No:1696-1/23
Sarajevo,28.11.2023.

Pursuant to Article 71 of the Law on Tourism ("Official Gazette of the Sarajevo Canton", number 19/16, 31/17, 34/17 and 13/21), Article 30 of the Statute ("Official Gazette of the Sarajevo Canton", number 32/17), the Work Program and Financial Plan of the Tourist Association of the Sarajevo Canton for 2023, the Subsidy Program for the Development of Tourism and Air Traffic in the Sarajevo Canton (number 02-04-31542-47.1/23 of 06.07.2023 and 02-04-43008-1/23 of 05.10.2023), and the Decision on the Public Call for Subsidizing of Air Traffic in the area of the Sarajevo Canton (number 1696/23 of 28.11.2023.), President of the Tourist Association of the Sarajevo Canton hereby ANNOUNCES

PUBLIC CALL
FOR SUBSIDIZING OF AIR TRAFFIC IN THE AREA OF THE SARAJEVO CANTON

I SUBJECT OF PUBLIC CALL

The subject of the Public Call is the subsidization of air traffic in the area of the Sarajevo Canton for the purpose of development of tourism.
The Public Call for Subsidizing Air Traffic in the area of the Sarajevo Canton (hereinafter: Public Call) determines the goal, the amount of funds, the method of realization of the public call, the beneficiaries of the funds and the criteria for selection.
Program realization period is until 31.12.2024.

II OBJECTIVE OF PUBLIC CALL

The objective of the Public Call is the development of tourism in the Sarajevo Canton by subsidizing airlines in order to establish new destinations, increase the number of passengers in air traffic and strengthen the tourism sector.

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III AMOUNT OF FUNDS

The funds are provided in the budget of the Ministry of Economy of the Sarajevo Canton, under the position of - economic code 614300, sub-analysis IAN060 - "Current transfer to the Tourist Association of Sarajevo Canton for co-financing of projects of importance for the development of tourism".

IV ELIGIBILITY FOR PARTICIPATION IN THE PUBLIC CALL FOR THE SELECTION OF AIR-CARRIER - COMPANY

The Public Call is open for all airlines registered for providing of air traffic services that meet the Criteria for Selection of Applications and Allocation of Funds:

1. Airlines that decide to establish a base at the Sarajevo International Airport,
2. Airlines launching flights from new destinations to Sarajevo (destinations to which there were no regular flights from the Sarajevo International Airport during the twelve months prior to the date of the intended first flight),
3. Airlines launching flights to cities within Europe deemed to be of strategic importance, in accordance with the list of strategic routes defined by the Sarajevo International Airport,
4. Airlines that introduce new flights on existing strategic routes from/to Sarajevo, and on which there are currently five or less flights per week,
5. Airlines operating long-haul flights from Sarajevo, i.e., services of over six hours.

V CRITERIA FOR SELECTION OF APPLICATIONS AND ALLOCATION OF FUNDS

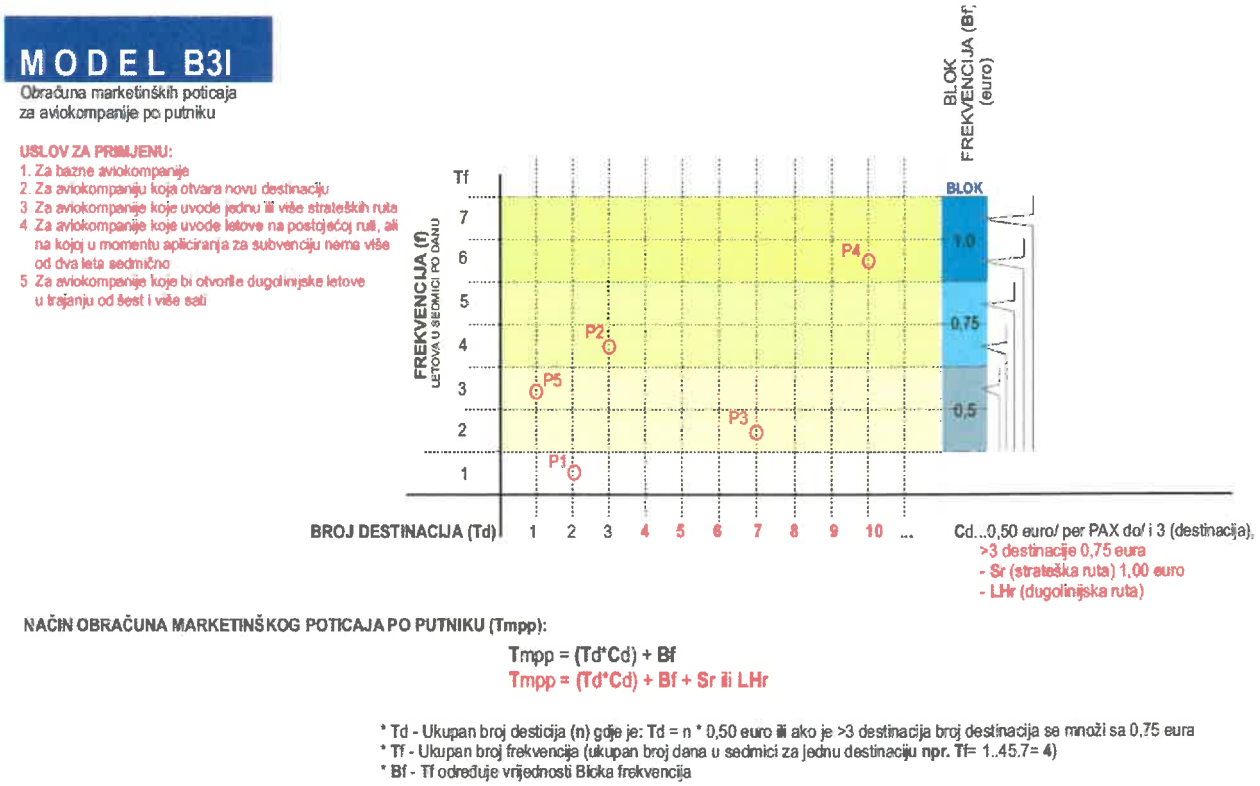
Individual airlines that apply to the Public Call must meet the following criteria:

1. Number of destinations, at least one of which must be new and/or strategic
2. Weekly frequency for each destination (minimum 2 flights per week for scheduled routes or minimum 1 flight per week for charter routes)
3. Type and capacity of the aircraft (minimum 50 seats)
4. The number of departing passengers at the annual assumed load factor of 85% (minimum 2.500)
5. Period of operation (seasonal or year-round)

After checking the fulfillment of the mentioned criteria, the amount of the marketing incentive per passenger is calculated. First, the number of destinations (Td) that the airline plans to introduce or where it will increase the frequency of flights is determined. Td for up to three destinations is multiplied by the amount of 0.50 euros (Cd), while for the number of destinations greater than three Td is multiplied by the amount of 0.75 euros (Cd). After that, the frequency block (Bf) is determined based on the number of frequencies per week (Tf) for each destination separately. Total frequency (Tf) represents the number of operations performed for one destination during one week. For example, if a plane flies on Monday, Thursday, Friday and Sunday, the total number of frequencies in one week is 4.

After determining the number of frequencies (Tf), affiliation to the frequency block (Bf) is determined by a straight-line approach. For example, for $Tf<3$ the Bf affiliation is 0.50 euros, while for $Tf>3$ the Bf affiliation is 0.75 euros.

Obtaining the values for number of destinations (Td), destination coefficient (Cd) and frequency block affiliation (Bf), **these values are added and multiplied by the total number of passengers to obtain the total amount of marketing incentive for the airline for one destination.**



An additional incentive of 1 euro per passenger is provided for airlines that establish strategic routes (Sr), as well as for those that establish long-haul routes (LHr) routes with a flight time of more than 6 hours.

The final **formula for calculating the total marketing incentive per passenger (Tmpp) for a specific route reads:**
Tmpp = Td*Cd + Bf

The **final formula for calculating the total marketing incentive with the incentive supplement, per passenger, for strategic or long-haul routes:**
Tmpp = Td*Cd + Bf + Sr or Lhr
For the **winter flight schedule**, the calculation of the amount is increased by an additional 10% in order to further stimulate winter tourism in the Sarajevo Canton.

All the mentioned criteria and calculations are harmonized with the aim of supporting the development of air traffic in the function of development of tourism in the Sarajevo Canton.

On basis of the applications that meet the set criteria, the final selection will take place of the airlines to which funds will be allocated for co-financing, all in accordance with the available budget.

In the event that the total value of applications exceeds the available funds for the period, priority will be given to applications with a higher application value.

VI MANDATORY DOCUMENTATION

1. Application Form for the Public Call which has been electronically completed, printed out and signed by an authorized person of the applicant
2. Proof of registration for air carrier operations - Air Operator Certificate (AOC)
3. License to carry out airline operations for the duration of the Program Operator's work license (Operation License)
4. Bank's confirmation that the airline's transaction account is active, no older than three months from the date of publication of the Public Call
5. List of destinations with frequencies,
6. The aircraft/s that will be used and their capacity,
7. Period of performance of flights from the Sarajevo International Airport,
8. Brief description and profile of the airline with the number of passengers transported in the previous 12 months.

The application form for the Public Call can be downloaded from the official website of the Tourist Association of the Sarajevo Canton www.visitsarajevo.ba and the website of JP International Airport "Sarajevo" d.o.o. www.sarajevo-airport.ba.

Airlines are responsible for the accuracy and completeness of the attached documentation, and undertake that all submitted documents shall be valid and relevant for the evaluation of their application.

VII OBLIGATIONS OF USERS OF APPROVED FUNDS

The obligation of the beneficiary of the funds is to use the approved funds in accordance with the concluded contract with the Tourist Association of the Sarajevo Canton.

VIII APPLICATION TO THE PUBLIC CALL

All applications to the Public Call must be submitted exclusively by registered mail in a closed envelope to the address:

Tourist Association of the Sarajevo Canton

2/4 Dalmatinska street

71000 SARAJEVO, Bosnia and Herzegovina

with a note

APPLICATION TO THE PUBLIC CALL "SUBSIDIZING OF AIR TRAFFIC IN THE AREA OF THE SARAJEVO CANTON " - DO NOT OPEN

IX DEADLINE FOR SUBMISSION OF APPLICATIONS TO THE PUBLIC CALL

The Public Call remains open until **28.12.2023.**

The deadline for submission of applications is 30 (thirty) days from the date of publication of the Public Call on the website of the Tourist Association of the Sarajevo Canton (www.vistsarajevo.ba) and the website of JP International Airport "Sarajevo" d.o.o. (www.sarajevo-airport.ba).

X RESULTS OF PUBLIC CALL

The results of the Public Call shall be made public on the website of the Tourist Association of the Sarajevo Canton (www.vistsarajevo.ba) and the website of JP International Airport "Sarajevo" d.o.o. (www.sarajevo-airport.ba)..

XI DEADLINE FOR SIGNING OF CONTRACT

The Tourist Association of the Sarajevo Canton shall sign a contract with the selected users no later than 30 days after the announcement of the results of this Public Call.

XII METHOD OF PAYMENT OF FUNDS

The Tourist Association of the Sarajevo Canton shall pay the amount of the subsidy to the airlines based on monthly data on the number of flights and the total number of passengers, classified by destination, with information on the number of frequencies and the financial recapitulation that the airline has achieved, to be delivered to the Tourist Association of the Sarajevo Canton by JP International Airport "Sarajevo" d.o.o.

XIII SPECIAL REMARKS

During the implementation of this Public Call, the Tourist Association of the Sarajevo Canton reserves the discretionary right to amend it in the event of objective circumstances in the area of the Sarajevo Canton.

XIV INFORMATION AND CONTACT

For additional information and clarifications, interested airlines can contact the Tourist Association of the Sarajevo Canton via:

E-mail: *info@visitsarajevo.ba*

President
Tourist Association of Sarajevo Canton
[redacted]
Dr.sc. Haris Hazlagić