

#EUzaTebe – for Cultural Heritage and Tourism

Grant Scheme Guideline

Improving the quality of Cultural Heritage Objects at the Rajac, Rogljevo and Smedovac Destination

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Background

The “EU for Cultural Heritage and Tourism” project aims to support the activation of the cultural heritage sites and their inclusion in the tourism offer, to harness their significant potential for economic development of the Lower Danube / Eastern Serbia destination. The project is funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit GIZ.

The historic wine villages of Rajac, Rogljevo, and Smedovac (“RRS”) are among the key tourist attractions of the Lower Danube / Eastern Serbia destination. Development of RRS is seen as high priority for the culture and tourism sector in Serbia, since the historic wine cellars (pivnice) are on the tentative list for UNESCO World Heritage sites. There are also a number of buildings of historical value in RRS, which gives the cultural landscape of the destination a unique character and increases its tourist appeal. Unfortunately, due to the lack of investment and economic opportunities in the region, many of them are in a bad state of disrepair and need urgent restoration and conservation in order to become part of the tourism offer and help raise the profile of the destination.

Objectives

The RRS destination should develop as an area where people live, work and earn income through numerous services and activities/facilities intended for a rich and hospitable welcome of tourists. The main objective of this Grant Scheme is the preservation, restoration, and refurbishment of the historical buildings in order to protect them and improve the attractiveness, appearance, and quality of tourism infrastructure. It also aims to support the local private sector, increasing the quality of tourism services, and improving the urban landscapes of the villages which are the core of the destination's tourist appeal.

Other specific objectives are:

- Improving the capacities of the private sector tourism service providers;
- Improving the facilities for the production and selling local products (wine, honey, cheese, etc.);
- Increasing the number of tourists;
- Increasing the number of overnights;

The following proposed activities will foster a sense of community and cooperation of the local population of the villages of Rajac, Rogljevo, and Smedovac.

Eligibility

Areas

The eligible area shall include the following 3 villages in the Municipality of Negotin (in alphabetical order):

- Rajac,
- Rogljevo,
- Smedovac,

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Activities

Indicative types of activities that may be financed under this Call for Proposals are given below. The following list is not exhaustive, and relevant innovative activities not listed below may also be considered for funding if they can clearly contribute to the achievement of the specific objectives and results set out in the Call. The following activities will be co-financed under this Call for Proposals:

Activity 1 - Routine maintenance of houses and objects built before 1945, such as:

- private houses;
- facilities for accommodation;
- facilities for seminars/workshops and other events;
- restaurants and cafés, catering, food preparation and serving establishments;
- other buildings and objects;

These activities include roof replacement and/or facade and fence renovation.

Note: The proposed design and materials (that have to be authentic) for works on historical buildings and objects must be approved by GIZ, except the designs for routine maintenance of the “Pivnice”. In such case(s), the design must be prepared under the conditions set by the Institute for the Protection of Cultural Monuments of Serbia. All necessary legal permits (such as a building permit, etc.) must be obtained before signing the contract with GIZ and the project start.

Activity 2 - Interior adaptation of houses and objects built before 1945, such as:

- accommodation facilities;
- facilities for seminars/workshops and other events;
- restaurants and cafés, catering, food preparation and serving establishments;
- other buildings and objects;

This activity includes interior construction works on the insulation, wall painting and interior works on the electricity grid and the water supply system. This activity can be used for interior transformation of historical buildings, to convert them to facilities that can be used for tourism-related activities.

Note: The proposed design and materials (that have to be authentic) for works on historical buildings and objects must be approved by GIZ, except the designs for the interior adaptation of the “Pivnice”. In such case(s), the design must be prepared under conditions set by the Institute for the Protection of Cultural Monuments of Serbia. All necessary legal permits (such as a building permit, etc.) must be obtained before signing the contract with GIZ and the project start.

Activity 3 - Purchasing the equipment for:

- accommodation facilities (room equipment, kitchen equipment, etc.),
- facilities for seminars/workshops and other events,
- restaurants and cafés, catering, food preparation and serving establishments,
- providing tourism service

Note: It is not allowed for applicants to apply only for Activity 2 or/and 3. Interior adaptation and equipment purchase are eligible for financing only if related to the first activity.

Applicants

Applicants eligible under the Call are private owners or tenants of historical buildings (houses and objects) in RRS built before 1945. This also includes, but is not limited to, tourist facilities (accommodation providers, catering facilities, wineries, agricultural holdings, and other businesses directly involved in providing services to tourists), souvenir production and sales, etc.

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Eligible applicants include:

1. Natural persons who are owners of houses and objects in RRS, built before 1945 (including Pivnice), that are recognized as important for tourism development;
2. Natural persons, owners or tenants of houses and objects in RRS, built before 1945 (including Pivnice), that are registered for providing accommodation;
3. Sole traders, companies, and agricultural holdings that are owners or tenants of facilities built before 1945 registered as providers of tourism and hospitality services (accommodation, wineries, event centers, restaurants, cafés, etc.);

Note: Each Applicant may submit a maximum of one application under the grant scheme.

Conditions for Applicants

For natural persons, the conditions are as follows:

- Aged 18 years or older (on the date of publishing of the Call for Proposals);
- No convictions according to data contained in the criminal records;
- The applicant must make the mandatory co-payment (self-contribution) for project implementation in accordance with this program;
- Ownership of a historical building or lease agreement for a historical building;
- The proof that historical building is registered in the Real Estate Cadastre;

For sole traders, companies, and agricultural holdings, the conditions are as follows:

- Registration with the Business Registers Agency, not later than the 31st of December 2020;
- Ownership of a historical building or lease agreement for a historical building;
- The proof that historical building is registered in the Real Estate Cadastre;
- Proof of payment of all public revenues (taxes and contributions);
- No convictions of an economic crime;
- No injunction barring them from conducting their business activity;
- No filing for liquidation or bankruptcy proceedings;
- The applicant must make the mandatory co-payment (self-contribution) for project implementation in accordance with this program;

Financial Framework

The overall indicative amount available under the call is **EUR 500,000.00**. Funds will be allocated in the Serbian national currency, RSD. The amount of an individual grant requested from the funding party can be up to **RSD 3,600,000.00**. The minimum budget funded under the grant is **RSD 1,000,000.00**.

The Applicant's self-contribution must be as follows:

- For **Activity 1**: The Applicant's self-contribution must be minimum 10% of the amount requested from the funding party. The maximum grant amount may not exceed RSD 3,000,000.00;
- For **Activity 2**: The Applicant's self-contribution must be minimum 10% of the amount requested from the funding party. The maximum grant amount may not exceed RSD 600,000.00;
- For **Activity 3**: The Applicant's self-contribution must be minimum 40% of the amount requested from the funding party. The maximum grant amount may not exceed RSD 600,000.00;

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If the allocation indicated for the Lot cannot be used due to the insufficient quality or number of applications received, the Grant Committee reserves the right to re-allocate the remaining funds.

Costs

Eligible costs:

- Costs related and budgeted in the Budget Form (Annex 2), incurred during the period of implementation (during the contract duration), after contract signing with GIZ,
- Costs that are necessary for implementation of the project covered by the Grant,
- Costs that are identifiable, verifiable and documented, as well as those accompanied by relevant documentation in accordance with the GIZ rules,
- Costs that comply with the requirements of applicable and social security legislation,
- Costs that are reasonable, justified and in compliance with the principle of sound financial management,
- Costs that are not double-funded.

Ineligible costs:

- Purchasing of used equipment,
- Infrastructure costs, work costs and material costs that are not in line with the contract,
- Infrastructure costs and work costs outside the eligible area,
- Cost of purchase, rent, or leasing of land and existing buildings,
- Arrears on the basis of fees and taxes, loans and instalments for loan repayment,
- Costs of guarantees, insurance policies, interest, costs of banking operations and exchange rate differences,
- Value-added tax (VAT) and customs costs, Administrative and operating expenses (including salaries).

Applying for the Grant Scheme

Application package

Application forms can be downloaded from the website: <https://www.eu-za-turizam.rs/>. The application package must contain:

1. Project Application Form;
2. Budget Form;
3. Applicant's statement;
4. A copy of the registration of the entity in the relevant Registry; *
5. Proof of ownership or rental agreement for the historical building;
6. Proof that historical building is listed in Real Estate Cadastre;

* Natural persons are required to provide a categorization certificate issued by the local authority; registered agricultural holdings are required to provide a registration from the Register of agricultural holdings for the previous three years; micro and small enterprises are required to provide a registration from the Business Registers Agency (APR); these documents can be in the Serbian language.

Documents have to be submitted in the Serbian language. The documents should be filled in Serbian, except for the "Applicant's Statement" form, which has to be submitted in English. The candidate whose project is approved is obliged to translate his "Project Submission Form" and "Budget Form" into English and submit it to the GIZ Project Team no later than 15 days of the final list publishing.

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If the historical building (object of the proposed project) is rented, it is mandatory for the applicant to provide consent from the owner(s) for participation in the project, certified by a notary. The term of the rental agreement cannot be shorter than 5 years, starting from the current year.

If there is co-ownership of a historical building (object of the proposed project), it is mandatory for the applicant to provide consent from all co-owners for participation in the project, certified by a notary.

Questions related to the Call

Questions regarding clarifications of the Call should be sent by e-mail to tourismgrantserbia@giz.de by **5 p.m. on 22/04/2022**. Answers to all questions will be published on **29/04/2022 by 5 p.m.** on <https://www.eu-za-turizam.rs>, www.germancooperation.rs and euinfo.rs websites.

Submitting the Application

Applications have to be submitted exclusively by e-mail. The application with all obligatory documents (application package) in PDF format has to be e-mailed to tourismgrantserbia@giz.de by **5 p.m. on 18/05/2022**. Applications sent by other means, applications sent after the deadline, applications that do not meet the technical requirements specified in the Call and/or incomplete applications will not be considered. Automatic notification about a successful grant application will be sent upon receipt of the e-mail application.

Evaluation and Selection

All applications will be assessed according to the following steps:

1. Opening the applications and eligibility check
Only proposals that meet all the administrative and eligibility criteria are subject to quality assessment.
2. Quality assessment
All eligible applicants will be visited by a GIZ Team to assess and clarify their applications. The evaluation of the proposal, including the proposed budget, shall be undertaken in line with the evaluation criteria set out in the Project Proposal Evaluation Table (below).

Project Proposal Evaluation Table

Criteria	Maximum score
1. Operational capacity	13
Does the applicant have the financial capacity, experience in project management and technical and operational capacities for implementation of the project (including employees, equipment, and ability to lead an action)?	3
Has the applicant documented through the proposal and supporting documents that they have considered all the necessary procedural, legal and environmental requirements for the action to be successfully implemented?	10

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2. Relevance	20
How relevant is the project proposal to the objectives of the Call? Does the project contribute to the preservation of the unique and authentic appearance of the RRS destination?	10
How much it will contribute to increasing and improving the tourism potential of the RRS destination?	10
3. Description of action	20
Are the proposed activities adequate, practical and in line with the objectives and expected results?	10
Is the action plan clear, realistic and feasible?	10
4. Positive contribution to the community	27
Will the action bring additional value to the authenticity of the local community's cultural heritage landscape?	15
Are the expected Project Proposal results sustainable: - Environmentally (what will be the impact on the environment?) - Affecting the gender equality and involvement of youth and vulnerable groups	6
Does the applicant actively contribute to a community effort to improve the tourism offer in the destination?	6
5. Budget and cost justification	20
Is the ratio of estimated costs and expected results satisfactory? Are the proposed costs necessary for implementing the action?	10
Are the activities appropriately reflected in the budget? Are the estimated cost sound and realistic? Have the budgeted amounts for each expense been well justified in the spreadsheet for this purpose? Are any ineligible costs included?	10
Maximum score	100

To become eligible for financial support, a minimum of 60 points awarded during the quality assessment is required. Following the evaluation, a list of applicants sorted by score shall be established within the framework of the available financial support. Selected projects for Grant awarding and the backup list will be published on <https://www.eu-za-turizam.rs>, euinfo.rs and www.germancooperation.rs websites.

The projects will be funded in line with the GIZ rules and procedures. Applicants whose projects are selected will be directly contacted by the GIZ officers. If necessary, negotiations will be conducted with the selected applicants prior to signing the contract to optimise the budget, adjust the content (minor adjustments to the application form) and the timeframe.

Duration

The duration of implementation of each grant is maximum 12 months from the date of signing the contract with GIZ, but not later than the 31st of October 2023.

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Breach of obligations, irregularities and fraud

The applicant shall comply with all applicable laws and regulations and codes including the ones related to anti-bribery and anti-corruption. GIZ reserve the right to suspend or cancel the grant if irregularities, fraud, or corrupt practices of any kind are discovered.

Visibility rules

The applicant should ensure that all media and visibility activities will be coordinated with the GIZ Project team and in line with the European Union, German Federal Ministry for Economic Cooperation and Development BMZ, and GIZ.

Timeframe

Indicative Timetable	
Opening of the call	21/03/2022
Info sessions / preparatory WSs	Between 23/03/2022 and 15/04/2022
Deadline for requesting clarifications	22/04/2022 till 5 p.m.
Deadline for publishing Q&A	29/04/2022 till 5 p.m.
Deadline for submitting applications	18/05/2022 till 5 p.m.

Annexes

1. Project Application Form
2. Budget Form
3. Applicant's statement