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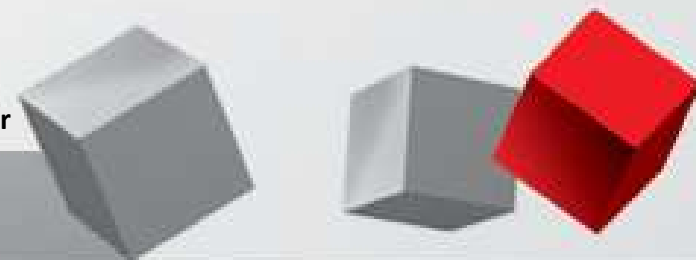
Small Project Fund (SPF)

EmBRACE

Enhancing SMEs sustainable gRowth
And CompEtitiveness

HAMAG-BICRO

- Development and support of entrepreneurship Unit
- Support and Development of Entrepreneurship, Coordination and International Cooperation Sector





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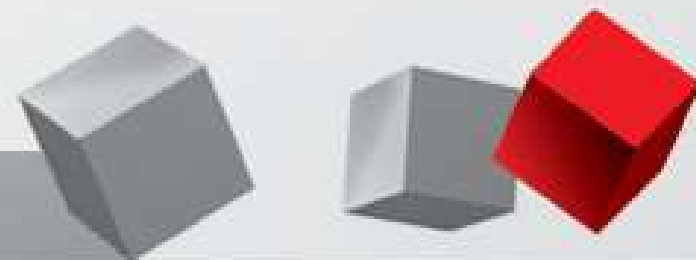
EmBRACE - Enhancing SMEs sustainaBle gRowth And CompEtitiveness



Priority Axis 1: **Smart investments in research, innovation and competitive entrepreneurship**
Specific objective: **RSO1.3. Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments**

- Name of the SPF beneficiary : **Hrvatska agencija za malo gospodarstvo, inovacije i investicije**
- Title: **Enhancing SMEs sustainaBle gRowth And CompEtitiveness**
- Acronym: **EmBRACE**
- Duration in months: **60 (February 2024 till February 2029)**
- Budget:

TOTAL amount of SPF project:	EU FUNDS 85%	Own funds 15%
11.764.706 EUR	10.000.000 EUR	1.764.706 EUR
TOTAL managment budget	EU FUNDS 85%	HB's own funds 15%
1.499.619 EUR	1.274.676 EUR	224.943 EUR
TOTAL SMEs budget	EU FUNDS 85%	SMES's own funds 15%
10.265.087 EUR	8.725.324 EUR	1.539.763 EUR





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Project aims to offer support to SMEs in the Programme area and enhance the competitiveness of micro and small enterprises in the border regions.

Support will be given to SMEs for:

- development and adaptation of business models, products, services and processes, fostering development of local SMEs with strong focus on introducing product or process innovation;
- developing pilot actions and new business solutions;
- enhancing SMEs cross-border business cooperation.

SPF indicators:

Output Indicator	Target 2029	Result Indicator	Target 2029
RCO 01 - Enterprises supported (of which: micro and small)	120	RCR 03 – Small and medium-sized enterprises (SMEs) introducing product or process innovation	40
RCO 02 - Enterprises supported by grants	120		
RCO 84 - Pilot actions developed jointly and implemented in projects	12	RCR 104 - Solutions taken up or up-scaled by organizations	4
RCO 116 - Jointly developed solutions	8		





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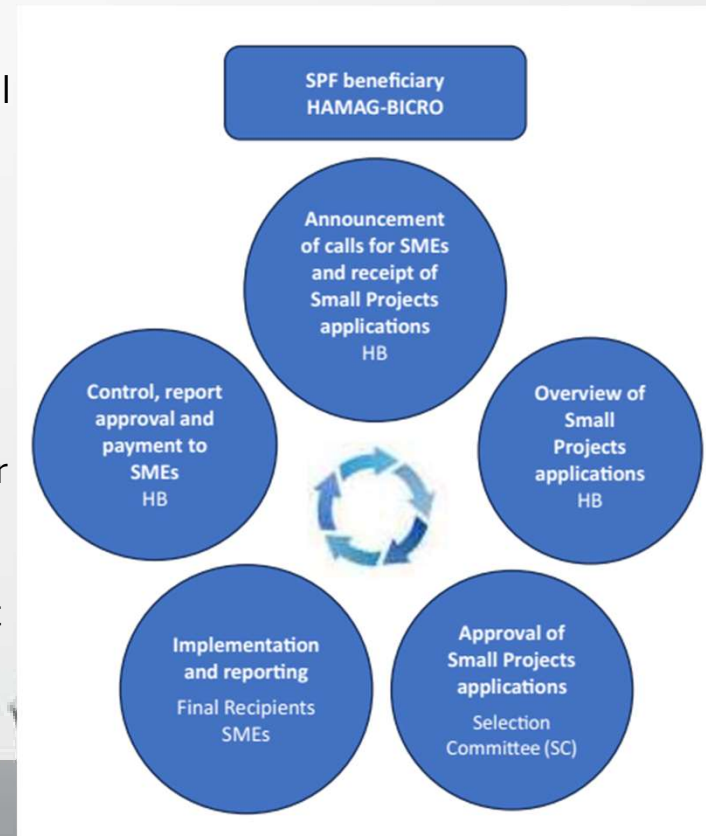
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HAMAG-BICRO's role is to:

- ensure professional project management and implementation of the entire SPF project;
- carry out the promotion of the entire SPF project and final recipients Small Projects;
- provide to final recipients all necessary documents, information's and support for the high-quality and correct implementation of the SPF project and their Small Projects;
- establish a non-discriminatory and transparent selection procedure for final recipients and their applications for Small Projects;
- sign a subsidy agreements with final recipients;
- provide support in the implementation of Small Projects and monitor their implementation;
- establish an appropriate reporting and control system for Small Projects and make payments directly to SMEs according to approved Small Project reports;
- perform on-site controls of Small Projects.



HB claim of managing costs - SCO 2:

SCO Option 2						
Cost category	Form of reimbursement	Budget lines		TOTAL BUDGET	EU FUNDS 85%	HB's own funds 15%
Staff costs	Real costs	1 Staff costs	Project manager, 2 Project assistants, Project administrator, Communication officer and 4 Regional coordinators (Project Management Team (PMT) from Development and support of entrepreneurship Unit, Support and Development of Entrepreneurship, Coordination and International Cooperation Sector that shall consist of 5 members and Management Verifications of Small Projects Team (MVSPT) of 4 members)	1.071.156,56 eur	910.483,07 eur	160.673,48 eur
Other costs	up to 40 % flat rate of staff costs for all other costs	2 Office and administrative cost 3 Travel and accommodation costs HB 4 External expertise and services costs 5 Equipment expenditure	HB Staff members and Selection Committee members (travel expenses) Conferences (opening, interim and final conference) Events, project meetings, study visits (<u>awareness events</u> for each call across the program area; <u>selection of applications</u> and approval of the Selection Committee for each call; <u>ceremonial awarding of contracts</u> - promotion of contracted projects for each call; <u>study visits</u> (one for each invitation) for representatives of SC, MA, JS and NA in order to exchange knowledge, experience and good practice in the field of entrepreneurship of cross-border projects encountered by EU member states; <u>participation in other's events</u> in order to present the project) Publicity, promotion and communication (creation of book of standards, project logo, poster, roll up, leaflet, good practice brochure, media appearance (newspaper, TV, radio), translations, promo materials, etc.) Web platform (the existing online platform will be upgraded and adapted containing all project documentation and information, media for partner search, submission of project applications and reporting) Video production (video teasers for each call and the final video) Equipment expenditure (laptops, official vehicle, projector and projection screen)	428.462,62 eur	364.193,23 eur	64.269,39 eur
TOTAL HB management:				1.499.619,18 eur	1.274.676,30 eur	224.942,88 eur

Project activities:

- **Beginning and establishment of SPF implementation for final recipients (SMEs)**

upgrading and adapting the web platform, creation of complete documentation for SMEs – guidelines for applicants, evaluation manual, application forms, checklists, call for applicants, etc.), Selection Committee (SC) appointment and procurement of equipment;

- **Announcement of calls for SMEs**

- planned 3 calls; the first call for project applications for final recipients is expected in April 2024;
- different (lower) thresholds may be applied for each call (depending on interest of SMS, committed and available funds per call);
- micro and small SMEs (2-4 applicants per project);
- the planned duration of Small Projects is 12 months;

- **Planned support for final recipients per project:**

Project model:	TOTAL amount per project	Amount of max 85% EU support per project	The amount of own funds 15% of the SME	Nr. of projects	Nr of SMEs on the project	Total amount per project per SME	Amount of EU support per SME	Amount of own funds per SME	Nr of SMEs for the indicator
1	170.588 eur	145.000 eur	25.588 eur	60	2	85.294 eur	72.500 eur	12.794 eur	120
					3	56.863 eur	48.333 eur	8.529 eur	180
2	100.000 eur	85.000 eur	15.000 eur	103	2	50.000 eur	42.500 eur	7.500 eur	206
					3	33.333 eur	28.333 eur	5.000 eur	309

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- SMEs cost claim - 85% EU funds, 15% own funds;
- simplified cost option

Option 1	
Cost category	Form of reimbursement
Staff costs	20 % flat rate of direct costs (real costs)
Office and administrative costs	15 % flat rate of staff costs
Travel and accommodation costs	15% flat rate of staff costs
External expertise and services costs	Real costs
Equipment costs	Real costs
Costs of infrastructure and works (max. 10% of total budget)	Real costs

- **Projects up to EUR 100,000.00**
using Lump sum (draft budget method) will be paid after each of 3 milestones and proven results
- **Projects up to EUR 170,588.00**
using SCO1 Flat rate will be paid after approved report (on 3-month basis) based on proven results and costs





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- **Review and ranking of project applications**

- HAMAG-BICRO, Sector for Evaluation and Contracting Projects in cooperation with Project Management Team (PMT) will carry out the selection process and propose a list and Small Project Applications for the signing of the contract and implementation

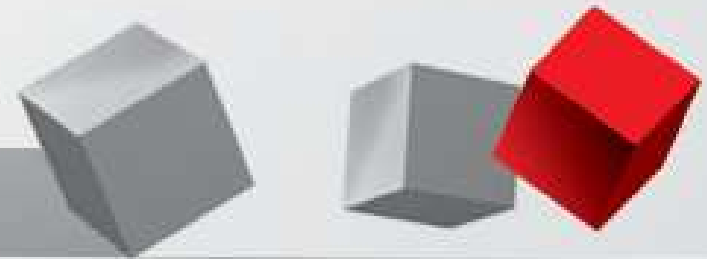
- **Selection of Small Project applications and approval by the Selection Committee (SC)**

The role of the Selection Committee - members of SC comprising from the members from all three Participating Countries (two voting members from each participating country, as well as non-voting members/observers from JS, MA and NAs) will carry out:

- the selection of the Small Projects

- **Fulfilment of conditions (FoC) and contracting of small projects with SMEs (final recipients)**

- HAMAG-BICRO will prepare the contract for each Small Project including certificates of de minimis aid granted within project. Selected SMEs will sign a contract and start with implementation of their Small Projects.
- Planned support for final recipients will be as **de minimis** aid granted under the Interreg VI-A IPA Programme Croatia – Bosnia and Herzegovina -Montenegro 2021-2027





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- **Implementation of small projects**

- upon contracting after each call, SMEs implement small projects in max. duration of 12 months

- **Reporting of SMEs (final recipients) and payment of funds**

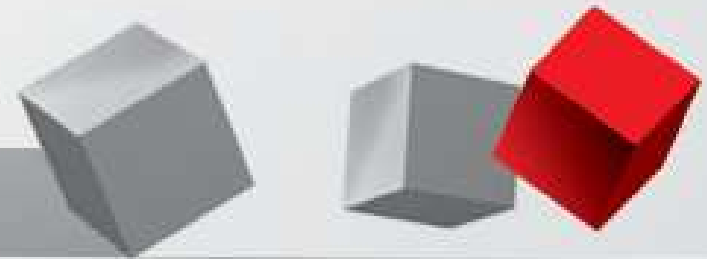
- SMEs report through the web platform on the activities and expenses every 3 months;
- HAMAG-BICRO will set up the Management Verifications of Small Projects Team (MVSPT) that will review the reports, if needed ask for completion and approve the submitted reports;
- After approval of the report payment will be made towards SMEs.

Projects up to EUR 100,000.00 - using Lump sum (draft budget method) will be paid after each of 3 milestones and proven results

Projects up to EUR 170,588.00 - using SCO1 Flat rate will be paid after approved report (on 3-month basis) based on proven results and costs

- **Control of small projects**

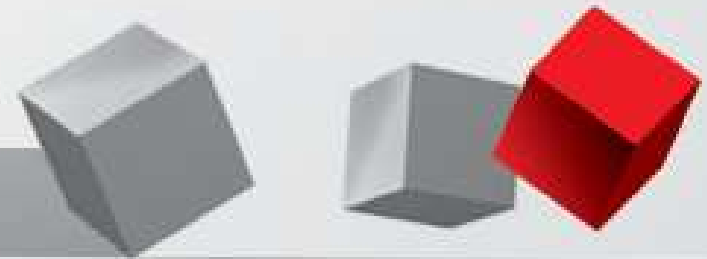
- MVSPT will carry out on-spot checks of small projects as part of management verifications of the costs of small projects on representative sample basic





- **Promotion and visibility**

- the existing online platform will be upgraded and adapted and will be a comprehensive tool for final recipients containing all project documentation and information, media for partner search, submission of project applications and reporting;
- creation of leaflets and brochure about the SPF project and Small Projects, online publication of good stories;
- awareness raising events (for each call) in all three participating countries;
- creation of short video teasers for each call;
- organization of contract award events after each call;
- organize study visits for representatives of SC and Programme to exchange knowledge, experience and good practice in the field of entrepreneurship of cross-border projects;
- holding 3 conferences (initial, middle and final);
- making a video for the final conference with achieved results;
- presentation of the project at other events.





Thank you for attention!

Mate Kovač

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