

IPA National Programme 2009 part II – Bosnia and Herzegovina

Fiche 15 "Community Programmes"

1. Basic information

1.1 CRIS Number: 2009 / 021-650

1.2 Title: BiH participation to Community Programmes

1.3 ELARG Statistical code: 04.65 Supporting Programmes/Participation in Community Programmes and Agencies

1.4 Location: Bosnia and Herzegovina

Implementing arrangements:

1.5 Contracting Authority: European Commission

1.6 Implementing Agency: European Commission

1.7 Beneficiary:

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Final beneficiaries would also include universities, innovation and research centres, SMEs, development agencies, social partners, as well as appropriate academies, industry, business institutions, non governmental organisations and other public and private institutions/organisations.

Financing:

1.8 Overall cost (VAT excluded): EUR 3 300 000

1.9 EU contribution: EUR 3 000 000

1.10 Final date for contracting: Two years following the date of the conclusion of the Financing Agreement

1.11 Final date for execution of contracts: Two years following the end date of contracting

1.12 Final date for disbursements: One year following the end date for the execution of contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective

BiH is implementing EU policies related to research and culture in accordance with Lisbon's strategy and Stabilisation and Association Agreement.

2.2 Project purpose

Institutions/organisations from BiH benefit from the Community Programmes (The 7th Framework Programme of the European Communities for Research, Technological Development and Demonstration activities (2007-2013) the Culture Programme (2007-2013) for 2010), supported by the institutional capacity development of the research and innovation centres in BiH.

2.3 Link with AP/NPAA / EP/ SAA

European Partnership adopted in 2008

Education and Research:

- Start designing an integrated research policy.
- Sign and ratify the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions

Action plan for realization of priorities from European partnership with Bosnia and Herzegovina

To develop integrated research policy.

Stabilisation and Association Agreement

The Article 101 reads: "The Parties undertake to promote cultural co-operation. This co-operation serves *inter alia* to raise mutual understanding and esteem between individuals, communities and peoples. The Parties also undertake to cooperate to promote cultural diversity, notably within the framework of the UNESCO Convention on the protection and promotion of diversity of cultural expressions".

BiH ratified the UNESCO Convention on the protection and promotion of diversity expressions on October 15th 2008 (Official Gazette BiH – International Agreements No. 8/08)

This Agreement enshrines the cultural cooperation between the EU and Bosnia and Herzegovina.

2.4 Link with MIPD 2009-2011

2.2.2. Strategic choices for IPA assistance during the period 2009-2011

Economic criteria: IPA will assist Bosnia and Herzegovina's economic development by supporting the establishment of regulatory capacity and the enhancement of entrepreneurial

know-how. It will support the development of the Small and Medium Enterprise (SME) sector, the economic development of the regions, and will improve trade policies. Education reform and *developing a national strategy on research* will promote the development of economy and society and active labour market measures shall assist in combating unemployment.

2.3.1.4. Supporting Programmes

Objectives and choices: *Community programmes:* Support participation in Community programmes by co-financing the entry-tickets and accompanying measures such as institutional capacity-building and training of participants.

Expected results and indicators: *Community programmes:* The administrative and institutional capacity for participation in a number of community programmes is achieved and Bosnia and Herzegovina participates in these programmes.

According to MIPD 2008-2010 (Multi-beneficiary IPA)

MIPD 2008-2010 expected result in research area is” improved cooperation in the field of research in beneficiary countries, as well as EU partners, enhancing the research potential in the region, increased awareness on importance of research aimed to support sustainable economic development, better integration of beneficiary countries into European research area, better professional help in order to support regional research strategy, support to centres of excellence”.

2.5. Link with National Development Plan

National Development Strategy is currently in the final phase of preparation

2.6. Link with national/ sectoral investment plans

1) Science and Technology Strategy of BiH is under preparation. According to the draft, there is a strong need for creation of adequate business environment and support for knowledge and technology transfer. The Strategy also foresees a need for awareness rising about importance and the need to invest in development of innovations, research and technology as the initiators of the socio-economic prosperity of the country.

The Government of the Federation of BiH has adopted the “Information on Development Status and Limitations in the work of Technology Parks in Federation of BiH” and nominated the Federal Ministry for Development, Entrepreneurship and Crafts and the Federal Ministry of Education and Science to further support and strengthen Technology Parks and Innovation Centres within Federation. This strategic document refers to the research and innovation centres in Mostar and Zenica as most advanced centres in this regard to be supported.

Republika Srpska, within its Law on Science and Research, also foresees supporting the establishment and development of those centres, and broadly defines their purpose and goals. Government of Republika Srpska, together with the City of Banja Luka is one of the founders of the Innovation Centre Banja Luka.

2) The Cultural Policy Strategy of Bosnia and Herzegovina has been adopted in 2008 (“Official Gazette of Bosnia and Herzegovina” no. 93/08). The strategy for a Cultural Policy in BiH, chapter 19 outlines the following priorities:

- To include the cultural policy strategy into the process of European integrations in BiH,

- To use of European funds for the projects in the field of culture.

3. Description of project

The Thessaloniki Agenda (June 2003) invited the Western Balkan countries to participate in Community programmes and agencies in line with the principles laid down for participation by the candidate countries, aiming to familiarise the countries concerned and their people with the policies and working methods of the EU, thus anchoring them more firmly to the EI and encouraging them on the path towards European integration.

Further to Thessaloniki Agenda for the Western Balkans and in line with its Communication "Preparing for the participation of the Western Balkan countries in Community programmes and agencies"[COM(2003) 748 final of 03/12/2003] the European Commission negotiated Framework Agreements (or similar) on their participation in community programmes with respectively Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Serbia and Montenegro.

On 22 November 2004 the Framework Agreement between the European Community and Bosnia and Herzegovina on the general principles for the participation of Bosnia and Herzegovina in Community programmes was adopted and entered into force on 8 January 2007. Twenty four Community Programmes were hence open for Bosnia and Herzegovina to participate to, whereby the specific terms and conditions regarding the participation in each particular Programme, in particular the financial contribution payable, is to be determined by agreement, in the form of a Memorandum of Understanding between the Commission, acting on behalf of the Community, and Bosnia and Herzegovina.

On 24 November 2008 the Commission concluded with the Government of Bosnia and Herzegovina a Memorandum of Understanding on the association of Bosnia and Herzegovina to the Seventh EC Framework Programme. This Memorandum of Understanding entered into effect on 1 January 2009.

In December 2008, Bosnia and Herzegovina officially expressed the interest to take part in the Culture Programmes 2007-2013, by sending a letter of intent to the Commission. BiH has intention to take part in this programme as of 2010.

In order to ensure equal treatment between the candidate and potential candidate countries the Communication from the Commission to the Council and the Parliament "Enlargement Strategy and Main Challenges 2008-2009" (the Enlargement Strategy Paper) of 5 November 2008¹ reads on page 10: *The Commission will encourage greater participation by beneficiaries from these countries in programmes that are open to them. It will also explore possibilities to open further programmes to the potential candidates. As regards Community agencies, the Commission will seek to offer further participation possibilities, including observer status for all enlargement countries in the meeting of the management boards or expert groups. The Commission proposes to upgrade the opportunities and conditions for participation offered to potential candidate countries. The EU could co-finance up to 90% of the country contribution to a Community programme or Agency in the first year of participation through IPA. In the following years, that contribution would decrease, in percentage or in real amounts. The total level of co-financing for the Community programmes, other than research and development ones, should in principle remain around 10% of the national IPA programmes.*

¹COM (2008)674 final of 05/11/2008

IPA national annual programme for Bosnia and Herzegovina will co-finance the financial contribution to be paid by BiH to participate in the programmes and agencies in the following year(s).

3.1 Background and justification

This project is divided into two major components:

Component I:

a) Entry ticket for participation of BiH in the 7th Framework Programme of European Communities for Research, Technological Development and Demonstration Activities (2007-2013) for 2010; referred later as FP7

b) Institutional capacity development of the three research and innovation centres in BiH

Component II:

Entry ticket for participation of BiH in the Culture Programme (2007-2013) for 2010; referred later as Culture Programme

Component I a) - Entry ticket for participation of BiH in the FP7 for 2010

The development of science and technology policy at the state level of BiH is an absolute prerequisite in order to rebuild a recognized and effective competence in science and technology in the country and to develop research activities that may address the needs of BiH socio-economic development. Connecting education, science, research and economy through multi sectoral approach contributes to the economic development of the country. Science is considered not only as an asset to rebuild the economy of BiH and a support to public policies, but also as an essential dimension of the culture of the country and also its competitiveness. It is thus important to enhance the public and private sector understanding of science through specific actions. The state policy on science and technology needs to be complemented by actions supported at the level of lower political and administrative entities, depending upon their respective needs and financial means. Future integration of BiH into the EU requires negotiation at the level of BiH State with regard to participation of the BiH in the EU Research and Technology Development (RTD) Programmes, thus entitling the country to become a member of the European Research Area.

The Council of Ministers of BiH, on its session held on 24th January 2008 confirmed the interest of BiH to participate in the FP7 and concluded to ask for IPA funds to co-finance the entry ticket for participation of BiH in the FP7 for the duration of this Programme (until 2013). A Memorandum of Understanding between the European Commission and Bosnia and Herzegovina was signed in November 2008. It established the terms and conditions for BiH participation in FP7, in particular its financial contribution.

On January 1st 2009 BiH became an associated member of the 7th Framework Programme. BiH wants to take an active part in implementation of EU policies in this field, to enter the European Research Area, to build the structure that will meet European standards, and also to build institutional capacities which will enable increased participation in the EU projects – in research institutions and small and medium enterprises and state owned companies, as well as to initiate the mobility of BiH researchers.

Through the participation in the 7th Framework Programme BiH has access/is able to:

1. Full participation in all horizontal and vertical activities under the FP7, including Joint Research Centre and PEOPLE (Programme of researchers mobility);

2. Participate actively in the implementation of the EU policies, to integrate the European Research Area and to build the structure that would be compatible to the European standards,
3. Financing possibilities for the Science & Research activities of research institutions, middle and small size enterprises and state companies from EU funds. It would also initiate the mobility of BiH researchers in the EU countries.
4. Intensify the international cooperation.
5. Deeper involvement into the Euro-Atlantic integration processes.
6. Intensify the efforts for implementation of the Stabilisation and Association Agreement.

IPA 2008 co-financed the entry ticket for BiH to participate in the FP7 in 2009. IPA 2009 (current) project fiche asks for the IPA contribution to co-finance the entry ticket for the participation of BiH in the FP7 in 2010.

Component I b) - Institutional capacity development of three research and innovation centres in BiH

There is a need of adopting a science and research development strategy in BiH (one of the priorities set out in the European Partnership 2007), and of an action plan for implementing the strategy, which would comprise scientific research and innovation activities and capacity building initiatives for research and technological development institutions in BiH. UNESCO-ROSTE² report «Guidelines for science and research policy in BiH» states that the development of scientific and technological potential of BiH requires the adoption of a «road map» with three general mid-term objectives: training of new generation of scientists on universities in BiH or abroad, developing research infrastructure according to the international standards and re-investing in the number of industrial research sectors.

Apart from the current preparations of the state level strategy on Science and Technology of BiH (referred chapter 2.6), first steps in building the infrastructure for research and innovation development have been taken in BiH as well. As referred under chapter 2.6, the Federation of BiH and Republika Srpska have identified in their strategic documents (that are integrated into the state level strategy)³ the three most advanced research and innovation centres (located in Banja Luka, Mostar and Zenica) that are to be supported further. The activities of these centres are integrated in the local regional development strategies and supported by widely based partnerships. They promote partnerships between public and private interested parties and identify themselves as both helpers of new high-tech companies and as an arena for spin-offs from established businesses with competence and market contacts.

The Ministry of Civil Affairs of BiH will cooperate with the entity ministries, national contact points, and three centres in Banja Luka, Zenica and Mostar closely to encourage participation in the FP7 Programme. These centres cover regionally important areas in BiH and complement the programme implementation with their daily activities. The centres have important facilitative role to further disseminate information among the research community in BiH, and to combine efforts of academia and industry sectors in applying for FP7 Projects.

Main activities of the Research and Innovation Centres are:

² Published by UNESCO Office in Venice in 2006. This report is the first comprehensive overview on the situation in science and technology in BiH. The situation analysis was accompanied by the recommendations for rebuilding this important sector. The report was acknowledged by various important stakeholders in the sector.

³ It was confirmed by the entity ministries also in written during the preparation of this Project Fiche.

1. To conduct promotion and awareness activities about the possibilities for international cooperation on a project and programme basis under EU RTD Programmes – including the FP7, COST (European Cooperation in Science and Technology), EUREKA (A Pan-European network for market-oriented, industrial R&D). The activities would be implemented through info days, seminars, workshops;
2. Networking activities and facilitation of partnerships between potential applicants for EU RTD Programmes, including the FP7 (partner search forums, brokerage events).
3. Form partnerships and apply under the EU RTD Programmes themselves – including the FP7, COST, EUREKA etc.
4. Promotion and development of information and communication technologies (ICT) as an important segment of innovation in teaching, scientific and research work (play key role in certain calls under the FP7, f.e. related to technology parks development activities).
5. Promotion of innovation and entrepreneurship activities among students and professors;
6. Cooperating role between the university and the labour market and development of innovative and entrepreneurial activities within the student corpus.
7. Assistance in developing research and innovation activities required by the economy in the region and in BiH;

Under this component, assistance will be targeted to strengthen the institutional capacities of these three research and innovation centres (in Banja Luka, Mostar and Zenica). The main emphasis of the technical assistance will be to develop the capacities of the centres to conduct feasibility and/or development studies in the areas of research, technology, development and innovation, provide training for the staff in managing the R&D innovation centres and methodology for know-how transfer, capacity building, training in promoting innovation and entrepreneurship and purchasing equipment they need for carrying out their activities.

1) Innovation Centre Banja Luka (ICBL)

ICBL is organised as a foundation established by the government of Republika Srpska, the City of Banja Luka, the University of Banja Luka and the Norwegian Ministry of Foreign Affairs and the Industrial Development Corporation of Norway (SIVA) through its subsidiary SIVATECH AS. The government of Republika Srpska allocated EUR 375,000.00 for developing tender documentation for building construction of new ICBL centre in Banja Luka. Currently the Centre is located in the premises provided by the University of Banja Luka at the University campus. The overall objective and central goal behind the ICBL centre is the paramount need to create future-oriented jobs, especially those based on knowledge and technology and assist BiH in its transition to a knowledge-based economy by contributing to the economic growth through more interesting jobs, a more skilled workforce, and an increased ability to participate in inter-regional and European projects. ICBL is a concept that is significantly wider than an “ordinary” business incubator: the centre is designed to have an incubator function, education and training element, conference facility and so called „business gardens“. The centre was established taking into account the experiences from Norway. ICBL has contacts with similar centres from Slovenia (Technopolis Savinjska), from Croatia (Technopark Zagreb), and Norway (SIVA⁴ and Atina) and from Serbia R&D centre. The centre employs currently 3 persons.

⁴ Industrial Development Corporation of Norway.

Assistance is needed for building the capacities of the permanent and associate staff members⁵ of the centre to manage and maximise the effects of the research and innovation centre, to internationalise the incubated companies in the centre, to know how to develop sustainable innovation policy and develop further the business gardens concept (small innovation centres in distant municipalities that are part of the ICBL). There is a big interest to intensify international cooperation and to visit innovation centres and technology parks in the EU Member States. The assistance would also be targeted to local trainers in the field of entrepreneurship development and promotion, examples of good practices of SME development in the region etc. There is a need to upgrade the ICBL conference centre with relevant ICT equipment (information, communication and conference system together with simultaneous translation system, video presentation system and video conferencing).

II) The Entrepreneurship and Innovation Centre in Zenica

The Entrepreneurship and Innovation Centre UNZE (in Zenica) is an interdisciplinary working unit in the University of Zenica and it was established in 2008 as result of a successful TEMPUS project “Quality management procedure for promoting University/Enterprise cooperation” (JEP_41108_2006). The centre employs currently 2 persons and engages associates from University on project basis. It cooperates closely with all faculties and institutes within the University of Zenica. The Entrepreneurship and Innovation Centre and its relevant departments were established through the abovementioned Tempus project. Currently the centre has two departments: a department for entrepreneurship and a department for business development (market research, development and design of prototypes, technology and organisational planning, etc.). The Centre has also a Multimedia Centre (room for multimedia presentations and trainings), virtual library and business incubator. The Entrepreneurship and Innovation Centre UNZE has many local⁶ and international⁷ cooperation partners. The Centre was mentioned as one of the examples of “Best Practices“ from EU programmes by the European Commission (more information on: http://ec.europa.eu/dgs/education_culture/valorisation/docs/bp-euprogrammes_en.pdf)

The technical assistance that is required by the Centre should be focused on staff training activities on management and marketing of establishing enterprises, business plan and business concept development, innovation and project management. There is also a big interest in intensifying international cooperation and visiting innovation centres and technology parks in the EU Member States. There is a need by the Centre to establish the „mini factory“ consisted of the Computer Integrated Manufacturing unit (computerised simulation learning tool), as the centre has already procured the videoconferencing equipment during their participation in the TEMPUS project.

III) International Business Centre Mostar

The Centre was established in 2008 as part of the Technology Park in Mostar with the support of public and private partnership. Among others, the Centre was supported by the city of Mostar, both Universities in Mostar, the government of Herzegovina-Neretva Canton, the Chamber of Commerce of FBiH, Chamber of Trade of FBiH and the Regional Development

⁵ University professors, students, people from industry.

⁶ Business Start-Up centre Zenica, local and regional development agencies – ZEDA and REZ, Business Service Centre of the Cantonal Government, Business Incubator Zenica, Business Zone Vitez, Technology Park Mostar, KPA Gračanica.

⁷ Business Incubator of the Primorska University in Kopar, I3P Incubator of the Polytechnic University in Toronto; Technology Park in Nova Gorica; Technology Park in Maribor; Prekomurski Business Incubator; Technology Park in Barcelona; Technology Park Valles; Scientific and technology Park in Girona.

Agency for Herzegovina (REDAH) and ALFA THERM company from Mostar. The Centre can benefit from spacious conditions (ca 5 000km²) for its activities.

The main goal of the Centre Mostar is to increase the number of SME's based research and innovations, and to create pre-conditions for a knowledge-based society by training the local staff to the state of the art skills and advanced technologies, and to assist in the transformation of universities from teaching-based institutions to research and innovation based spin-off institutions. There is also a strong need to prevent brain-drain, especially in Herzegovina region. More information about the activities of the centre can be found at: www.icb.ba (at the moment available only in the languages of Bosnia and Herzegovina).

The assistance required by the Centre is related to the training of staff on awareness rising about the entrepreneurship among the youth, training and developing capacities in specific thematic fields as energy efficiency and renewable energies. There is a need for the preparation of feasibility/development study targeted at organisational planning and implementation of the future activities of the Centre. The study visit of the staff and the university associates to the similar centres in the EU is considered as an important learning activity. There is also a need to upgrade the conference centre with relevant ICT equipment (audio-visual and video/internet conferencing equipment, computers and adequate software, managing console for the whole multimedia system, equipment for the training and practical exercises from electronics mechatronics and robotics for their Centre for Technical Culture).

With the support provided to the abovementioned innovation centres in Banja Luka, Zenica and Mostar, the scientific community of BiH should be able to participate more actively in the *European research area* and to be more involved in international scientific cooperation through the FP7, as well as COST and EUREKA programmes. Implementation of research results should contribute to the creation of new jobs, to the industrial development, breakthrough of innovations in implementation of science and research with purpose to improve the competitiveness and productivity, and to create conditions for BiH institutions to become credible excellence centres (innovative centres, technological parks). Defining and determining of statistical parameters in science and their continuous follow up on all levels of government is especially important in function of institutional capacity building in the field.

In summary, Component I b) should be materialised through Technical Assistance for all three research and innovation centres in BiH.

Component II: Entry ticket for participation of BiH in the Culture for 2010

The Council of Ministers of BiH, on its 68th session held on 3rd December 2008, confirmed the interest of BiH to participate in Community Programme Culture and decided to request IPA funding for co-financing the entry ticket of the programme. The Ministry of Civil Affairs, on behalf of the country, sent a letter of interest to the Director-General for Education and Culture. It is expected that BiH signs the Memorandum of Understanding by the end of 2009. BiH would become a full member of this Community Programme in 2010.

In the case MoU is not signed by the end of 2009 and BiH cannot fully participate in the Culture Programme in 2010, the Ministry needs to continue building its own capacities, the capacities of the national contact point structure and other relevant stakeholders (incl. potential applicants) to prepare for the future membership in the Programme Culture. At this stage Ministry of Civil Affairs and EC are working towards the purpose to sign the MoU in 2009.

The Culture Programme (2007-2013) is a third-generation framework programme of the EU for cultural co-operation that promotes transnational mobility of artists, transnational mobility of cultural and artistic works and intercultural dialogue. The Culture programme aims to

achieve three main objectives: to promote cross-border mobility of those working in the cultural sector; to encourage the transnational circulation of cultural and artistic output; and to foster intercultural dialogue. For the achievement of these objectives, the programme supports three strands of activities: cultural actions; European-level cultural bodies; and analysis and dissemination activities.

The Strand three of the Programme (with about 5% of its budget) supports analysis and dissemination activities. This will help to raise awareness of the Culture Programme and its activities in different ways. Supporting **cultural contact points**, an efficient dissemination of practical and targeted information on the Programme in all participating countries, as well as in Bosnia and Herzegovina, will be ensured. Cultural contact points are established in all participating countries of this Programme, and are in general placed within state-level Ministries/Departments for culture.

The BiH cultural community wants to be strongly involved in the regional and European cooperation in cultural projects, funded by the Culture programme. The interest of BiH for participation in the Culture Programme comes from its strategic determination to European integration with the final aim for full membership in EU. Through the participation in the Culture Programme, BiH would:

1. Participate in multi-annual cooperation projects that would provide exchange of experiences and ideas, identification and representation of current needs and possibilities, mobility of artists and networking on non-governmental level;
2. Be awarded or be eligible for the cultural prizes that are part of the Programme that would create a chance to get public recognition for exemplary initiatives and best practices by either individuals, local communities or organisations, which contribute, at European level, to the protection, conservation, promotion and development of cultural heritage, cultural diversity and intercultural dialogue;
3. Improve and enhance the cooperation at regional and European levels by developing and exchanging projects, experience and good practices in intercultural dialogue and by establishing new partnerships in this field;
4. Enable cultural organisations from BiH to benefit from its long-term objectives that are: enhanced consciousness on the European common heritage, better policy development, the collection of the data, experience about cultural and artistic projects, encouraged by the innovation and creativity.

IPA 2009 contribution is asked to –co-finance the entry ticket for the participation of BiH in the Culture Programme for 2010. As BiH would participate in the programme for the very first time, it is important to ensure that BiH will have the necessary administrative and institutional capacities.

3.2. Assessment of project impact, catalytic effect, sustainability and cross border impact

This project is a part of strategic development of Bosnia and Herzegovina. It supports regional development, and has a support by the governments, municipalities and universities. More so, it is the part of strategy for reducing negative impacts of global economic crisis, by creating the new jobs in the knowledge sector. Jobs in the knowledge sectors pay more and are growing at a faster rate than jobs in other sectors of the economy. Knowledge companies are typically built around new technologies and cutting-edge science. Universities can be sources of new knowledge, through research and development, highly skilled graduates, and

other partnering activities with the Universities/research institutions from the neighbouring countries (cross-border impact)

The research and innovation centres play an important role in connecting academic circles with the labour market needs. The centres will be central in the creation of a climate favourable for knowledge-based development. It is important to invest in knowledge and through this, offer development opportunities for generations of young intellectuals, keeping this most important asset to remain in the country, preventing “brain drain”(sustainability effect). These centres could stimulate and speed-up the process of adopting such a strategy, which will create a framework for further R&D activities. The involvement of the centres to the FP 7 programme activities will facilitate the promotion and initiation of activities under the Programme.

As part of the Culture Programme, the cultural organisations and institutions from Bosnia and Herzegovina can benefit from the its long-term objectives: enhanced consciousness on common heritage of Europe, collection of data, experience in collaboration on cultural and artistic projects, encouraged innovation and creativity.

3.3 Results and measurable indicators

Results in relation to Component I a) Entry ticket for participation of BiH in the FP7 for 2010

- 1) Research, science and technology community of BiH benefits from the activities and opportunities that arise from the membership in the FP7-.
- 2) The BiH scientific community has joined the European Research Area and is more involved in international scientific cooperation.

Indicators:

- The number of applications and approved projects under programme
- In terms of co-financing of projects, Bosnia and Herzegovina receives per year an equal or greater amount than the one paid for the entry ticket.

Results in relation to Component I b) Institutional capacity development of the three research and innovation centres in BiH

- 1) Centres in Banja Luka, Zenica and Mostar are fully operational.
- 2) Centres are recognised by relevant stakeholders⁸ as applying the best practice of research and innovation centres concept in BiH.

Indicators:

- All permanent and associate staff have passed international training,
- Number of strategic documents related to the operations of the centres available⁹
- Equipment purchased is installed and final acceptance provided.

Result in relation to Component II - Entry ticket for participation of BiH in the Culture for 2010

⁸ Entity ministries, universities, industry

⁹ F.e. strategic activity plans, feasibility/development studies related to the strategic options and possibilities for the centres, their integration to research landscape of BiH and knowledge-based and economy driven society.

1) Cultural organisations from Bosnia and Herzegovina benefits from the activities and opportunities that arise from the association to the Culture Programme.

Indicators:

- The number of applications and approved projects under programme
- In terms of co-financing of projects, Bosnia and Herzegovina receives per year an equal or greater amount than the one paid for the entry ticket.

3.4 Activities:

Activities related to Component I a) Entry ticket for participation of BiH in the FP7 for 2010

1) Paying the entry ticket for the participation of BiH in the Community Programme FP7

Activities related to Component I b) Institutional capacity development of the three research and innovation centres in BiH

Activities related to the Innovation Centre Banja Luka (ICBL):

- 1) To train centre staff in managing the R&D business incubator;
- 2) To train centre staff and its associate members of the centre and the business gardens in entrepreneurship and innovative activities within SME sector and their promotion, with examples of good SME development practices in the region;
- 3) To assist the centre in promoting and developing their activities internationally, i.e. related to promotion of the EU RTD programmes;
- 4) To develop a system/concept for internationalization of hosted businesses in the incubator;
- 5) To train and mobilise local trainers in the field of entrepreneurship, innovation management policy and business gardens concept development and promotion;
- 6) 6. To organise study visit(s) to innovation centres and technology parks in the EU member states;
- 7) To procure needed audio-visual equipment and train staff to use the newly procured equipment (see Annex V)

Activities related to the Entrepreneurship and Innovation Centre in Zenica:

- 1) To develop a feasibility/development study on the centre's future strategic orientation;
- 2) To assist the centre in promoting and developing their activities internationally, i.e. related to promotion of the EU RTD programmes;
- 3) To train centre staff and its associate members of the centre in entrepreneurship and innovative activities within SME sector and their promotion, with examples of good SME development practices in the region;
- 4) To organise study visit(s) to innovation centres and technology parks in the EU member states;
- 5) To procure and install the Computer Integrated Manufacturing unit (computerised simulation learning tool) in the centre and develop the capacities of the centre in application of the related tool (see Annex V).

Activities related to the International Business Centre Mostar

- 1) To develop a feasibility/development study/ on the centre's future strategic orientation;
- 2) To assist the centre in promoting and developing their activities internationally, i.e. related to promotion of the EU RTD programmes;
- 3) To train the staff and associates from universities, industry on awareness rising about the entrepreneurship and innovation activities among the youth;
- 4) To train staff of the centre in currently identified strategic areas for centre e.g. energy efficiency and renewable energies;
- 5) To establish the Centre for Technical Culture (Science in Society) in the centre;
- 6) To assist the centre in promoting and assisting the establishment of the start-up enterprises for young people;
- 7) To assist the centre in including the teachers from the elementary schools in promoting technical culture (popular science) among young pupils;
- 8) To organise study visit(s) to innovation centres and technology parks in the EU member states;
- 9) To procure relevant ICT equipment for the conference centre (see Annex V).

The capacity building activities will be provided under one service contract to all three centres (in the amount of EUR 550 000). The equipment for the centres will be procured under - supply contract in the amount of EUR 749 900.

Activities related to Component II - Entry ticket for participation of BiH in the Culture for 2010

1) Payment of the entry ticket for the participation of BiH in the Community Programme Culture

In the event, Bosnia and Herzegovina does not become and an associated member to the Programme in 2010, the allocation for entry ticket, foreseen in this project fiche, can be used for the payment of the entry ticket for 2011.

3.5 Conditionality and sequencing

- Prior to the participation of BiH in Culture Programme 2007-2013, the Memorandum of Understanding needs to be signed between BiH and European Commission by the end 2009. The Cultural Contact Point will also have to be established.
- BiH participates in FP7 in 2009 year in accordance with Memorandum of Understanding between BiH and EC.

3.6 Linked activities

Implementation of the two years CARDS 2006 EC funded project "Strengthening the Capacity of the Department for Science within Ministry of Civil Affairs". Ongoing project foresees capacity building of the Sector for Science within the Ministry of Civil Affairs for the upcoming period until 2013.

Through Austrian Development Cooperation (ADC) funded project (2004-2008), a National Contact Point (NCP) structure was established in BiH for the implementation of EU Framework Programmes. One of the most important deliverables of this project was institutional positioning of the NCP System within the Ministry of Civil Affairs. A number of info days have been organised at all Universities in Bosnia and Herzegovina. The following topics have been covered: General information on FP7, Specific programme Cooperation, CORDIS How to Register and Partner Search in FP7, Financial Rules in FP7, How to Prepare a Successful Project Proposal.

In 2008 Ministry of Civil Affairs allocated funds in amount of 250 000 EUR for researchers and research institutions in BiH that participate in the 7th Framework Programme, EUREKA and COST projects. With BiH's association to FP7 and the MoCA's grant support to researchers and research institutions for participation in this programme, it is expected that the participation of the applications and BiH involvement in the FP7 projects increases.

3.7 Lessons learned

Austrian Development Agency (ADA) actively supported the establishment of the National Contact Point System (NCP-system) for the EU Framework Programmes in Bosnia and Herzegovina by transferring the best practice and exchanging mutual knowledge about the structure, development and operational services of the NCP-system. Under the second phase of the project *Establishment of National Contact Point System for EU Framework Programmes* (Contract No. 7998-00/2006) the NCP HQ (main) office was established in Sarajevo, with 8 focal points at all public universities in BiH. HQ Office closely cooperated with the Ministry of Civil Affairs and Ministry of Foreign Affairs of BiH, with the Directorate for European Integration, EC Delegation to BiH, entity ministries, Chambers of Commerce, Regional development agencies and all universities in BiH. A huge number of info-days, seminars, workshops and training were organised, and the NCP FP BiH provided assistance in project proposal preparation and project implementation consultancy and advisory services. This NCP Structure has been officially recognized and accepted by both the Ministry of Civil Affairs of BiH and the European Commission (DG Research). By taking over and setting the NCP- system in its Sector for Science and Culture, Ministry of Civil Affairs displayed commitment for further development and strengthening of institutional capacities of BiH research community to participate in the EU RTD Programmes (FP7, EUREKA, COST). During the EU 6th Framework Programme research institutions from BiH managed to get EUR 2,7 million in total, and they have so far received EUR 1,1 million under FP7 (BiH, being at that time, as non-associated country), and there is an obvious potential or so called "critical mass" in BiH research community to participate in FP7 more actively (as of 2009, as an associated country).

Ministries responsible for Science at the lower levels of government (entity and cantons) have had a number of activities in the last quarter of 2008. For example, the Ministry of Science and Technology of Republika Srpska in 2008 established the Agency for Information Society of Republika Srpska with the mandate to coordinate development of informatics and Internet, as well as to initiate measures for development of e-governance for the local self-government authorities. In cooperation with two public universities in RS, Centre for Project Management has been established. It is the body which aims to provide consultation and information services to researchers and academic institutions in this entity on FP7 and other EU programmes that encompass research and technological development. The ministry closely collaborate with "Academic and Research network – SARNET" on establishment of research's and e-infrastructure for academic institutions in RS. Its annual Programme for

support of young and talented researchers from 2008 included a new sub programme for support of PhD studies in 2008.

Federal Ministry of Education and Science is a body responsible for science in the entity of Federation of BiH. In 2008 this authority launched grant support for projects and programmes which increase activities in the field of science and research. The programmes and projects under the following general areas have been financed or co-financed: popularisation of science and research, financial support to researchers' associations and scientific institutions in FBiH, grants for research projects of importance for FBiH, support for participation in scientific events, organisation of scientific events, grants for editorial activities as well as for postgraduate and doctoral dissertations, specialisations and study visits abroad, innovation, international programmes (such as bilateral agreement with Slovenia), subscription and maintenance of data base Web of Science.

Cultural institutions and organisations from Bosnia and Herzegovina want to be in a position to participate in the Culture 2007-2013. BiH will participate in the Culture programme for first time. Even if Bosnia and Herzegovina did not participate in the previous European Union programmes that dealt with culture, the national authorities after joining and participating in international *fora* in the field of culture are aware of the importance of participating in this Programme as it is giving direct support to cultural initiatives and organisations in the country. All cultural institutions from BiH are interested for participation in this programme. Another reason why Bosnia and Herzegovina is willing to use the opportunities offered by this programme is that neighbouring countries (Serbia and Croatia) are already associated countries to the Culture programme. As Bosnia and Herzegovina is strongly committed to EU integration as well as to regional cooperation it views its participation in the Culture programme as a means to enhance its role in a regional and European context. The participation of Bosnia and Herzegovina in the programme will contribute to the establishment of stronger links between the cultural actors in the region and will contribute to a more enhanced relationship with the other cultural actors that are operating in the European Union.

4. Indicative Budget (amounts in EUR)

			TOTAL EXP.RE	SOURCES OF FUNDING								
				IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Component/Activity I	X	X	3 100 000	2 820 000	90.97	280 000	9.03	280 000				
Contract 1: IPA contribution for the entry ticket for FP 7	-	X	1 800 100	1 520 100	84.45	280 000	15.55	280 000				
Contract 2: Service contract	X	-	550 000	550 000	100							
Contract 3: Supply contract	-	X	749 900	749 900	100							
Component/Activity II	-	X	200 000	180 000	90	20 000	10	20 000				
Contract 1: IPA contribution for the entry ticket for Culture	-	X	200 000	180 000	90	20 000	10	20 000				
TOTAL IB			550 000	550 000	100	-	-					
TOTAL INV			2 750 000	2 450 000	89.09	300 000	10.91					
TOTAL PROJECT			3 300 000	3 000 000	90.91	300 000	9.09	300 000				

Amounts net of VAT

(1) In the Activity row use "X" to identify whether IB or INV

(2) Expressed in % of the **Total** Expenditure (column (a))

5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
IPA contribution to the entry ticket for the 7 th Framework Programme for 2010	1Q/2010 ¹¹	1Q/2010	1Q/2011
Service contract	2Q/2010	4Q/2010	4Q/2012
Supply contract	3Q/2010	4Q/2010	4Q/2011
IPA contribution to the entry ticket for the Culture for 2010	1Q/2010 ¹⁰	1Q/2010	1Q/2011

All projects should in principle be ready for tendering in the 1st Quarter following the signature of the FA

6. Cross cutting issues

6.1 Equal Opportunity

Participation in the project activities will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, sex or sexual orientation.

6.2 Environment

The project will have no negative environmental effects.

6.3 Minorities

Minorities in BiH are defined as all groups who are not "constituent peoples" (i.e. Serbs, Croats and Bosniaks). The Roma are the largest minority and are highly vulnerable to discrimination and social exclusion. The involvement of their representatives will be encouraged under all components of the project.

ANNEXES

- 1- Log frame in Standard Format
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3- Description of Institutional Framework
- 4 - Reference to laws, regulations and strategic documents
- 5- Details per EU funded contract:

¹⁰ No tendering procedures apply. After signing the respective Memorandum of Understanding BiH is expected to pay the entry ticket.

ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number: IPA National Programme 2009 part II - Bosnia and Herzegovina Fiche 15 - "Community Programmes" CRIS No.: 2009/021-650	
BiH participation to Community Programmes		Contracting period expires: Two years following the date of the conclusion of the Financing Agreement	Disbursement period expires One year following the end date for the execution of contracts
		Total budget : EUR 3 300 000	IPA budget: EUR 3 000 000
Overall objective	Objectively verifiable indicators	Sources of Verification	
BiH is implementing EU policies related to research and culture in accordance with Lisbon's strategy and Stabilisation and Association Agreement.	BiH is continuously progressing in implementing EU policies related to research and culture.	Annual Progress Report	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Institutions/organisations from BiH benefit from the Community programmes (Culture and the 7 th Framework Programme for 2010), supported by the institutional capacity development of the research and innovation centres in BiH	Nr of institutions/organisations receiving funds from the Programme Culture. Nr of institutions/organisations fully benefitting under EU 7 th Framework Programme as leading partners in the projects.	Project reports EC DG Research and Technology Development EC DG Education and Culture	BiH government supports politically the participation of BiH in the EU policies related to research and culture.
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Component I a) 1. Research, science and technology community of BiH has access for all activities and opportunities that arise from the membership in the FP7. 2. The BiH scientific community has joined the European Research Area and to be more involved in international scientific cooperation Component I b) 1.Three centres in Banja Luka, Zenica and Mostar are fully	1. The number of applications and approved projects under programme. 2. In terms of co-financing of projects, BiH receives per year an equal or greater amount than the one paid for the entry ticket. 1. All permanent and associate staff have passed	Project Reports EC DG Research and Technology Development EC DG Education and Culture	Good cooperation with all relevant stakeholders established. Ministry of Civil Affairs continuously facilitates the support to the applicants participation in the Community programmes.

<p>operational 2. Centres are recognised by relevant stakeholders¹¹ as applying the best practice of research and innovation centres concept in BiH.</p> <p>Component II 1. Cultural organizations from Bosnia and Herzegovina have access for all activities and opportunities that arise from membership in the Community Programme “Culture”.</p>	<p>international training. 2. Number of strategic documents related to the operations of the centres available. 3. Equipment purchased is installed and final acceptance provided.</p> <p>1. The number of applications and approved projects under programme. 2. In terms of co-financing of projects, BiH receives per year an equal or greater amount than the one paid for the entry ticket.</p>		
Activities	Means	Costs	Assumptions
<p>Component I a) Paying the entry ticket for the participation of BiH in the Community Programme FP7</p> <p>Component I b) Innovation Centre Banja Luka: 1. To train centre staff in managing the R&D business incubator; 2. To train centre staff and its associate members of the centre and the business gardens in entrepreneurship and innovative activities within SME sector and their promotion, with examples of good SME development practices in the region; 3. To assist the centre in promoting and developing their activities internationally, i.e. related to promotion of the EU RTD programmes; 4. To develop a system/concept for internationalization of hosted businesses in the incubator; 5. To train and mobilise local of trainers in the field of entrepreneurship, innovation management policy and business gardens concept development and promotion, 6. To organise study visit(s) to innovation centres and technology parks in the EU member states; 7. To procure needed audio-visual equipment and train staff to use the newly procured equipment (see Annex V).</p> <p>Entrepreneurship and Innovation Centre in Zenica: 1. To develop a feasibility study/analysis on the centre’s future strategic development; 2. To assist the centre in promoting and developing their activities internationally, i.e. related to promotion of the EU RTD programmes; 3. To train centre staff and its associate members of the centre in entrepreneurship and innovative activities within SME sector and their promotion, with examples of good SME development practices in the region; 4. To organise study visit(s) to innovation centres and technology parks in the EU member states;</p>	<p>EU Contribution for the entry ticket for the 7th Framework Programme (2010)</p> <p>Service contract</p> <p>Supply contract</p> <p>EU Contribution for the entry ticket for the CULTURE Programme (2010 or 2011)</p>	<p>EUR 1 520 100</p> <p>EUR 550 000</p> <p>EUR 749 900</p> <p>EUR 180 000</p>	<p>Good cooperation with all relevant stakeholders established.</p> <p>There are sufficient good quality applications by the potential beneficiaries.</p>

¹¹ Entity ministries, universities, industry.

<p>5. To establish and install the Computer Integrated Manufacturing unit (computerised simulation learning tool) in the centre and develop the capacities of the centre in application of the related tools (see Annex V)</p> <p>International Business Centre Mostar:</p> <ol style="list-style-type: none"> 1. To develop a feasibility study/analysis on the centre's future strategic development; 2. To assist the centre in promoting and developing their activities internationally, i.e. related to promotion of the EU RTD programmes; 3. To train the staff and associates from universities, industry on awareness rising about the entrepreneurship and innovation activities among the youth; 4. To train staff of the centre in currently identified strategic areas for centre e.g. energy efficiency and renewable energies; 5. To establish the Centre for Technical Culture (Science in Society) in the centre; 6. To assist the centre in promoting and assisting the establishment of the start-up enterprises for young people; 7. To assist the centre in including the teachers from the elementary schools in promoting technical culture (popular science) among young pupils; 8. To organise study visit(s) to innovation centres and technology parks in the EU member states; 9. To procure relevant ICT equipment for the conference centre (see Annex V). <p>Component II Paying the entry ticket for the participation of BiH in the Community Programme Culture</p>			
			<p>Preconditions: MoU for Culture programme signed between EC and BiH</p>

ANNEX II: amounts (in EUR) Contracted and disbursed by quarter for the project

Contracted	1Q/ 2010	2Q/2010	3Q/2010	4Q/2010	1Q/2011	2Q/2011	3Q/2011	4Q/2011	1Q/2012	2Q/2012	3Q/2012	4Q/2012	1Q/2013
EU contribution for the entry ticket for FP 7	1 520 100												
Service contract				550 000									
Supply contract				749 900									
EU Contribution for the entry ticket for Culture	180 000												
Cumulated	1 700 100	1 700 100	1 700 100	3 000 000									
Disbursed													
EU Contribution for the entry ticket for FP7	1 020 100		500 000										
Service contract					165 000		110 000		110 000		110 000		55 000
Supply contract					449 940			299 960					
EU Contribution for the entry ticket for Culture	180 000												
Cumulated	1 200 100	1 200 100	1 700 100	1 700 100	2 315 040	2 315 040	2 425 040	2 725 000	2 835 000	2 835 000	2 945 000	2 945 000	3 000 000

Annex III Description of Institutional Framework

Bosnia and Herzegovina as a State is consisted of two entities, i.e. the Republika Srpska and the Federation of BiH, and Brčko District.

The Ministry of Civil Affairs of BiH is a state authority responsible, among other things, for culture and science at the state level.

The Department for Science and Culture of MoCA is responsible in the field of science for the following:

- Coordination of activities and harmonisation of plans of entity authorities (in the Federation of BiH and in the Republic Srpska);
- Definition of the international level strategies.

NCP FP BiH system is part of the Sector for Science and Culture of the Ministry of Civil Affairs of Bosnia and Herzegovina. Apart from the Headquarters, located in the Ministry, there are 8 focal points at all public universities in Bosnia and Herzegovina. It is expected that the thematic NCP's for each 10 FP7 themes will be appointed soon, as well as the country representatives to Programme Committees. The NCP responsibilities include dissemination of information on FP7 in general, as well as specific issues on calls published, organisation of info-days, seminars, trainings and workshops, maintaining the web-site (www.ncp-fp.ba), maintaining the clients data-base, providing partner search, etc., in order to raise the quality and the quantity of participation from Bosnia and Herzegovina in 7th Framework Programme.

Ministry of Civil Affairs of Bosnia and Herzegovina has applied for membership in COST and EUREKA. It is expected that at the next COST Committee of Senior Officials (CSO) Meeting the BiH application will be on the Agenda, as the COST JAF (Executive Group) in its meeting recommended CSO to take a favourable decision.

Ministry of Civil Affairs also applied for membership in EUREKA. In response, EUREKA Secretariat nominated High Level delegation, including High Level Group Chairman and the Head of EUREKA Secretariat, to visit Bosnia and Herzegovina in April, and to propose recommendations about the application in question. The recommendation will be based upon the site visit that would include meetings with the officials from the Ministry of Civil Affairs BiH and the Ministry of Finance BiH, Chamber of Commerce of BiH and the representatives of industrial associations and research institutions (potential applicants).

National Contact Point for the FP7 (NCP FP BiH) of the Ministry of Civil Affairs, together with DG Research of the EC and JRC (Joint Research Center) is preparing an FP7, JRC and COST Info-event on 23rd of April 2009. This is a high level event, with participation from Council of Ministers (Chairman of the CoM Dr Nikola Špirić and Minister of Civil Affairs Mr. Sredoje Nović) and European Commission (Dr Janez Potocnik, EU RTD Commissioner) and speakers from DG Research, JRC and COST) and from the local research community.

Ministerial Conference on Developing Regional Research Strategy for the Western Balkans will be held on 24th April in Sarajevo, under the auspices of the Czech EU Presidency and organised by the Regional Cooperation Council (RCC). This regional strategy document that will be presented at the Conference has been developed through regional cooperation of the relevant ministries under the Multi-beneficiary IPA.

The Ministry of Science and Technology of Republic Srpska and the Ministry of Education and Science of Federation of BiH are responsible for science development at the entity level. Most of the cantons have their own ministries that are dealing with those issues.

The same division of responsibilities apply for the field of Culture, but at the entity level the relevant ministries are the Ministry of Education and Culture of Republika Srpska and the Ministry of Culture and Sports in Federation of BiH.

Annex IV - Reference to laws, regulations and strategic documents:

- Framework Law on Science approved by the BiH Parliament on May 20th 2009.
- Science and Technology Strategy of BiH is under preparation.
- The Cultural Policy Strategy of Bosnia and Herzegovina (*“Official Gazette of Bosnia and Herzegovina” no. 93/08*)

Annex V - Details per EU funded contract:

For *TA contracts*: service contract 550 000 EUR

For *investment contracts*:

a) EU Contribution for FP7 and Culture programme

b) Supply contract(s) for:

I) Innovation Centre Banja Luka (ICBL)

There is a need to upgrade the ICBL conference centre with relevant ICT equipment, information, communication and conference system together with simultaneous translation system, video presentation system and video conferencing.

II) The Entrepreneurship and Innovation Centre in Zenica

There is a need by the Centre to establish the „mini factory“ consisted of the Computer Integrated Manufacturing unit (computerised simulation learning tool). The equipment should involve: (CIM unit- Computer Integrated Manufacturing, which includes lathe, milling machine, storage, movable conveyors and manipulating robots)

III) International Business Centre Mostar

For the Centre in Mostar there is a need to procure relevant ICT equipment for the conference centre:

- audio-visual and video/internet conferencing equipment,
- computers and adequate software,
- managing console for the whole multimedia system,
- equipment for the training and practical exercises from electronics mechatronics and robotics for their Centre for Technical Culture).

The technical specifications for procurement under b) will be finalised by 3rd quarter 2010.