



**Ministry of Regional Development and Public Works of
Bulgaria
and
European Agency for Reconstruction in Serbia and
Montenegro**

Neighborhood Programme

Bulgaria – Serbia & Montenegro 2004

Local Capacity Building

Grant Application Form

Open Call for Proposals

Budget line: BG2004/016-785 04SER01/02/00X

**Reference: BG2004/016-785.01.01/Grants
04SER01/02/001-04SER01/11/066**

Deadline for receipt of applications: July 17th 2006

<i>Name of applicant:</i>	<i>Municipality of Zemen</i>
<i>Name of Partner 1:</i>	<i>Municipality of Niska Banja</i>

<i>Dossier No</i>	
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(for official use only)

NOTICE

Please read and complete this form with all due care, in accordance with the guidelines for applicants.

Please note that the procedure has changed. The evaluation of your application will only be performed if your concept note is provisionally selected. Your application will then undergo the evaluation. The eligibility conformity check will only be performed for the proposals that have been provisionally selected according to the score obtained after the evaluation, on the basis of the supporting documents requested by the Contracting Authority and the Declaration by the applicant signed and sent together with the application.

CONCEPT NOTE FORMAT

The Concept Note must answer 4 sections in a maximum of 4 pages (each section must be answered on maximum 1 page - the font size **cannot** be smaller than Arial 10). Any Concept Note not meeting those basic requirements will be rejected without appraisal.

1. Summary of the action

Please provide the following information:

1.1 Brief description of the proposed action.

The proposed action seeks to achieve exploration and development of tourist potential of the municipality of Zemen through improvements in existing infrastructure and facilities and cross border cooperation with the municipality of Niska Banja.

The activities of the project include: preparatory and coordination activities; establishment of Coordination Centre of Zemen and Niska Banja that will coordinate infrastructural activities between the two municipalities and provide consultation and support to potential investors in the tourist development of the municipality; elaboration of a preliminary study which will research the region of Zemen, evaluate sites, identify their needs and define regulatory regimes for construction; preparation of 3 works designs of the sites; presentation of the works designs at a presentation forum; research of programme funding opportunities that will provide municipal administration of Zemen and the staff of the Coordination Centre with clues to obtaining financing for the development of other areas in the municipality through infrastructure and facilities construction; organization of a 6-day project and programme workshop that will provide municipal officials with skills and knowledge of project identification, design and management; elaboration of a joint cross border strategy for development of the tourist region of Zemen and Niska Banja; promotion of the project through seminars and promotion materials.

Target groups of the project are the municipal administration of Zemen: through established prerequisites of attracting investments and developing local infrastructure and tourism; through knowledge of programme finance resources and skills in project design and management; the municipality of Niska Banja; tourist stakeholders of the municipality of Zemen; large businessmen and investors.

Final beneficiaries of the project are residents of the municipality of Zemen; tourists and visitors of the municipality that will enjoy modern and well developed tourist conditions and facilities; other local governments.

2. Relevance:

Please describe the following:

2.1 How relevant is your proposal to the needs and constraints of the target country(ies) or region and how does it show CBC impact?

The action will respond to the municipality` s need of infrastructural improvement through the preliminary study and the elaboration of works designs of 3 mountain sites which will provide businessmen and investors with documentation indicating exact amount of investment resources required. The 6-day workshop on project identification, design and management will address the need of the applicant to introduce its officials to the project cycle characteristics, which will support optimal assimilation of funds and further enhancing of existing infrastructural facilities. As a result of project implementation local tourist sector will be developed and thus transformed into an income generating resource for the entire region. This will respond to the applicant` s need of economic stimulation.

Local tourist stakeholders will have the chance to establish cooperation contacts with large

businessmen and investors, as well as with the municipality of Zemen. This will address their need of favourable environment to develop tourist activities and explore local niches of potential.

2.2 What are the problems to be resolved and the needs to be met?

Some of the problems and needs of the applicant are: need of improvement infrastructure on the territory of Zemen as a basis for tourist development and intensifying regional economic activities; need to take full advantage of the tourist potential of the municipality in view of the unique mountain wealth and sites of culture (the famous Zemenski monastery is located on the municipality`s territory); need to exploit and attract various sources of finances to the region: investments, programme funding, business capital; need to overcoming existing economic stagnation in the municipality of Zemen which results in inefficient performance of economic sectors and high level of unemployment; need to attract partners – other local government authorities that share similar needs and constraints: the effect of combined potential will support the development of the region through better access to information resources, enhanced contacts and partnership networking, etc.; need of more and better skills of project design and management that are necessary to assimilate allocated funds in the most efficient way;

2.3 Who are the actors involved (final beneficiaries, target groups)?

Target groups are the municipal administration of Zemen: through established prerequisites of attracting investments and developing local infrastructure and tourism; through knowledge of programme finance resources and skills in project design and management; the municipality of Niska Banja: through developing close cooperation relations with the municipality of Zemen; tourist stakeholders of the municipality of Zemen: they will establish contacts with businessmen and investors for the joint exploitation of local tourist potential; large businessmen and investors: they will attend the events of the project to receive detailed information of the options for investments. Final beneficiaries of the project are: residents of the municipality of Zemen due to the improvement of local economy and development of the tourist sector; tourists and visitors of the municipality that will enjoy modern and well developed tourist conditions and facilities; other local governments that will be integrated into the partnership networking as a multiplier effect of the project.

2.4 What are the objectives and expected results?

The objectives of the project are: to establish a structure which will coordinate and support cross border initiatives in the field of tourism and infrastructure; to identify tourist sites of Zemen that are most potential for tourist development and set prerequisites for their infrastructural improvement; to create partnership relations on 3 levels: municipality-investors; investors-tourist stakeholder; municipality-tourist stakeholders; to search for financing options under tourism and infrastructure related programmes and provide municipal administration with skills to identify programmes, design concepts and manage projects; to integrate development of the cross border region of Zemen and Niska Banja in view of the unique tourist potential of each of the municipalities (mountain and city tourism) in a joint development strategy.

Expected results of project implementation are: Cooperation Centre of Zemen and Niska Banja established; preliminary study of tourist development - Zemen elaborated; 3 works designs of sites elaborated; 3-day presentation forum in Zemen organized; research of programme funding opportunities delivered; 6-day project and programme workshop organized; joint cross border strategy for development of the tourist region Zemen and Niska Banja; 2-day promotion seminar organized.

2.5 What is the added value of the action (what adds the action by reference to (central or local) government action and actions implemented by non state actors)?

The added value of the action refers to finding efficient tool of developing local infrastructure and tourism through involvement of actors at different levels: municipality; large businessmen and tourist stakeholders.

3. Methodology and Sustainability:

Please describe the following:

3.1 What are the main project activities what will be their CBC impact?

The activities of the project include: preparatory and coordination activities; establishment of Coordination Centre of Zemen and Niska Banja that will coordinate infrastructural activities between the two municipalities and provide consultation and support to potential investors in the tourist development of the municipality; elaboration of a preliminary study which will research the region of Zemen, evaluate sites, identify their needs and define regulatory regimes for construction; preparation of 3 works designs of the sites; presentation of the works designs at a presentation forum; research of programme funding opportunities that will provide municipal administration of Zemen and the staff of the Coordination Centre with clues to obtaining financing for the development of other areas in the municipality through infrastructure and facilities construction; organization of a 6-day project and programme workshop that will provide municipal officials with skills and knowledge of project identification, design and management; elaboration of a joint cross border strategy for development of the tourist region of Zemen and Niska Banja; promotion of the project through seminars and promotion materials.

All of them will be implemented through the support of the Serbian partner that will be involved in a complementary action.

3.2 Who will be your main implementing partners, what is the length of your relationship with them and how will they be involved in the project?

The municipality of Zemen will be the main implementing partner that will be involved in the implementation of the complementary project. It will establish the Coordination Centre on its territory, select its staff of 3 members, prepare a preliminary study to identify city infrastructure, research project opportunities, organize a project workshop and participate in the elaboration of the joint cross border strategy for development of the tourist region of Zemen and Nishka Banja.

3.3 How will the project achieve sustainability?

The project itself provides necessary preconditions for investment in local tourist development: municipal experts will present the works designs of the 3 identified sites to interested large businessmen and investors that will invest capital in the area. Thus the sustainability of the project will be ensured in a long term perspective.

The Coordination Centre of Zemen and Niska Banja will gradually enhance its functions to provide paid services such as trainings for local entrepreneurs, businessmen and tourist stakeholders that are interested in project related issues. Thus the Centre will be able to support financially its activities aimed at developing the entire cross border region through infrastructure and tourism.

The two partner municipalities, as local government authorities, will continue to seek for efficient options to raise the level of local tourist competitiveness under the form of project proposals, business seminars and forums and cross border cooperation in exchanging good practices and providing support and relevant resources.

There will be two major policy related impacts on the cross border region. The first is related to cross border cooperation between neighbouring municipalities sharing similar characteristics. The second is

linked to the enhanced cooperation with the private sector – large businessmen and investors, as well as tourist stakeholders that will contribute to the development of the region through investments. The municipality, on its part, will support the private sector through establishing a structure (Coordination Centre) that will support private activities and provide consultations in the field of tourism and infrastructure.

3.4 Will it have multiplier effects?

The multiplier effect of the action is expected to occur as a result of the performance of the Coordination Centre: it will be involved in the identification of programmes that finance tourist and infrastructural activities. Application under these programmes and award of grants to the municipality of Zemen will lead to launching new initiatives that will be related not only to tourism and infrastructure, but also to other areas of social and economic performance (raising employment, etc); Cross border cooperation: good practices of project implementation will be transferred to other municipalities. The two partners will share experience which will support other local governments to apply measures of similar effect and scope; Development of the tourist sector: this development will lead to increasing the level of employment of the region as it will provide jobs for many local residents who are currently unemployed or willing to find employment in tourist companies.

4. Expertise and operational capacity:

Please describe the following:

4.1 What is the experience of your organisation in project management?

The municipality of Zemen has implemented actions like:

“Pre-qualification and training of job-seekers and people made redundant at an active working age in the field of mining and steel production”. As a result of the project and of the material base, located in the old school building of Zemen town, 37 unemployed beneficiaries from steel industry and 16 job-seekers from the mining industry, typical of Pernik district were pre qualified.

“Change of curbs and pavements in the town center of Zemen, of Divlya village, Zhabliano village and Elov dol village.” The beneficiaries, who got pre-qualification in accordance with the national program “From social benefits to employment” at the social ministry, were hired. As a result of this project, the town image was changed and the beneficiaries were provided with a long-lasting profession.

4.2. What is the experience of your organisation and your partner(s) of the issues to be addressed?

The applicant municipality has as well implemented actions related to infrastructural development which has enhanced its capacity to manage and monitor actions of infrastructural impact. The relations that it has established with other municipalities has provided it with capacity to coordinate joint initiatives.

FULL APPLICATION FORMI. the action

1. DESCRIPTION

1.1 Title

“The City and the Mountain”

1.2 Location(s)

Country(ies), region(s), town(s)

Bulgaria, District of Pernik, municipality of Zemen
Serbia, District of Nisava, municipality of Niska Banja

1.3 Cost of the action and amount requested from the Contracting Authority

Total eligible cost of the action	Amount requested from the Contracting Authority	% of total eligible cost of action
511,010 EUR	288 510,00 EUR	56,4 %

NB: The % of total eligible cost of the action is calculated by dividing the Amount requested from the respective Contracting Authority by the Total eligible costs of the action and multiplying by 100.

Please note that the cost of the action and the contribution requested from the respective Contracting Authority have to be expressed in EURO.

1.4 Summary

Maximum 1 page ¹

Type of project (simple, complementary, integrated)	complementary
Number of component (1, 2 or 3)	3
Duration of the action	12 months
Objectives of the action	Overall objective(s): to explore and develop tourist potential of the municipality of Zemen through improvements in existing infrastructure and facilities and cross border cooperation with the municipality of Niska Banja. Specific objective: to establish a structure which will coordinate and

¹ The number of pages mentioned are maxima, and can be reduced where the grants to be awarded are of low amount. NB : some of the footnotes are purely explanatory and will not be reproduced into the application forms.

	<p>support cross border initiatives in the field of tourism and infrastructure; to identify tourist sites of Zemen that are most potential for tourist development and set prerequisites for their infrastructural improvement; to create partnership relations on 3 levels: municipality-investors; investors-tourist stakeholder; municipality-tourist stakeholders; to search for financing options under tourism and infrastructure related programmes and provide municipal administration with skills to identify programmes, design concepts and manage projects; to integrate development of the cross border region of Zemen and Niska Banja in view of the unique tourist potential of each of the municipalities (mountain and city tourism) in a joint development strategy.</p>
Partner(s)	Municipality of Niska Banja
Target group(s) ²	Target groups of the project are the municipal administration of Zemen: through established prerequisites of attracting investments and developing local infrastructure and tourism; through knowledge of programme finance resources and skills in project design and management; the municipality of Niska Banja; tourist stakeholders of the municipality of Zemen; large businessmen and investors.
Final beneficiaries ³	Final beneficiaries of the project are residents of the municipality of Zemen; tourists and visitors of the municipality that will enjoy modern and well developed tourist conditions and facilities; other local governments.
Estimated results	Cooperation Centre of Zemen and Niska Banja established; preliminary study of tourist development - Zemen elaborated; 3 works designs of sites elaborated; 3-day presentation forum in Zemen organized; research of programme funding opportunities delivered; 6-day project and programme workshop organized; joint cross border strategy for development of the tourist region Zemen and Niska Banja; 2-day promotion seminar organized.
Main activities	preparatory and coordination activities; establishment of Coordination Centre of Zemen and Niska Banja that will coordinate infrastructural activities between the two municipalities and provide consultation and support to potential investors in the tourist development of the municipality; elaboration of a preliminary study which will research the region of Zemen, evaluate sites, identify their needs and define regulatory regimes for construction; preparation of 3 works designs of the sites; presentation of the works designs at a presentation forum; research of programme funding opportunities that will provide municipal administration of Zemen and the staff of the Coordination Centre with clues to obtaining financing for the development of other areas in the municipality through infrastructure and facilities construction; organization of a 6-day project and programme workshop that will provide municipal officials with skills and knowledge of project identification, design and management; elaboration of a joint cross border strategy for development of the tourist region of Zemen and Niska Banja; promotion of the project through seminars and promotion materials.

² “Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level

³ “Final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large

Please, indicate clearly the sector, theme, or geographical area specified in the call for proposals to which the proposed action would apply.

1.5 Objectives

Maximum 1 page. Describe the overall objective(s) to which the action aims to contribute towards and the specific objective that the action aims to achieve.

The overall objective of the action is to explore and develop tourist potential of the municipality of Zemen through improvements in existing infrastructure and facilities and cross border cooperation with the municipality of Niska Banja.

The specific objectives of the action are:

- ✓ To establish a structure which will coordinate and support cross border initiatives in the field of tourism and infrastructure;
- ✓ To identify tourist sites of Zemen that are most potential for tourist development and set prerequisites for their infrastructural improvement;
- ✓ To create partnership relations on 3 levels: municipality-investors; investors-tourist stakeholder; municipality-tourist stakeholders;
- ✓ To search for financing options under tourism and infrastructure related programmes and provide municipal administration with skills to identify programmes, design concepts and manage projects;
- ✓ To integrate development of the cross border region of Zemen and Niska Banja in view of the unique tourist potential of each of the municipalities (mountain and city tourism) in a joint development strategy;

1.6 Justification

Maximum 3 pages. Please provide the following information:

1.6.1 Relevance of the action to the objectives and priorities of the programme

To maximize the social and economic cohesion between the border area by encouraging contacts and co-operations at various levels;

The project is relevant to this overall objective of the programme, as it strives to achieve economic cohesion of the cross border area of Zemen and Niska Banja through development of tourism and its related infrastructure. The project involves participation of various actors: municipal administration – it will select project team members and appoint the staff of the Coordination Centre and organize and coordinate all activities of the action; businessmen and investors – they will invest in the infrastructural development when relevant works designed are presented by the municipality; tourist stakeholders – they will support the identification of tourist sites for which works designs will be prepared and will discuss cooperation with investors for the further development of tourist activities upon provision of

relevant infrastructure.

To exploit and manage the border area's territory in a co-ordinates and integrated way between the two sides of the border, thus creating the basis for a sustainable economic development;

One of the objectives of the project is to exploit the region of Zemen through elaboration of a preliminary study under several stages: meeting of local tourist stakeholders to share views on most potential tourist sites; research of the region of Zemen; evaluation of existing infrastructure; identification of 3 sites for which works designs will be prepared; identification of needs and regulatory regimes that should be observed upon construction.

The study will be a step forward cross border cooperation of the two partner municipalities, as it will provide the basis for implementation of other activities and in particular, the design of a joint cross border strategy for development of the tourist region of Zemen and Niska Banja. Through identifying potential of Zemen measures will be undertaken to integrate its development into that of the Serbian partner which will lead to strengthening public private relations and sustainable economic development of the cross border region.

Support to project development

The project proposes the gradual preparation of a pipeline of projects that are related to tourist and infrastructural development of the cross border area of Zemen and Niska Banja: preliminary study of tourist development in Zemen; works designs of identified mountain tourist sites; research of programme funding opportunities; joint cross border strategy for development of the tourist region of the two partner municipalities.

The realization of these small scale projects will set the prerequisites for active involvement of large business and investors in regional development and will attract finances to the municipalities from a number of resources, including national and EU programmes that sponsor related activities. Municipal officials of Zemen and Niska Banja will acquire knowledge of basic project identification, design and management specifications which will facilitate the process of finance provision for maintenance of results achieved by the current action, as well as further exploitation and development of the cross border territory.

- 1.6.2 Identification of perceived needs and constraints in the target country/ies, in particular in the region(s) concerned how does the action show CBC impact.

Needs:

- ✓ Need of improvement infrastructure on the territory of Zemen as a basis for tourist development and intensifying regional economic activities;
- ✓ Need to take full advantage of the tourist potential of the municipality in view of the

unique mountain wealth and sites of culture (the famous Zemenski monastery is located on the municipality`s territory);

- ✓ Need to exploit and attract various sources of finances to the region: investments, programme funding, business capital;
- ✓ Need to overcoming existing economic stagnation in the municipality of Zemen which results in inefficient performance of economic sectors and high level of unemployment;
- ✓ Need to attract partners – other local government authorities that share similar needs and constraints: the effect of combined potential will support the development of the region through better access to information resources, enhanced contacts and partnership networking, etc.;
- ✓ Need of more and better skills of project design and management that are necessary to assimilate allocated funds in the most efficient way;

Constraints:

- ✓ Lack of finances to be invested in the improvement of the infrastructural image of the municipality;
- ✓ Unexplored tourist potential;
- ✓ Insufficient capacity of the municipality of Zemen to search for investments and additional financial resources;
- ✓ Low motivation of businessmen to invest in the municipality;
- ✓ Remote location of the municipality of Zemen which is a restriction to its promotion as an attractive tourist destination;
- ✓ Lack of a structure that supports regional development through measures aimed to raise competitiveness local economic sectors;

1.6.3 Description of the target group(s) and final beneficiaries and estimated number

Target groups:

- ✓ The municipal administration of Zemen: through established prerequisites of attracting investments and developing local infrastructure and tourism; through knowledge of programme finance resources and skills in project design and management;
- ✓ The municipality of Niska Banja: through developing close cooperation relations with the municipality of Zemen;
- ✓ Tourist stakeholders of the municipality of Zemen: they will establish contacts with businessmen and investors for the joint exploitation of local tourist potential;
- ✓ Large businessmen and investors: they will attend the events of the project to receive

detailed information of the options for investments;

Final beneficiaries of the project are:

- ✓ Residents of the municipality of Zemen due to the improvement of local economy and development of the tourist sector;
- ✓ Tourists and visitors of the municipality that will enjoy modern and well developed tourist conditions and facilities;
- ✓ Other local governments that will be integrated into the partnership networking as a multiplier effect of the project;

- 1.6.4 Reasons for the selection of the target group(s) and identification of their needs and constraints. How does the Action contribute to the needs of the target group(s) and final beneficiaries and how does it show CBC impact?

The municipality of Zemen has been selected in view of the needs and constraints to its development. The action will respond to its need of infrastructural improvement through the preliminary study and the elaboration of works designs of 3 mountain sites which will provide businessmen and investors with documentation indicating exact amount of investment resources required. The 6-day workshop on project identification, design and management will address the need of the applicant to introduce its officials to the project cycle characteristics, which will support optimal assimilation of funds and further enhancing of existing infrastructural facilities. As a result of project implementation local tourist sector will be developed and thus transformed into an income generating resource for the entire region. This will respond to the applicant`s need of economic stimulation.

Local tourist stakeholders will have the chance to establish cooperation contacts with large businessmen and investors, as well as with the municipality of Zemen. This will address their need of favourable environment to develop tourist activities and explore local niches of potential.