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Local and Regional Competitiveness Project

First Call for Expressions of Interest

Questions and Answers (part 1)

Info sessions on Grant scheme presentation in:

Reka and Mavrovo Region and surroundings and Polog and their surroundings
Wednesday, March 22nd, 2017
Hotel Green Hilton, Gostivar

Region of Strumica and its surroundings and Geygelija, Dojran and their surroundings
Friday, March 24th, 2017
Villa Park Hotel, Strumica

Tikves region and its surroundings
Monday, March 27th, 2017
Stobi Winery, Gradsko

1. Can you give me more details on co-financing in respect of in-kind contribution?

Answer: In-kind contribution includes all assets or equipment that will be used to carry out activities under the proposed project. Example: Technical documentation, equipment owned by the applicant, wages to employees of the applicant that will participate in the implementation of the subproject.

For detailed information please refer to Grant Manual, available on the web page of the Project: www.lrcp.mk.

2. What types of partnerships are accepted? Would partnership between non-profit and profit entity is acceptable?

Answer: All types of partnerships are eligible; however, each applicant may apply for sub grants based on its category and request an amount within its category.

3. If the partnership is between different types of entities, what is the maximum amount that can be requested through sub-project?

Answer: Each applicant is eligible to apply for sub-grant by its legal status category i.e. profit entities are limited to the amount of funds under the category of sub-grants to local micro and small enterprises; civil society organizations, for profit and not for profit educational institutions and training centres for sub-grants to organizations related to tourism sector, and municipalities, centres for regional development and public institutions shall apply for tourism-related infrastructure sub-grants However, no matter how many partners there are within one project, the maximum requested sub-grant amount is 3.000.000 Euros. This is the maximum granted ceiling available per this call.

4. What is meant by sub-grants for small equipment in sub-component 3.2?

Answer: Ex. equipment for outdoor (exterior) landscaping, IT equipment, mattresses, beds and other equipment used in the facilities of the providers of tourist services.

5. Does the co-financing more than 10% brings more points in the process of selection?

Answer: Yes. The bigger the co-financing rate is over the minimum of 10%, the higher points it will receive during the evaluation of the full proposals by the Technical Committee.

6. Does already started projects are eligible, i.e. proposed sub-project is the second phase of full project implementation?

Answer: Yes that kind of proposals are eligible until they are not applying for funds for activities completed before signing the contract for sub-grants as well as activities that received assistance from a third party (donor).

7. What is the maximum amount that each entity may request individually?

Answer: Profit entities (applicants) are limited to the amount of funds to EUR 10,000 under the category of sub-grants to local micro and small enterprises, the applications for sub-grants to organizations in the tourism sector, educational institutions and training centers can be up to 100,000 EUR while municipalities, centres for regional development and public institutions can apply for an amount of up to EUR 1,000,000 under the category of sub-grant for tourism-related infrastructure in case of individual applications (requests) for sub-grant.

8. Do 3 hiking paths that form one complete project, but have a separate technical documentation, can be included in one proposal?

Answer: Yes, 3 hiking paths can be accounted as one sub-project proposal if they form a whole project

9. Can municipality cooperate with NGOs and apply a joint sub-project proposal and if yes, which is the maximum amount that can apply?

Answer: Yes, municipality can cooperate with NGO and propose sub-project in partnership, but each applicant is eligible to apply for sub-grant according to its legal status, which in this specific case would mean maximum amount of up to 1.100.000 Euro.

10. Who can apply for the maximum amount of 3 million Euros in component 3.1?

Answer: Groups (partnership between two or more applicants) of municipalities, regional development centres and public institutions related to cultural heritage and tourism infrastructure as defined in the Law on public institutions (Off. Gazette of RM no. 32/05).

11. Can an applicant submit more sub-project proposals?

Answer: There is no limit on the number of submitted subproject proposals (expression of interest), however a legal person (e.g. A public institution, civil organisation, micro and small company) may receive sub-grants only for one sub-project proposal under each call for proposals. Beneficiaries of the First Call for sub-project proposals can apply for funding in the following calls issued by LRCP.

12. How many public institutions can apply jointly for a grant under the Tourism Infrastructure?

Answer: At least two institutions need to partner and apply together in order to be eligible for a sub-grant of maximum 3 million Euros. The number of partners is not limited.

13. What percentage of funds under grant for tourism related infrastructure should be allocated for construction works and what percentage could be used for so-called soft measures?

Answer: The percentage allocated for construction works and soft measures is not strictly defined, but the full proposal sub-project will be evaluated by a Technical Committee composed of experts who will evaluate the contents of the proposal on the basis of evaluation criteria given in the LRCP Grant Manual (for each type of sub-grant is developed a separate set of evaluation criteria). There will be also a check on the reality of the prices of services and goods requested for procurement within the eligible sub-projects.

14. How many sub-project proposals (expressions of interest) may be submitted by a legal entity (public institution, civil organisation, micro and small company)?

Answer: There is no limit on the number of submitted proposals subprojects (expression of interest) per entity, however a legal entity (e.g. A public institution, civil organisation, micro and small company) may receive funds only for a sub-project under the call for expression of interest. Beneficiaries of the First Call can participate as applicants for funding in the following LRCP calls.

15. Will the sub-project proposals be evaluated with a higher number of points if administered in partnership with several municipalities (public enterprises, regions)?

Answer: Yes. The evaluation criteria are given in the LRCP Grant Manual, Grant Manual can be found on our website www.lrcp.mk.

16. According to the picture in the public call announcement, some municipalities of the Eastern region are not eligible as applicants, for example the Municipality of Kocani, Vinica or in general region of Osogovo? On the other hand in the presentation it was notified that a destination represents a physical space tourist stays per day or an hour's drive from the "center" of the destination?

Answer: The names of the destinations vary and are given in the names of cities (Strumica, Dojran etc.) or names of regions (Maleshevo, Reka etc.), yet all municipalities in Republic Macedonia are qualified for this call for expression of interest and there are within a particular destination.

17. New buildings are acceptable because infrastructure projects on the LRC project are eligible? Funding in the amount of one million Euros, in case of investments in tourist infrastructure, culture services are fairly large sum of money.

Answer: Construction of new buildings within the LRC project is not acceptable, infrastructure facilities related to tourism are acceptable such as landscaping, parking areas and access roads; however construction of local public infrastructure is not acceptable. The proposed sub-project activities must contribute to filling the gaps described in the call for expression of interest and to enrich the tourist offer and attractiveness of the destinations.

18. Is the co-financing amount limited i.e. can beneficiary's contribution be higher than 10%?

Answer: The co-financing amount required by the applicant is limited to the amounts shown in the announcement and presentation. The co-financing amount by the applicant may be higher than the required minimum and it will have more weight in the full proposal evaluation under the sub-project evaluation criteria.

19. Is the complete technical documentation required in order to receive funds (sub-grant)? Does the standards as Yellow FIDIC (Contractor to prepare technical documentation and conduct sub-project activities) are eligible?

Answer: Technical documentation is required with all the necessary approvals and permits, during the 2nd stage. Implementation period does not allow (up to 18 months for tourism-related infrastructure) preparation of technical documentation, getting necessary approvals and permits for signed sub-grant.

20. Does the costs for technical documentation preparation count as in-kind contribution?

Answer: Yes. In case, the sub-grant is awarded, the in-kind contribution amount must be determined by a licensed valuator.

21. Members of the Steering Committee are not eligible as applicants?

Answer: Yes, members of the Committee are not eligible; they may apply only if they withdraw from the Project's Steering Committee membership.

22. May several municipalities in partnership apply for a grant for reconstruction of regional road (regional road that connects several municipalities)?

Answer: Projects in general road infrastructure (construction and reconstruction of state road infrastructure) are not eligible. Sub-projects classified as Category A under the Operational Policy 4.01 World Bank are not eligible as well.

23. May separate municipalities apply for a grant for reconstruction of regional road (regional road that connects several municipalities)?

Answer: Projects in general road infrastructure (construction and reconstruction of state road infrastructure) are not eligible. Sub-projects classified as Category A under the Operational Policy 4.01 World Bank are not eligible as well.

24. If an applicant submits more than one subproject proposal, all of them are eligible and later, all of his proposals are assessed as high ranking, will all of the subproject proposals of this applicant be funded?

Answer: Although an applicant may submit more applications for sub-projects funding, only one sub-project will be funded per call, i.e. sub-project proposal that has the highest ranking according to the Technical Committee, and has been approved by World Bank and CDPMEA

25. What if among three partners, two are from the civil society organizations and the third partner is a private company?

Answer: Each applicant is required to apply for sub-grants per its legal status category. The maximum limit in this case will be 310.000 Euros, but the proposed subproject must present logical explanation of having a private company as a partner and clearly present the nature of this partnership and the benefit it brings for the subproject.

26. Are the profit training centres eligible for application for sub-grant and with what percentage as co-financing should they participate?

Answer: The profit training centres are eligible for sub-grant application under 3.2.1 grants and the co-financing percentage must be at least 50%.

27. Can the public entity apply for the purchase of equipment for waste collection (i.e. truck and bins)?

Answer: Yes, the supply of this type of equipment is acceptable, as long as entity can demonstrate that the equipment will be managed in a sustainable way. Demonstration of the sustainability of subproject proposals will be taken in consideration in process of the evaluation of subprojects.

28. Does rehabilitation of existing dirt road, access to tourist attraction is acceptable as a sub-project proposal and whether temporary facilities related to tourism are eligible?

Answer: As long as it is in support of the tourist attraction / destination and there is proper planning documentation for the existing access road, the application is acceptable. Setting information (travel) kiosks i.e. temporary facilities are also acceptable as applications.

29. Reconstruction and restoration of cultural monuments is an eligible activity for sub-project, but what about archaeological excavations, could they be financed by LRCP?

Answer: Although archaeological excavations could contribute to the development of tourist destinations, LRCP do not support this type of activities. Applicants must demonstrate that their sub-project proposal will directly or indirectly address identified gaps in the destinations as described in the Tourism development plans.

30. Can adaptation of an existing facility in order to be used as a roadside infrastructure for visitors be eligible activity? And does adaptation is acceptable as a sub-project when carried out in partnership between the municipality and civil organization in case when the same facility is operated (used) by NGO?

Answer: Yes, such activity is acceptable in general, and as a partnership until the partners respect the rules for co-financing by types of organizations respectively.

31. In what way the forms for expression of interest should be submitted?

Answer: Personally or by mail on the address of LRCP, in paper (hard copy) and electronic format (CD or USB). EoI should be submitted in both Macedonian and English language.

32. With regard to co-financing, the amount of the grant requested includes the contribution and it's determined from the whole amount of the grant?

Answer: Yes, the percentage of contribution is determined from the amount of the requested sub-grant.

33. Are NGOs can apply for partial renovation of a facility or infrastructure activities?

Answer: The civil society organizations may conduct some minor construction activities such as renovation and adaptation of existing buildings that are owned or used by them for tourism-related activities, but cannot request funds from Component 3.1. The eligible beneficiaries by type of sub-grants are detailed in the Grant Manual.

34. Is there a limitation in the preparation of the sub-project proposals i.e. percentage that can be dedicated for the purchase of equipment?

Answer: There is no strict division of funds for supply of goods and services, however the applicant must certify that the required equipment is aimed to meet the gaps identified in Tourism development plans and contribute to strengthening the attractiveness of the destination.

35. What do you mean by in-kind contribution of a public institution? What can be accounted as in-kind contribution?

Answer: Co-financing in in-kind form includes all assets or equipment that will be used to carry out activities under the pretext project. Examples: Technical documentation, equipment owned by the applicant, wages to employees of the applicant that will participate in the implementation of the subproject.

36. Has the PIU developed a strategy to improve the lack relating to road signs since the only state institution that is legally responsible for this matter is the State Road Agency, licensed by the Ministry of Transport and Communications?

Answer: PIU is informed about the legal responsibilities for setting road signs and signals (Public Enterprise for State Roads) on state roads , but believes that there is room for marking of tourist attractions and sites locally i.e. on level of destinations such as within urban centres (cities and towns).

37. Would the LRCP support construction activities other than construction of new buildings?

Answer: Yes, LRCP supports different types of reconstruction and adaptation of existing buildings as well as restoration of objects of cultural heritage.

38. Can applicant submit sub-project proposal (Expression of interest) if a full technical documentation and building permits are not finished (obtained), if later, during implementation all necessary documents are supplied?

Answer: Yes, expressions of interest for the sub-project proposals are eligible at the moment of submission if they do not have complete technical documentation, however the technical documentation together with all the necessary permits must be completed within the deadline given for development of the full proposal sub-project (phase 2 of the call for awarding sub-grants – development of full sub-project proposal).

39. Could we apply with a project that will include a replication of old craft workshop?

Answer: Yes, expressions of interest for this kind of proposal subprojects are eligible, but in existing objects and locations that has been used for such purposes in past.

40. Is it allowed to apply with sub-project proposal for new road construction?

Answer: New Developments (Projects for general road infrastructure) are not supported by LRCP, construction of general municipal infrastructure is also not supported. Upgrading and reconstruction of existing access roads to tourist attractions are supported.

41. Is construction of access road to the winery eligible activity for sub-project proposal?

Answer: Upgrading and reconstruction of existing access roads to tourist attractions are eligible sub-project proposals as long as they relate to the objectives of the call.