



Environmental Protection Fund

of the Federation of BiH

About the Environmental Protection Fund of the Federation of Bosnia and Herzegovina

Regarding the environmental protection sector in the Federation of BiH, the role of the Fund is crucial for the systematic financing of projects, programs and similar activities in two basic areas:

- environmental protection and
- energy efficiency.

In addition to the public funds, loans and donor funds for financing activities and projects outlined in the “Federal Environmental Protection Strategy”, the Fund generates significant revenues and reinvests funds into environmental protection and energy efficiency projects.



Hamdije Čemerlića
39a
71 000 Sarajevo
Bosnia and Herzegovina



+387 33 723 680
+387 33 723 688



info@fzofbih.org.ba



www.fzofbih.org.ba

OUR MANDATE AND APPROACH

The Environmental Protection Fund of the Federation of Bosnia and Herzegovina is non-profit, financial institution, public entity established as a structured non-budgetary fund with a mission for collecting funds and investing extra-budgetary resources in the preparation, implementation and development of programs, projects and similar activities in the field of preservation, sustainable use, protection and improvement of the environment, as well as approaching the goals defined within the “Environmental Protection Strategy of the Federation of BiH” and the “Law on the Environmental Protection Fund of the Federation of Bosnia and Herzegovina”.

One of the Fund’s priorities is careful planning of regional cooperation, as well as mediation regarding financing projects of environmental protection, energy efficiency and renewable energy sources from the funds of international organizations and institutions, EU funds, domestic financial institutions, and all in accordance with interests of environmental protection of the Federation of BiH, as well as all international contracts signed by BiH.

WHAT WE FUND

The Fund invests its funds in the preparation, implementation and development of projects, mostly for:

- water protection projects,
- air protection and energy efficiency projects,
- waste management projects,
- nature protection projects,
- soil remediation projects,
- projects of raising public awareness of the importance of environmental protection,
- emergency environmental interventions due to natural disasters, and also prevention and recovery from incidents.

RESULTS AND ACHIEVEMENTS

In the period 2008-2020., the Fund collected funds of approximately 151 mil. EUR from revenues provided from the environmental charges and fees.

Approximately 75 mil. EUR collected fees, pursuant to the Law on the Fund, was **transferred to budgets of lower levels of government (regional self-government units – cantons)** for the purpose of investing in environmental projects.

The remaining amount of **approximately 67 mil. EUR funds raised in the Fund, has been allocated to finance environmental protection - in the preparation, implementation and development of over 1100 projects**, mostly capital projects environmental protection of federal importance.

In addition to the activities of raising and investing funds in projects, programs and similar activities in the field of environmental protection and energy efficiency, the Fund has the following jurisdictions:

- establishing, organizing and maintaining of the Federation of Bosnia and Herzegovina **Waste Management Information System**,
- establishment, management and maintenance of the Federation of Bosnia and Herzegovina **Energy Efficiency Information System**,
- conducting tasks related to the establishment of the **environmental protection information system**.

Previous significant experience in co-financing and implementing numerous projects in the field of environmental protection and energy efficiency in the territory of the Federation of BiH and the territory of BiH in general, the Fund has cooperated with a lot of partners and therefore has a **wide range of beneficiaries for the Fund's assets and excellent links with public administration departments and institutions, departments of regional and local government, public enterprises and institutions, agencies and trade chambers, economic enterprises and private sector, non-governmental organizations and international financial organizations and institutions**.

Establishment benefits

- By establishing of the Fund (2010.), the environmental sector has institutionally strengthened, resulting in a significant increase in investment in environmental protection and energy efficiency projects
- 12 years of experience in financing more than 1,100 projects !
- Permanent and steady source of additional environmental protection funding
- Efficient use of total available funds for financing environmental protection in Federation of BiH
- Fund as a focal point for prospective environmental investors and donors at national, regional and local levels
- Supporting implementation of the environmental protection strategy, international environmental treaties, regulations and documents
- Creating capacity for more successful application for the use of international funds
- Systematic cross-linking of state authorities, financial institutions and organizations

CO-FINANCING OF INTERNATIONAL PROJECTS AND PROGRAMS

The Fund can also participate in co-financing programs, projects and similar activities which are organized and financed by international financial institutions and organization.

“ An international project / program, co-financed by the Fund

- is a set of coordinated activities aimed at achieving set of goals in the field of environmental protection, as well as other areas of the Fund's activities,
- within defined and limited duration,
- with defined participants and their roles and responsibilities.

The realization of an international project / program is financed / co-financed by the European Union and from other international sources and / or by support through other, selected types of cooperation. ”

Possible means of cooperation with international partners: Cooperation on environmental projects

- Defining a list of projects of mutual interest / Identification of project of mutual interest
- Planning / Participation in selection of projects / co-financing of selected projects
- Fund as a **financial partner in BiH in accordance with internal procedures and by-laws**

TERMS AND CONDITIONS FOR ALLOCATING FUNDS ON THE BASIS OF THE RULEBOOK

General terms and conditions for users / international partners

- **Invest their own funds in projects**, programs and similar activities in the field of environmental protection
- Accept the conditions of **joint participation in co-financing** of projects, programs and similar activities
- **Submit a request for the use of funds in the prescribed format and in accordance with the procedures** defined by the Rulebook and the guidelines
- Before concluding the contract, the users of the funds are obliged to provide an appropriate guarantee for the Fund's funds
- **Conclude an agreement with the Fund on joint investment** in an international project, program and similar activity for which the Fund's funds have been approved

General terms and conditions for considering project proposals

- Have a well-prepared and designed project with clearly outlined activities, objectives, budget, and implementation dynamics

General terms and conditions for considering project financing

- The project has met the assessment of compliance of the project / program proposal with national legislation and the objectives of the relevant strategic documents, as well as is in line with and important for meeting current strategic national and EU objectives.

In order to achieve cooperation on international projects, in accordance with regulations and internal procedures, there are 2 ways to involve the Fund (in the context of bilateral cooperation):

International partners are entities with which the Fund cooperates on international projects / programs, namely:

- Bodies, institutions and agencies in charge of financing projects from EU funds, and the basic financial program of the EU, IPA funds and for BiH other available EU programs
- International Development Agencies / Technical Cooperation
- International Development Banks
- International agencies and institutions whose activities are focused on environmental protection
- International entities - legal entities and investors whose scope of activities is of interest to the Fund
- Other bilateral and multilateral donors, and
- Other international institutions and organizations

The international partner, i.e., in the preliminary phase, the applicant, submits to the fund a **Request for project financing / Letter for expression of interest for implementation of the international project /program.**

1. The request / letter for expression of interest is submitted in a way that the project proposal is completed in the “**Information Form**” published on www.fzofbih.org.ba, where it fills in its data (administrative) as well as **project data**, fills in the **dynamic and financial plan**, with detailed technical and financial specification, secured own funds, secured funds by other partners, and shows the funds requested from the Fund.
2. The request is then submitted to the Fund, after which the director forms a **Comission that considers the proposal and evaluates the project.**
3. There are defined evaluation criteria and methodology, based on which, **in case of a positive opinion of the Commission, the director sends the proposal** for co-financing with the proposed amount to the **Management Board of the Fund**, which makes the final decision.
4. After making a decision on the allocation of funds, the applicant (future partner) is contacted where he is notified if it is necessary to submit additional documentation or make adjustments to the dynamic and financial plan before concluding the contract.

The applicant / international partner does not necessarily has to be the implementer of the project - the one in charge of implementing the activities (Implementing partner), yet it can also be another entity - a domestic partner.

The Fund cannot be a project implementer, yet only a partner that financially supports the project implementation (Financial partner).

Another way for the Fund to get involved in the implementation of an international project is for the Government of the Federation of BiH to make a **Decision or Conclusion on the proclamation of an international project of importance for the Federation of BiH**, and submit the Decision to the Fund for further activities, all in accordance with legal and other internal procedures.

In this case, the procedure is the same, except that a Decision of the Management Board is not required.

Therefore, the information form is filled in, all the necessary information about the project is submitted in order to make adequate preparations for signing the grant agreement.

Fund invests in the projects and programs targeted at improving the environmental performance in FBiH, in particular in:

- Waste collection and disposal projects
- Projects related to collection and proper disposal of secondary raw materials
- Packaging and packaging waste projects
- Projects related to using biomass for energy and composting
- Projects aimed at reduction of CO₂ emissions to air
- Promotion of waste water treatment techniques and devices
- Drinking water source protection projects
- Projects related to preservation of biodiversity and management of protected natural areas
- Environmental monitoring equipment (monitoring) – international obligations
- Projects related to purchase of equipment for inspection authorities

PARTNERSHIP

Considering:

- **financial resources** and
- the existing Fund's **professional capacities in financial and program management** i.e. **implementation and monitoring team**, composed by specialists with technical background and wide expertise in public funding of international projects and other national projects financed by international financial institutions and organizations,

we support organizations and other institutions in:

- ✓ **Developing and strengthening cooperation** in the areas of preservation, sustainable use, protection and improvement of the environment and the of renewable energy sources,
- ✓ **Identification of needs and projects**, exchange of information and harmonization of plans for the implementation of priority programs and projects of environmental protection in the territory of the Federation of BiH, previously identified of importance (water protection, air protection, biodiversity protection, land protection, management of special categories of waste, energy efficiency and renewable energy),
- ✓ **Providing the information to interested entities on existing opportunities for cooperation** on environmental protection and energy efficiency projects,
- ✓ **Participation in planning and also co-financing of preparation, implementation and developing priority projects** and programs for environmental protection on territory of the Federation of BiH,
- ✓ **Ensuring coordination and joint participation** in international and bilateral financial programs and funds,
- ✓ **Proposing project ideas to relevant institutions and partners** in order to improve the environmental situation in BiH and achieve mutual goals.

Technical assistance in preparing applications is essential, because it increases the chances of getting the project proposal approved and reduces the possibility of getting the application rejected due to administrative failures.

Fund also has an important role in the implementation stage of approved project, in terms of providing expert assistance, for the most part because it improves the chances for successful completion of project activities.

PROJECTS / PROGRAMS REFERENCES

Available upon request.