essential terms of the Agreement between the Recipient and GIZ are similarly applied to the contractual agreement between the Recipient and third-party recipient and that third-party recipient are informed accordingly of the relevant requirements.

Eligible indirect costs

The indirect costs are calculated at 7% of the eligible direct costs which are incurred during the project implementation. In case the Applicants (Lead Applicants or Co-applicants) have been awarded another operating grant which is financed by the EU or the German Government, they may not claim indirect costs on their incurred costs within the proposed budget for the project.

Ineligible costs

The following costs are considered ineligible:

- debts, interests paid on debts, and debt collector charges;
- provisions for losses or potential future liabilities;

- costs declared by the Applicant(s) 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 (**in other words, no double funding of the same activities**);
- procurement of land and/or buildings;
- credit to third parties;
- taxes, including value added taxes;
- customs and import duties, or any other charges;
- financial penalties and litigation fees;
- exchange rate losses;
- second-hand equipment;
- costs of guarantees and similar charges;
- in-kind contributions;
- costs of actions which fall within the scope of general activities of competent public institutions or public administration services, including the local government.

Also, please note that the grants may not be used for the sole purpose of generating and contributing to profit for the Lead Applicant or the Co-applicants as a direct result of the operations and activities that are financed under the grant during the implementation period.

2.2. HOW TO APPLY AND PROCEDURES TO FOLLOW

The Call for Proposal opens on 07.02.2023 and closes on 10.03.2023, 16:00 hours (CET+1 time). Project proposals are to be submitted via Web page www.eu4digitalSME.ba within the above stated deadline. Project proposals submitted by any other means will not be considered eligible. **Application documents must be filled in English language.**

Documents to be uploaded are:

1. Application form
2. Action Plan
3. Budget
4. Logical framework/Logframe
5. Declaration by the Lead Applicant
6. Mandate of Co-Applicant(s)
7. Partnership Agreement
8. Letter of Commitment by SMEs
9. Supporting documents

Filling of all sections of the Application Form, including Budget and Logframe are mandatory, as well as uploading all requested documents (additional and supporting documents).

Once all documents are uploaded, the Lead Applicant will be able to submit the project proposal by selecting “SEND YOUR APPLICATION” button.

Applicants are encouraged to submit their Project proposal a few days prior to the submission deadline to avoid any potential problems during the submission process.

The data provided should be up to date, truthful, exhaustive, as well as consistent and should allow for a complete assessment of the proposal.

For any project proposal submitted, the Lead Applicant acts as the main contact with the Project. It is the Lead applicant's responsibility to ensure the timely submission of the Project proposal.

Final submissions of the Project proposals are only allowed to be made by a representative of the lead applicant in order to avoid duplicate submissions. A proposal can only be submitted once. Any modifications of the Project proposal after the submission are not possible and will not be taken into account. We thus advise applicants to thoroughly review their proposal.

Clarifications will only be requested when the information provided is unclear and thus prevents the Contracting Authority from conducting an objective assessment. Major inconsistencies in the application documents may result in the rejection of the Project proposal.

Project proposal submitted after the deadline may be rejected. Paper and/or printed versions of the Proposal will not be accepted.

System will not allow submission of the Application form without all requested documents for filling and supporting documents.

The Lead Applicants will receive an automatic confirmation via email upon successful submission of the Project proposal.

2.2.1. Further information regarding Application process

An information session on this Call will be held in accordance with the schedule listed in section 2.5.2 *Indicative timetable*.

Questions relating to this Call can be sent to the following email address: eu4digitalsme@giz.de, no later than 22.02.2023. The email subject line must include a reference to the Call eu4digitalsme@giz.de. Replies will be given no later than 28.02.2023.

The Contracting Authority doesn't have the obligation to provide clarifications to questions received after the above-mentioned date of 28.02.2023.

To ensure equal treatment of all applicants, the Contracting Authority cannot issue a prior opinion regarding the eligibility of an application, the proposed project, or any specific activities.

All questions and answers, and other important notifications will be published on the Project website (<https://eu4digitalsme.ba/>). It is therefore highly recommended to consult the above-mentioned website on a regular basis to stay informed about the questions and answers that may be published.

Technical questions relating to online submission of the project proposals must be sent to the following email: info@eu4digitalsme.ba.

2.3. EVALUATION AND SELECTION OF PROJECT PROPOSALS

The submitted Project proposals will be reviewed and evaluated by the Contracting Authority, assisted by external assessors working in pairs (pair of assessors for one proposal).

2.3.1. Administrative and eligibility check

(a) Administrative check

During the administrative check of proposals will be assessed if:

1. The published application form is filled, digitally readable and in English language
2. The Declaration by the (lead) applicant has been filled in and signed.
3. The Mandate of each co-applicant has been filled in, signed, stamped, and uploaded
4. The Letter of Commitment of each supported SME has been filled in, signed, stamped, and uploaded
5. Partnership agreement between the Lead Applicant and Co-applicant(s) is signed and stamped by all partners and enclosed
6. The budget is enclosed, in balance, presented in the format requested, and stated in EUR (without VAT)
7. The logical framework has been completed and is enclosed
8. The duration of the action cannot exceed 10 months
9. The requested grant contribution is between 50,000 EUR and 100 000 EUR (the minimum and maximum allowed)
10. The requested grant contribution is between 30% and 80% of the total eligible costs (minimum and maximum percentage allowed)

(b) Eligibility check

The eligibility verification will be performed on the basis of the supporting documents requested by the contracting authority. Supporting documents as part of the initial package of documentation are to be prepared/obtained and enclosed, namely:

- a. Scanned original or scanned certified photocopy of Tax registration certificate with ID number for all applicants (Lead applicant and co-applicants) [*Skeniran original ili skenirana ovjerena fotokopija uvjerenja o poreznoj registraciji sa ID brojem za sve učesnike u projektu (vodećeg aplikanta i koaplikante/partnere)*]
- b. Scanned original or scanned certified photocopy of the latest decision on registration for all applicants (Lead applicant and co-applicant(s) (for business entities and non-profit organizations) [*Skeniran original ili skenirana ovjerena fotokopija trenutnog/aktuelnog rješenja o registraciji za sve učesnike u projektu (vodećeg aplikanta i koaplikante/partnere) (za poslovne subjekte i neprofitne organizacije)*]

- c. Scanned original or scanned certified photocopy of the Notice on the classification of a legal entity according to the classification of activities issued by the competent statistical authority for all applicants (Lead applicant and co-applicants) [*Skeniran original ili skenirana ovjerena fotokopija posljednjeg obavještenja o razvrstavanju pravnog lica prema klasifikaciji djelatnosti izdatog od strane nadležnog statističkog organa za sve učesnike u projektu (vodećeg aplikanta i koaplikante/partnere)*]
- d. Scanned Statutes and acts on the establishment of all applicants (Lead applicant and co-applicants) [*Skenirani statuti i akti o osnivanju svih učesnika u projektu (vodećeg aplikanta i koaplikante/partnere)*]
- e. Scanned original or scanned certified photocopy of the balance sheet and income statement of the lead applicant for 2019, 2020 and 2021 (certified by APIF and AFIP, respectively) [*Skeniran original ili skenirana ovjerena fotokopija bilansa stanja i bilansa uspjeha vodećeg aplikanta za 2019., 2020. i 2021. godinu (ovjerene od strane APIF-a odnosno AFIP-a)*]
- f. For publicly funded institutions only: Scanned budget for 2019, 2020 and 2021 [*Za institucije finansirane javnim sredstvima: skenirani budžet za 2019., 2020. i 2021. godinu*]
- g. Certification, not older than 3 months starting from the deadline for submission of the application, confirming that the Lead Applicant and Co-applicants do not have overdue/unsettled tax liabilities and/or debts for salary benefits and contribution;
- h. Certification, not older than 3 months starting from the deadline for submission of the application, confirming that the Lead Applicant and Co-applicants do not have any unsettled indirect tax liabilities, issued by the competent unit of the Indirect Taxation Authority of BiH (VAT taxpayers only);
- i. Certification, not older than 3 months starting from the deadline for submission of the application, confirming that the Lead Applicant and Co-applicants are not bankrupt or subject to bankruptcy proceedings, in accordance with applicable regulations in Bosnia and Herzegovina.

All supporting documents will be checked and information in them will be compared with information provided in the Application form. In case there are discrepancies, the proposal will be rejected.

Requested supporting documents must be uploaded as instructed above. Lead Applicants and Co-applicants must pay attention to the time required to obtain official documents from the relevant authorities.

Application without all requested supporting documents will be rejected.

2.3.2. Quality Assessment

The quality assessments will be based on the Evaluation Grid and the instructions published in the Guidelines for Applicants. Each proposal is going to be evaluated separately and independently by two assessors.

Each assessor will provide the results of their individual assessments to the Grant Committee and the final score, which is the basis for the project ranking, is the arithmetical average of the scores given by the respective assessors.

In the event that individual scores of one assessment pair deviate 30% or more between the respective assessors, an additional assessor will be included in the assessment process. This person will follow the same assessment procedure.

In case the assessment of the call for proposals indicates that the proposed project does not meet the eligibility criteria stated in Section 2.1 of this document, the Project proposal will be rejected on that sole basis.

If it becomes clear, at any stage of the evaluation process, that one or more of the eligibility criteria has not been met, the project proposal will be declared ineligible and withdrawn from the assessment process.

The Applicants must comply with all the criteria specified in the Guidelines for Applicants. If any of the requested information is incorrect or incomplete, the project proposal may be rejected on that sole basis and not be evaluated further.

Project proposals submitted online will be subject to further quality evaluation, including an assessment of the proposed budget and Applicants' capacities, using evaluation criteria in the Evaluation Grid shown below.

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.

All the Project proposals will be evaluated based on the following criteria:

Evaluation Grid

Section	Maximum Score
1. Financial and operational capacity	15
1.1 Do the Applicants ⁸ have sufficient in-house experience of project management?	5
1.2 Do the Applicants have sufficient in-house technical expertise and in-house management capacity?	5
1.3 Does the Lead Applicant have stable and sufficient sources of finance?	5
2. Relevance	25
2.1 How relevant is the project to the objectives of the Call? Are the expected results of the project aligned with the listed indicators (Section 1.1 and 2.1.2)?	5
2.2 To what extent does the project support increasing of the digitalization and innovation level of the specific manufacturing industry?	5
2.3 To what extent does the project directly support a wide range of SMEs?	5
2.4 Have the needs and constraints of the final beneficiaries (SMEs) been clearly defined and does the project address them appropriately? Meaning, to what extent does the project: <ul style="list-style-type: none"> – Demonstrate clear technological impact – Provides a clear description of the challenge(s) addressed – Contributes to the environment protection or resource/energy efficiency – achieve market-ready product innovations 	5x2**
3. Design	20
3.1 How coherent is the design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results? Are the activities proposed appropriate, practical, and consistent with the envisaged outputs and outcome(s)? Is the Activity plan for implementing the project clear and feasible? Is the timeline realistic?	5x2**
3.2 Does the project demonstrate the innovation component of the solution?	5
3.3 To what extent does the project integrate relevant cross-cutting elements such as: public benefit, human rights, youth, climate change?	5

⁸ Lead Applicant and Co-applicants

4. Implementation approach	20
4.1 Is the proposed collaborative model well described? Is the role of each Co-applicant appropriate and satisfactory? Are the benefits of SMEs targeted by the project well described?	5
4.2 To what extent does the project ensure transfer of knowledge and exchange with similar R&D organizations from the WB region?	5x2**
4.3 To what extent does the project team composition secure gender balance?	5
5. Sustainability	10
5.1 Are the expected results of the proposed project sustainable? <ul style="list-style-type: none"> - Financially (<i>e.g. financing of follow-up activities, sources of revenue for covering all future operating and maintenance costs</i>) - Institutionally (<i>will structures allow the results of the action to be sustained at the end of the action? Will there be local 'ownership' of the results of the action?</i>) - At policy level (where applicable) (<i>what will be the structural impact of the action — e.g. improved legislation, codes of conduct, methods</i>) - Environmentally (if applicable) (<i>will the action have a negative/positive environmental impact?</i>) 	5
5.2. Are the potential risks identified and risk mitigations defined clearly?	5
6. Budget and cost-effectiveness	10
6.1 Are the activities appropriately reflected in the budget?	5
6.2 Is the ratio between the estimated costs and the results satisfactory?	5
Maximum total score	100

**: this score is multiplied by 2 due to its importance

If the total score for Section 1 (financial and operational capacity) is less than 9 points, the Project proposal will be rejected. If the score for at least one of the subsections under Section 1 is 1, the Project proposal will be rejected.

If the total score for the Section 2 (Relevance) is less than 18 points, the Project proposal will be rejected.

Furthermore, please note that, should the evaluation determine that the Project proposal does not generate public benefit, the Application will be rejected on that sole basis.

Provisional selection

Following the evaluation, a table will be drawn up to list the Project proposals and rank them according to their scores. The highest-scoring Project proposals will be provisionally selected until the available budget for this Call is reached. In addition, a reserve list will be drawn up

in line with 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.

Any rejected project proposal will be replaced by the next best-placed Project proposal on the reserve list that can be financed from the budget available for this Call.

Note:

- If a certain number of Project proposals receive the same score, and the available funds of the Project are not sufficient to finance them all, priority will be given to Project proposals that clearly include cooperation with the with the similar R&D organizations from the WB region will prevail (criterion 4.2).
- If that criterion is insufficient, priority will be given to Project proposals which better define and address needs and constrains of final beneficiaries (criterion 2.4).
- If that additional criterion isn't sufficient Project proposal which involve more women involved will prevail (criterion 3.4).
- At the end, if that isn't sufficient, Project proposals with a wider range of directly supported SMEs will prevail (criterion 2.3).

In addition, all project proposals which are selected under this Call are subject to final review and approval by the Contracting Department of the Contracting Authority. In the event that the Contracting Department rejects the proposal and supporting documents, the grant agreement will not be awarded.

In any case, the Lead Applicant will be notified of the final decision.

2.4. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.4.1. Content of the Decision

Lead Applicants will be notified, in writing, of the Contracting Authority's decision concerning their Project proposal and, if rejected, the reason(s) for the rejection. This notice will be sent by email.

Applicants who believe that they were harmed by an error or irregularity in the award process may lodge a complaint with the Project no later than two weeks following the receipt of the notification.

2.4.2. Indicative Timetable

An indicative timetable of activities planned within this Call is presented below:

ACTIVITY	DATE	TIME
1. Publication of Call	07.02.2023	09.00
2. Digital Info session	Kick off (hybrid): 07.02.2023 Digital Info sessions: 14.02.2023 16.02.2023	12.00 12.00
3. Deadline for requests for clarifications from the Contracting Authority	22.02.2023	16.00
4. Last date by which clarifications are issued by the Contracting Authority	28.02.2023	16.00
5. Deadline for submission of Project Proposals	10.03.2023	16:00
6. Administrative check, Eligibility check and Quality assessment	March - April 2023	-
7. Capacity verification and notification of award	May 2023	-
8. Contract signing	June 2023	-

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

This indicative timetable refers to provisional dates and may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the Project website (<https://eu4digitalsme.ba/>).

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

Following a positive grant award decision, beneficiaries will be offered a contract (Grant Agreement).

Further details on contracts may be found under the [Procurement and Financing](#) section of GIZ GmbH's official website (<https://www.giz.de/en/workingwithgiz/34529.html>).

GIZ reserves the right not to award all available funds, subject to consultation with the Delegation of the European Union to BiH, if there is doubt whether supporting the projects concerned would be in line with the objectives of the Call.