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# BACKGROUND INFORMATION

## Partner country

Republic of Albania, Bosnia and Herzegovina, Republic of Serbia, Kosovo[[1]](#footnote-1)\*, Montenegro, Republic of North Macedonia

## Contracting authority

WESTERN BALKANS SIX CHAMBER INVESTMENT FORUM (WB6 CIF)

WB6 CIF is a regional association of national chambers of commerce and industry from Western Balkans, which is set up with the aim to increase involvement of business communities in the initiatives seeking to promote economic development of the Western Balkans, with particular focus on the activities supporting promotion of regional economic integration and cooperation and the integration of the Western Balkan region into the European Union. Its Permanent Secretariat–particularly the Secretary-General–is responsible for administrative and organisational tasks as well as the external representation of WB6 CIF, is responsible for providing the necessary technical and administrative support to the entire structure of WB6 CIF and for the overall management.

## Country background

According to the Commission’s Country Reports, all Western Balkan economies still need to reach the level of functioning market economy, capable of withstanding market forces and competitive pressure within the EU. Despite good recent developments, the average GDP per capita in the region remains nearly quarter that of the 27 EU members average and roughly 40% that of the CIS EU members (IMF, 2023).

Furthermore, the Western Balkans remain poorly integrated into the global and European markets despite the robust growth of exports of goods and services in previous years (30% for 2022). Compared to their peers in Central and Eastern Europe, where the share of export of goods and services in GDP average around 70% (63%, in large economies as Poland; over 90% in Slovakia and Hungary), the region lags significantly behind at 59% (2022). Also, the growth of exports of Central and Eastern European (CEE) countries to the EU in the pre-accession period was much faster.

## Current situation in the sector

Intra-regional trade has stagnated for many years but has grown significantly in the last two years (EUR 8,8 bn in 2022). The share of exports within the region remains small at around 14% despite the proximity and other trade promotion factors. The EU remains the dominant export market for all Western Balkan economies (EUR 35 bn in 2022); for most of the economies exports to the EU are 5 times bigger than to CEFTA parties. Today, the region’s exports to CEFTA and Germany are roughly the same, around 9 billion euros. Main trade barriers are procedural obstacles at customs, product safety requirements, including sanitary and phytosanitary measures and technical barriers to trade. There are place to resolve issues related to customs procedures, further alignment with EU norms and practices for reduce SPS/TBT barriers and conclusion of mutual agreements for conformity assessment procedures and certificates.

OECD reports that there is still room for improvement in integration of WB SMEs in European supply chains. The cooperation exists mostly in the final stages of the international supply chains in food, beverages and tobacco in addition to textiles and clothing, and mostly the intermediate stages of wood and cork, paper, printing and publishing, other non-metallic mineral products and fabricated metal products, as well as both first and intermediate stages of basic metals. The strongest export potential relates to machines and equipment and chemicals and plastics (GET, 2023). The product mix within the Western Balkan economies also explains the limited integration to date into European supply chains. Over 50% of the region’s manufactured goods are classified as “labor and resource intensive” or “low-skill and tech intensive”, in comparison to about 30% in the European Union. In contrast, only 18% fall into the category “high-skill and tech-intensive goods” in comparison to 27% in Central and Eastern Europe.

According to the World Bank's report, businesses in the Western Balkans face significant challenges in business internationalization and have less developed support systems. Although trading mostly with tariff-free markets, Balkan markets are burdened with significant non-tariff barriers. Exporters in the Western Balkans typically face bigger obstacles to doing business than those in CEE. Expanded regional co-operation represents a unique opportunity for Western Balkan economies to scale up and boost growth by making the most of intensified economic integration. Through resource- and knowledge-sharing networks, together with an enhanced regional trade, they are more likely to increase their productivity and competitiveness. Strengthened economic integration will also result in greater resilience to external shocks.

With almost 70% of the region’s exports directed towards the EU, all Western Balkan governments are working to adopt EU standards and harmonize technical regulations, with the adoption rate reaching 94%, up 3 percentage points since 2019. They are prioritizing SME efforts to increase export volume and to improve their complexity and sophistication. Since 2019, financial incentives for greening available to SMEs have been multiplied, albeit unevenly across the region. During the same period, the average regional share of SMEs offering green products or services increased 5 percentage points, to 25%; approaching the EU average of 32%. Most SMEs took at least one action to become more resource-efficient, often minimizing waste or saving energy or water

## Related programmes and other donor activities

In 2021 the leaders of the Western Balkans 6 adopted Common Regional Market Action Plan 2021-2024 (CRM AP) aiming as a catalyst for deeper regional economic integration and a stepping stone towards EU Single Market. The leaders agreed to enhance economic cooperation in the region by developing Common Regional Market, based on the EU rules and standards, to increase the attractiveness and competitiveness of the region and to bring the region closer to the EU markets. The Action Plan is based on the four freedoms and enriched with trade, digital, investment, innovation and industry areas. In the context of the CRM AP, WB6 CIF has been recognized as a voice of Western Balkans 6 (WB6) businesses, stating that “the private sector perspective and contribution will be ensured through close cooperation with WB6 CIF with a view to facilitating implementation of joint actions. At the same time, these actions will provide linkages and seek synergies with their European partners.” WB6 CIF has been involved in implementation of regional actions, jointly with other relevant organizations: Regional Cooperation Council (RCC), CEFTA, Transport Community (TC) and other supporting organizations/institutions.

With the Brussels Declaration from the EU-Western Balkans Summit from December 2023, the WB6 CIF has been recognized as one of the main stakeholders in the Common Regional Market, and for the first time has been tasked to work on preparation of an ambitious successor to the current Common Regional Market Action Plan before the current one expires in 2024. In line with the New Growth Plan for the Western Balkans, this entails, among others, aligning with the EU single market rules and opening relevant sectors and areas, incentivizing and implementing fundamental reforms with a view to close convergence gap with EU, advancing the four freedoms and improving sustainable economic growth.

# OBJECTIVES & EXPECTED OUTPUTS

## Overall objective

The overall objective of the project of which this contract will be a part is to contribute to solving two interlinked problems: insufficiently developed intra-regional trade and investment, and the competitive pressure of the EU Single Market.

## Specific objective(s)

The specific objectives (outcomes) of this contract are as follows:

* Specific objective (Outcome) 1: to provide logistic support to Contracting Authority in participation in Business Forum in Berlin
* Specific objective (Outcome) 2: to provide logistic support to Contracting Authority in participation in SAIE Fair in Bologna
* Specific objective (Outcome) 3: to provide logistic support to Contracting Authority in organisation of Meeting of the WB6 CIF Managing Board in Berlin

## Expected outputs to be achieved by the contractor

The expected outputs of this contract are as follows:

* Output 1 to Outcome 1: accommodation for 26 persons
* Output 2 to Outcome 1: air tickets for 26 persons
* Output 3 to Outcome 1: Group transfer airport-hotel-airport in Berlin
* Output 1 to Outcome 2: accommodation for 25 persons
* Output 2 to Outcome 2: air tickets for 25 persons
* Output 3 to Outcome 2: Group transfer airport -hotel-airport in Bologna
* Output 1 to Outcome 3: accommodation for max 8 persons
* Output 2 to Outcome 3: transportation for max 7 persons
* Output 3 to Outcome 3: transfer airport-hotel-airport in Berlin

# ASSUMPTIONS & RISKS

## Assumptions underlying the project

N/A

## Risks

N/A

# SCOPE OF THE WORK

## General

### Description of the assignment

The purpose of this contract is to provide logistic support to Contracting Authority in organizing the participation of WB6 businesses in two events, one in Bologna, Italy and one in Berlin, Germany, the latter including the Managing Board meeting as well.

### Geographical area to be covered

Bologna, Berlin, WB6

### Target groups

WB6 CIF, WB6 business community, EC

## Specific work

The Contractor’s tasks per each event are the following:

**1) Participation in the Business Forum in Berlin on 24 September 2024**

* 25 return air tickets from WB6 to Berlin (preferably direct flights) for representatives of WB6 companies
* 1 additional ticket Sarajevo-Berlin-Sarajevo for the speaker in the conference
* Arrival in Berlin: 23/09/2004
* Return from Berlin: 24/09/2004 (departure after 18h) or on 25/09/2004
* Accommodation in the hotel for 26 persons, single rooms w/b (1 or 2 nights), at walking distance from the venue of Business Forum, that is, Federal Ministry for Economic Affairs and Climate Action (Conference Centre), Scharnhorststr. 34-37 10115 Berlin
* Group transfer airport Berlin-hotel-airport Berlin

***Maximum budget for completion of tasks under 1) is EUR 50,000*.**

**2) Participation in the SAIE Fair and B2B meetings in Bologna on 8-12 October 2024 (https://www.saiebologna.it/en/)**

* 24 return air tickets: WB6 capitals to Bologna (preferably direct flights)
* Arrival in Bologna: 08/10/2024
* Return from Bologna:12/10/2024 (departure after 15h) or on 13/10/2024
* 1 additional ticket Sarajevo-Bologna-Sarajevo for the technical support in the Fair, arrival in Bologna on 07/10/2024, departure from Bologna on 13/10/2024
* Accommodation in the hotel for 25 persons, single rooms w/b, possibly in one of the hotels offered by organizers https://www.saiebologna.it/en/dove-alloggiare/. Accommodation nights will depend on available arrival/departure dates
* Group transfer airport Bologna-hotel-airport Bologna

***Maximum budget for completion of tasks under 2) is EUR 45,000*.**

**3) Meeting of the WB6 CIF Managing Board in Berlin during Business Forum on 24 September 2024**

* Accommodation in the min 4\* hotel, single room with breakfast for maximum 8 persons (presidents of WB6 chambers of commerce)
* Airline tickets for maximum 7 persons, departure from WB6 capitals

***Maximum budget for completion of tasks under 3) is EUR 6,000*.**

**NUMBER OF PARTICIPANTS PER COUNTRY AND EVENT:**

|  |  |  |  |
| --- | --- | --- | --- |
| **CHAMBER** | **Berlin (companies)** | **Bologna (companies)** | **Berlin (Managing Board meeting)** |
| **UCCIAL ALBANIA** | **5** | **0** | **1** |
| **FTC B&H BOSNIA & HEREZEGOVINA** | **5**  (1 of these is speaker) | **5**  (1 of these is technical assistance) | **2** |
| **KCC KOSOVO** | **4** | **5** | **1** |
| **CEM MONTENEGRO** | **3** | **8** | **1** |
| **ECNM NORTH MACEDONIA** | **5** | **3** | **2** |
| **CCIS SERBIA** | **4** | **4** | **1**  (no air ticket and transfer needed, only 1 night accommodation) |

All results and outputs must comply with the latest Communication and Visibility Manual for EU External Actions concerning acknowledgement of EU financing of the project. (See <https://ec.europa.eu/europeaid/communication-and-visibility-manual-eu-external-actions_en>

## Project management

### Responsible body

Permanent Secretariat of WB6 CIF

### Management structure

The institutional setup of WB6 CIF is made of the following organs: the General Assembly, the Managing Board, and the Permanent Secretariat. The General Assembly defines the overall strategic direction and monitors the Managing Board. The Managing Board has the overall decision-making power. The Permanent Secretariat –particularly the Secretary-General – is responsible for administrative and organisational tasks as well as the external representation of WB6 CIF.

In more details, the General Assembly is composed of the representatives of the six founding members and it meets at least once annually. Key tasks of the General Assembly are: to define the general guidelines for actions, to approve the WB6 CIF’s Financial Statements, to agree on an Annual Action Plan.

The Managing Board is composed of the presidents of the chambers of commerce of the WB6 economies (or their appointed representatives). It incorporates the main decision-making power of WB6 CIF and its Chairperson is the legal representative of the WB6 CIF. The Chairperson of the Managing Board is elected among its members for four years, after which another president takes over (rotation principle).

The Permanent Secretariat is led by Secretary General and Deputy Secretary General (in his/her absence). Both are appointed by the Management Board for four years.

In addition, in order to facilitate exchange of knowledge and practices in different fields and to advise decision-making bodies, WB6 CIF has initiated establishment of 9 thematic groups composed of one expert delegated by the chamber member, with additional possibility of involving business sector representatives (SMEs), in order to have more comprehensive approach with sectorial coverage.

### Facilities to be provided by the contracting authority and/or other parties

No facility will be provided by Contracting Authority or other parties.

# LOGISTICS AND TIMING

## Location

WB6, Italy, EU

## Start date & period of implementation of tasks

The intended start date is 26 August 2024 and the period of implementation of the contract will be 2 months. Please see Articles 19.1 and 19.2 of the special conditions for the actual start date and period of implementation.

In case the extension of the project duration takes place, the Contractor’s services, if need be, can be prolonged for an additional period of time. Remuneration amount would be agreed by an annex, depending on time of additional engagement and available budget.

# REQUIREMENTS

## Staff

Note that civil servants and other staff of the public administration of the partner country, or of international/regional organisations based in the country, shall only be approved to work as experts if well justified. The justification should be submitted with the tender and shall include information on the added value the expert will bring as well as proof that the expert is seconded or on personal leave.

### Key experts

Key experts are not required.

### Other experts, support staff & backstopping

The tenderer will have to demonstrate in their offer that they have access to experts with the required profiles. The contractor shall select and hire other experts as required according to the needs. The selection procedures used by the contractor to select these other experts shall be transparent, and shall be based on pre-defined criteria, including professional qualifications, language skills and work experience.

The costs for backstopping and support staff, as needed, are considered to be included in the tenderer's financial offer.

## Office accommodation

Office accommodation for each expert working on the contract is to be provided by the contractor.

## Facilities to be provided by the contractor

The contractor shall ensure that experts are adequately supported and equipped. In particular, it must ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support their work under the contract and to ensure that its employees are paid regularly and in a timely fashion.

## Equipment

**No** equipment is to be purchased on behalf of the contracting authority / partner country as part of this service contract or transferred to the contracting authority / partner country at the end of this contract. Any equipment related to this contract which is to be acquired by the partner country must be purchased by means of a separate supply tender procedure.

# REPORTS

## Reporting requirements

The Contractor will submit the following reports in English by e-mail, in pdf format:

* report of maximum 2 pages, in free format, summarizing all activities performed regarding event in Berlin. Approval of the report constitute the base for interim payment.
* report of maximum 2 pages, in free format, summarizing all activities performed regarding event in Bologna. Approval of the report constitute the base for final payment.

## Submission and approval of reports

The report referred to above must be submitted to the project manager identified in the contract. The project manager is responsible for approving the reports.

# MONITORING AND EVALUATION

## Definition of indicators

The indicator of the successful implementation of the contract is “Services provided in timely, quality and quantity manner, as required in these Terms of Reference.

## Special requirements

N/A

1. [↑](#footnote-ref-1)