



Interreg - IPA CBC 
Bulgaria - Serbia

**INTERREG – IPA CROSS-BORDER COOPERATION
BULGARIA – SERBIA PROGRAMME
2014TC16I5CB007**

GUIDELINES FOR APPLICANTS

Call for Proposals

No. 2014TC16I5CB007 – 2018 – 2

**Deadline for submission of project proposals: 23rd April 2018,
17:00 h local Bulgarian time**

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Preface

These **Guidelines for Applicants for the Second Call for Proposals** under the Interreg – IPA Cross-border Cooperation (CBC) Bulgaria – Serbia Programme include the following integral parts, which must be considered in their entirety by potential Applicants:

- **Attachments:**
 - **Attachment 1 “Fulfilment of Programme Indicators and Ranking of Project Proposals”** – contains important information about ranking and selection of project proposals in terms of the achievement of the Programme output indicators;
 - **Attachment 2 “State Aid and De Minimis Provisions”** – contains important information about the rules for financing of state aid relevant activities (applicable for Bulgarian project partners only);
 - **Attachment 3 “Complaint Procedure”** – contains important information about the stages, requirements, steps and deadlines which all applicants must observe in case they decide to launch a complaint against the decisions of the Joint Monitoring Committee regarding projects’ selection and financing;
 - **Attachment 4 “Instruction for electronic submission of project proposals”** – contains step-by-step instructions for access to the Management Information System (MIS) of the Programme and electronic submission of project proposals;
- **Application Form** – to be filled in by the project partnership;
- **Annexes (A1-A6)** to the Application form – contain templates of all declarations that must be submitted by the project partners together with the project proposal;
- **Subsidy contract** – draft version (for information purposes only).

Explanation of text-boxes

Across the following pages you will find a series of highlighted text boxes of various colors. Please see below a general explanation for these text boxes:

IMPORTANT BOX – highlights the most important elements or some specificities to be taken into account when preparing a project

WARNING BOX – draws attention of applicants to specific issues

ADVICE BOX – provides applicants with practical advice and reference to related documents

Legal Basis

In the elaboration of these Guidelines for Applicants the following legal provisions have been observed:

Basic EU legal acts:

- Regulation (EU) No **231/2014** of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II) – the IPA II general regulation;
- Commission Implementing Regulation (EU) No **447/2014** of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 establishing an Instrument for Pre-accession Assistance – the IPA II implementing regulation (IPA II IR);
- Regulation (EU) No **1299/2013** of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal;
- Commission Delegated Regulation (EU) No **481/2014** of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation programmes;
- Regulation (EU) No **236/2014** of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action;
- Regulation (EU) No **1303/2013** of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006;
- Regulation (EU, EURATOM) No **966/2012** of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, EURATOM) No 1605/2002;
- Commission Delegated Regulation (EU) No **1268/2012** of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union;
- Regulation (EU, EURATOM) **2015/1929** of the European Parliament and of the Council of 28 October 2015 amending Regulation (EU, Euratom) No 966/2012 on the financial rules applicable to the general budget of the Union; Commission Delegated Regulation (EU) 2015/2462 of 30 October 2015 amending Delegated Regulation (EU) No 1268/2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union.

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Programme documents:

- Interreg – IPA Cross-border Cooperation Programme Bulgaria – Serbia, CCI 2014TC16I5CB007, approved on 30.07.2015 by Decision No C(2015) 5444 of the European Commission, amended with Commission Implementing Decisions No C(2016) 2853 of 04.05.2016 and No C(2016) 8643 of 13.12.2016;
- Memorandum on Implementation of Interreg – IPA Cross-Border Cooperation Programme CCI Number: 2014TC16I5CB007 between the Government of the Republic of Bulgaria and the Government of the Republic of Serbia;
- Financial Agreement between the European Commission and the Government of the Republic of Serbia.

National legislation:

Besides EU rules and rules of the Programme, national rules have to be respected (for example national legislation ruling specific fields like environmental interventions, natural and cultural heritage, construction, and others).

Please note that all legal provisions must be observed by the applicants during both project preparation and implementation phases.

1. General Information

The Guidelines for Applicants under the Interreg – IPA CBC Bulgaria – Serbia Programme aim to provide practical information to the potential beneficiaries for the successful submission of a project proposal/s. These Guidelines present on one hand general information on the Programme (including overview of the Programme: eligible cross-border area, Programme strategy, objectives and priority axes, implementation structures, financial allocation for the Call for proposals, Programme indicators etc.) and on the other hand they provide the beneficiaries with concrete information about how to fill in the application form, budget and related forms, the application procedure, the project selection criteria, the decision procedure and other practical advices.

⚠ WARNING

Different rules apply to the Second Call for Proposals under the Interreg – IPA CBC Bulgaria – Serbia Programme in comparison to those for the First Call for Proposals. Therefore please read carefully these Guidelines in order to avoid possible confusion!

1.1 Overview of the Interreg – IPA CBC Bulgaria – Serbia Programme

The Interreg – IPA CBC Bulgaria – Serbia Programme (the Programme) is designed in the framework of the European strategy for a smart, inclusive and sustainable growth and the relevant national strategic documents.

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The Programme continues the evolution of the EU's cross-border initiatives, reflected in the Neighbourhood Programme from 2004 to 2006 and the Bulgaria – Serbia IPA Cross-border cooperation programme 2007 – 2013. Additionally the Programme contributes to and interacts with the EU macro-regional strategy for Danube Region devised for the countries and regions that share common needs and objectives in the region.

The Programme is co-financed by the European Union through the Instrument for Pre-accession Assistance II and co-financed by Bulgaria and Serbia. The Bulgarian co-financing is provided from the state budget. The Serbian co-financing is provided through the state budget only for the Technical Assistance Priority Axis, while at the project level it is to be ensured by the beneficiaries.

The Programme document drafted jointly by the two countries through a large partnership with national, regional and local stakeholders is approved by the European Commission on 30th of July, 2015 by Decision No C(2015) 5444. It sets out the general framework of intervention of IPA II in the Programme cross-border area. The programme document is available on <http://www.ipacbc-bgrs.eu/>, <http://www.evropa.gov.rs> and <http://www.mrrb.government.bg>.

1.1.1 Eligible Cross-border Area

The eligible cross-border co-operation area is determined in accordance with the IPA II rules set out in Regulation 231/2014 where only NUTS III regions (or respective equivalents) are eligible for cross-border co-operation programmes. In Bulgaria the corresponding NUTS III administrative-territorial units are the districts established by the Law on the Administrative Territorial System in Republic of Bulgaria.

The eligible border area of the Interreg – IPA CBC Bulgaria – Serbia Programme covers a territory of 43 933 sq. km, or around 22% of the both countries' territories (Bulgaria and Serbia). It borders with Romania to the North and with the former Yugoslav Republic of Macedonia to the South. The border length between the two countries is 341 km. There are 5 border checkpoints operating alongside the border.

The Programme area includes 13 administrative units: **6 districts in Bulgaria**, which correspond to NUTS level III (EUROSTAT), and the equivalent NUTS III **7 districts in Serbia**.

Table 1: Eligible NUTS III

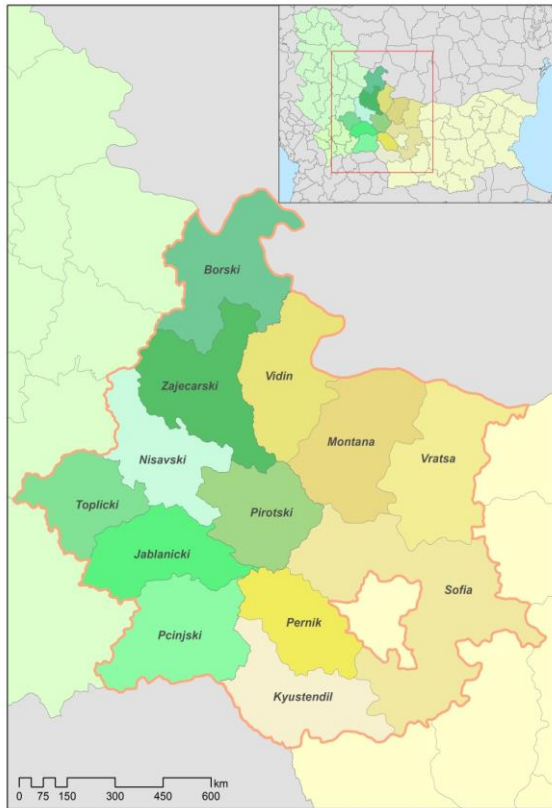
Bulgaria – NUTS III level	Serbia – NUTS III equivalent
Vidin District: 11 municipalities: Belogradchik, Boynitsa, Bregovo, Vidin, Gramada, Dimovo, Kula, Makresh, Novo Selo, Ruzhintsi, Chuprene	Bor District: 4 municipalities: Bor, Kladovo, Majdanpek, Negotin
Montana District: 11 municipalities: Berkovitsa, Boychinovtsi, Brusartsi, Valchedram, Varshets, Georgi Damyanovo, Lom, Medkovets, Montana, Chiprovtsi, Yakimovo	Zaječar District: 4 municipalities: Boljevac, Zaječar, Knjaževac, Sokobanja

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<p>Vratsa District: 10 municipalities: Borovan, Byala Slatina, Vratsa, Kozloduy, Krivodol, Mezdra, Mizia, Oryahovo, Roman, Hayredin</p>	<p>Toplica district: 4 municipalities: Prokuplje, Kursumlija, Zitoradja, Blace</p>
<p>Sofia District 22 municipalities: Anton, Bojurishte, Botevgrad, Chavdar, Chelopech, Dolna banya, Dragoman, Elin Pelin, Etropole, Godech, Gorna Malina, Ihtiman, Koprivshitsa, Kostenets, Kostinbrod, Mirkovo, Pirdop, Pravets, Samokov, Slivnitsa, Svoqe, Zlatitsa</p> <p>⚠ IMPORTANT The District Administration of Sofia District (Областна администрация на Софийска област), although located in Sofia-City District, is an eligible organization under this Call, since its authority and competence extends to the eligible Sofia District.</p>	<p>Nišava District: 11 municipalities: City of Niš (Municipalities: Pantelej, Medijana, Crveni Krst, Palilula and Niška Banja), Aleksinac, Gadžin Han, Doljevac, Merošina, Ražanj, Svrlijig</p>
<p>Pernik District: 6 municipalities: Breznik, Zemen, Kovachevtsi, Pernik, Radomir, Tran</p>	<p>Pirot District: 4 municipalities: Babušnica, Bela Palanka, Dimitrovgrad, Pirot</p>
<p>Kyustendil District: 9 municipalities: Bobovdol, Boboshevo, Kocherinovo, Kyustendil, Nevestino, Rila, Sapareva Banya, Dupnitsa, Treklyano</p>	<p>Jablanica District: 6 municipalities: Bojnik, Vlasotince, Lebane, Leskovac, Medveđa, Crna Trava</p>
	<p>Pčinja District: 7 municipalities: Bosilegrad, Bujanovac, Vladičin Han, Vranje, Preševo, Surdulica, Trgovište</p>

⚠ IMPORTANT

The Programme shall finance activities, performed outside the eligible cross-border area and operations, involving beneficiaries located outside the eligible cross-border area, up to the limit of 20 % of the support from the Union at Programme level, ensuring that they are for the benefit of the programme area and the conditions of the Article 44(2) of Commission Implementing regulation (EU) No 447/2014 of 2 May 2014 are satisfied. Further clarifications to this exception are provided in Section 2.5.1 „Eligibility of applicants” and Section 2.5.5 “Activities location” below.



Map 1: Geographical structure of the cross-border area

1.1.2 Programme Strategy

The border regions between Bulgaria and Serbia still should be considered a noticeably segmented space from the economic point of view, where the substantial development axes do not cross or connect, while it seems to have quite a potential in social and cultural similarities.

The level of development of the cross-border region between Bulgaria and Serbia, the specificity and depth of the problems, as well as extremely serious gaps in human capital, infrastructure provision and economic activity makes it impossible to define an adequate and realistic development strategy to be implemented using standard tools for regional/sectoral interventions. The highly fragmented economy together with depopulation trend represent the main challenges to be faced by the border area when, at the perspective of Serbian accession in the EU, a major cross border dynamism is utmost required. Hence, the vision of the new Interreg – IPA CBC Bulgaria – Serbia Programme is to act as a tool for integrated support in the region thus seeking to achieve positive effect in the development of the border territories of both countries.

The Programme strikes to face two main challenges in order to create a positive socio-economic environment, necessary to the development of the border area:

- Investment in the effective valorisation and the efficient management of the territory;

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- Increasing cross border networks, interactions and connections at the social, economic and environmental spheres.

The IPA cross-border cooperation aims to turn borders from being a barrier to defend different and opponent interests into a dynamic contact point to develop common measures to achieve same aims.

1.1.3 Programme Objectives

The strategy, set out to address the specific needs of the border area both in the short and long term, supports the following **overall aim**:

To stimulate the balanced and sustainable development of the Bulgaria-Serbia border region integrated in the European space – achieved through smart economic growth, environmental change adaptation and learning culture enhancement.

This overall objective is the basis of the Programme's strategic framework, which refers to **three out of eight thematic priorities**, listed in Annex III of Regulation (EU) №231 / 2014, namely:

- (d) Encouraging tourism and cultural and natural heritage;
- (e) Investing in youth, education and skills;
- (b) Protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management.

ADVICE

For further details on Programme strategy please refer to the Programme document.

1.1.4 Programme Priority Axes

In order to achieve the objectives set out in the Programme document, the partnering countries have jointly agreed upon the main directions on which the interventions under this Programme should focus. These main directions are called "Priority Axes" and are as follows:

♦ Priority Axis 1: Sustainable Tourism

Specific Objectives:

- **Tourist Attractiveness:** Supporting the development of competitive tourist attractions achieved through cooperation, thus contributing to the diversification of tourist product(s) in the cross-border region;
- **Cross-Border Touristic Product:** Capturing economic benefits from development of natural and cultural heritage in the border area through creating common cross-border touristic destination(s);
- **People-To-People Networking:** Capitalising the effect of cultural, historical and natural heritage tourism on border communities through common actions.

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♦ **Priority Axis 2: Youth**

Specific Objectives:

- **Skills & Entrepreneurship:** Supporting the development of attractive environment for advancement of young people in the border region achieved through cooperation;
- **People-To-People Networking:** Promoting cooperation initiatives for and with young people, thus enhancing mobility of young people across borders.

♦ **Priority Axis 3: Environment**

Specific Objectives:

- **Joint Risk Management:** Preventing and mitigating the consequences of natural and man-made cross-border disasters;
- **Nature Protection:** Promoting and enhancing the utilization of common natural resources, as well as stimulating nature protection in the programme area, through joint initiatives across the border.

♦ **Priority Axis 4: Technical Assistance**

⚠ **WARNING**

Priority 4: Technical Assistance is not subject of open Calls for Proposals, as it provides funding exclusively for the management of the Programme.

⚠ **ADVICE**

For further details on Programme priority axes and specific objectives, please refer to the Programme document.

1.2 Programme Implementation Structures

According to the relevant IPA Regulations, the two partnering countries have established the following main management and implementation bodies:

Managing Authority (MA) –Territorial Cooperation Management Directorate at Ministry of Regional Development and Public Works of the Republic of Bulgaria is designated to perform the functions of single Managing Authority under the Interreg – IPA CBC Bulgaria – Serbia Programme. The Managing Authority is responsible for managing and implementing the cross-border Programme in accordance with the principle of sound financial management.

National Authority (NA) – Ministry of European Integration of Republic of Serbia supports the Managing Authority in process of management and overall implementation of the Programme.

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Joint Monitoring Committee (JMC) – formed of representatives of MA, NA as well as other relevant national, regional and local authorities, macro-regional strategy representatives (EU Strategy for the Danube region), economic and social partners, and stakeholders from the cross-border region. The JMC shall supervise the overall effectiveness, quality and coherence of the implementation of all actions towards meeting the objectives set out in the cross-border Programme and the relevant strategy papers.

Joint Secretariat (JS) – a common structure that assists the MA, NA and the JMC in carrying out their functions, representing main contact point between the Programme and the potential beneficiaries/project partners. The main office of JS is located in Sofia (Republic of Bulgaria), and the branch office is located in Nis (Republic of Serbia).

⚠ WARNING

The JS (main office and branch office) is the main structure responsible for providing information and support to potential beneficiaries.

1.3 Programme Financial Allocation for the Second Call for Proposals

The Second Call for Proposals will cover the Programme budget for the **years 2019 and 2020**. The total available budget under Priority axes 1, 2 and 3 for these years is **12 121 602 Euro**, of which **10 303 357 Euro** represent the Community funding (EU contribution) and the remaining **1 818 245 Euro** represent the national contributions from the partnering countries.

⚠ WARNING

Please note that the Programme financial allocation is neither broken down by partner country nor by eligible region.

The total amount (in Euro) allocated for this Call for Proposals for the three priority axes is broken down as follows:

Priority Axis	Community Funding (a)	National Funding* (b)	Total Funding (a)+(b)
	85%	15%	100%
Priority Axis 1	4 006 861	707 096	4 713 957
Priority Axis 2	2 862 044	505 068	3 367 112
Priority Axis 3	3 434 452	606 081	4 040 533
TOTAL	10 303 357	1 818 245	12 121 602

***State budget co-financing for Bulgaria and obligatory partners' co-financing for Serbia.**

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In addition to the above funds, the Programme shall also use all the generated savings from the financial resources that have been allocated towards the First Call for Proposals. Therefore, project under the current Call for Proposals may be contracted after approval by the Joint Monitoring Committee until the full exhaustion of the Programme funding for the 2014-2020 period.

⚡ IMPORTANT

The financing under the current Call for Proposals shall be made available to potential beneficiaries through a competitive process. High priority will be given to project proposals contributing to the Programme's Output Indicators (OIs), which have not been fully achieved by the projects contracted under the 1st Call for Proposals.

The applicants should pay serious attention to the information for fulfilment of Programme indicators and the rules for ranking of project proposals specified in *Attachment 1 "Fulfilment of Programme Indicators and Ranking of Project Proposals"* to the Guidelines for Applicants.

2. Rules of the Call for Proposals

2.1. Cross-border impact

The projects must deliver direct cross-border impact and benefits for the project partners, the target groups and the Programme area. The partners should clearly demonstrate that the cross-border approach has been respected in the project proposal.

A clear cross-border impact could be found in those cases where the implementation of the project ensures tangible results in the cross-border area (in both countries); otherwise, the effect would be at local level. The cross-border impact consists of two main aspects:

- positive effect on the targeted organisations and individuals who are the intended beneficiaries of the project's activities or recipients, respectively users of the project's outputs;
- cross-regional or cross-country benefit.

Through implementation of the planned activities (which are designed for facing certain specific needs of the partners and the target groups), each project shall contribute to achievement of the overall Programme aim. This means that when formulating the project idea, all partners should think about the impact of the project not only for their own organisations and the target groups, but also for the Programme area. Establishment of a partnership among organizations from the two countries by definition brings a cross-border character to the project, but only by itself this is not enough to ensure the direct cross-border impact and added value to the Programme area – rather, it is necessary that the combination of all project activities demonstrate achievement of distinct results in the cross-border area.

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2.1.1 Cooperation criteria

The Interreg-IPA CBC Bulgaria-Serbia Programme shall support operations, which have direct cross-border impact, respecting the following cooperation criteria: joint development, joint staffing, joint implementation and joint financing.

⚠ IMPORTANT

Project proposals must respect at least both joint development and joint implementation and, additionally, one of the other two cooperation criteria: joint financing or joint staffing (as described below).

Joint development means that the project must be designed in close cooperation of the partners from both sides of the border. The project proposal must integrate the ideas, priorities and actions of stakeholders on both sides of the border. The link between the needs of every partner, planned activities (including their complementarity) and expected results from the whole project should be clear enough. Joint development does not mean only joint filling of the Application form, but participation in the process of creation of the project idea and drafting of the steps for its achievement.

Joint implementation means that activities must be carried out and coordinated among all partners on both sides of the border. It is not enough that activities run in parallel. There must be clear content-based links between what is happening on either side of the border and regular contact between the two sides. The Lead Partner is responsible for ensuring that activities are properly coordinated, that schedules are kept and that the right quality levels are achieved.

Joint staffing means that there will be a single project team within the project. The project staff should not have duplicate functions on either side of the border and project team members should work together on the project. The partners should not merely carry out activities in parallel without mutual coordination and exchange of information, but the project team will be responsible for project activities on both sides of the border..

Joint financing means that there must be one joint project budget. The budget should be divided between partners according to the envisaged activities. A project with 0.00 Euro or very small financing for a certain partner cannot be considered as having joint financing. There is also only one project bank account for the EU and national contribution (held by the Lead Partner) and the Lead Partner is responsible for administration and distribution of these funds and for reporting on their use. Complementary funding should come from both sides of the border and guarantees the commitment by each partner to the joint project. The provisions specifying rights and obligations of each partner in view of project implementation (including transfer of funds and payments) shall be included in the Project partnership agreement.

2.2. Horizontal principles

The following horizontal principles shall be observed by all applicants in the development and implementation of their projects:

Sustainable development – meeting the present needs while thinking of those of the future generations – should be regarded from the ecologic, economic and social point of view. In designing and implementing the project, the applicants should aim at a balanced use of resources, appropriate choice of logistics (e.g. the applicants are encouraged to plan modes of interaction that do not require travelling when possible) and raising public awareness on sustainable development issues (e.g. by inserting messages on printed materials or in the e-mails).

The Programme will support cross-border cooperation projects that have as their primary aim to improve the implementation of cross-border cooperation initiatives related to sustainable development issues. Projects will have to clearly demonstrate in their application that the activities they propose will make the implementation of those initiatives better, in order to eventually contribute to the sustainable development of the border area.

Equal opportunities and non-discrimination – a fundamental right, a shared value and a key objective of the European Union, referring to preventing any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation or on any other similar criterion.

The project activities may address relevant cross-border cooperation experiences and practices related to the principle of equal opportunities and non-discrimination. Under Priority Axis 2 specifically, projects could for instance address the issue of promoting entrepreneurship among specific target groups at risk of discrimination (e.g. youth with disabilities, marginalised and/or ethnical groups of young people).

Equality between men and women – promotion of equality between men and women and, where appropriate, the arrangements to ensure the integration of the gender perspective at both project and programme level.

For example, support schemes for innovative youth development initiatives might have an impact on gender equality as men and women tend to be involved in different industry sectors. Similarly, under the Priority Axis 2, projects could for instance address the issue of promoting female youth entrepreneurship. Coherence of the project proposal with this horizontal principle may also be feasible under other Priority Axes.

The observance of the horizontal principles shall be taken into account during project evaluation and additional points shall be awarded to projects which propose explicit measures with positive impact on one or more of them, even in terms of raising public awareness.

More information on the horizontal principles is available in Section 6 of the Programme document.

2.3. Applicable law and public procurement

The beneficiaries have the possibility to award service, supply and works contracts to contractors. Contractors are neither partners nor associates. The award of contracts to them is subject to the procurement rules set out in Chapter 3 of Title II of Part Two of Delegated Regulation (EU) No 1268/2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union. In accordance with Art. 45(1) of Commission Implementing Regulation (EU) No 447/2014, those procurement rules apply in the whole Programme area, both on Bulgarian and Serbian territory.

⚡ IMPORTANT

Beneficiaries under this Call for Proposals must refer to and use the guidelines and templates of the Practical Guide for Procurement and Grants for European Union External Actions (PRAG), available at the web page: <http://ec.europa.eu/europeaid/prag/>.

To this end, the following provisions shall be fulfilled by the project beneficiaries:

- When sub-contracting the activities in order to achieve the project objectives, **including activities for project preparation**, the contracting must be done by a transparent tendering procedure, following the above rules.
- The sub-contracting procedures should obey the principles of transparency, proportionality, equal treatment, non-discrimination and fair competition, and thus to obtain the desired quality of the results at the best possible price;
- The project or any sub-contracting procedures must not create an economic advantage to an economic operator.

2.4. Communication and Visibility

The information and publicity measures for the interventions of the IPA II funds are aimed at publicizing the actions of the European Union, increasing transparency and creating a uniform image of the interventions throughout participating countries. In each project proposal the communication activities should be properly planned. Communication should focus on the achievements and impact of the project actions. In order to maximize the impact of the communication efforts:

- Activities need to be timely;
- Activities should be appropriate in terms of resources spent and expected impact;
- Information used must be accurate;
- The right audience(s) should be targeted, etc.

The following communication and visibility activities might be foreseen by the applicants in their Application forms:

- Project public events: press conferences, information campaigns, etc.;
- Publications/advertisement in media and other printed materials: press releases, audiovisual productions, newsletters, leaflets, brochures, etc.;

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- Elaboration of promotional items, such as: pens, folders, USB flash drives, bags, t-shirts, hats, key chains, etc.;
- Elaboration of communication products such as: posters, banners, informational boards, display panels, commemorative plaques, vehicle panels, supply/equipment stickers;
- Visibility activities on internet – creation of web sites/web portals, social media pages, etc.

2.5. Eligibility Criteria

The present Call for proposals has the goal of establishing solid cross-border partnerships by encouraging the implementation of both “soft” activities (as studies, seminars, know-how exchanges, etc.) and “investment” activities (construction, reconstruction, rehabilitation, restoration works and/or supplies, etc.).

The submission of projects is open to all potential beneficiaries that meet the eligibility criteria set below. In order to be eligible for funding under the Programme, **the project proposal should meet three sets of eligibility criteria:**

- eligibility of applicants (*see section 2.5.1*),
- eligibility of activities (*see section 2.5.6*),
- eligibility of expenditures (*see section 2.5.8*).

2.5.1 General Criteria for Eligibility of Applicants (Lead Partner and Partners)

A) Lead Partner and its partners must comply with all of the following general eligibility criteria:

- be legally established organizations (legal persons) according to the national legislation of the state on whose territory they are located. Exception is made for subsidiary structures of local/regional/national authorities. In case a structure of local/regional/national authority is not and cannot act as a legal entity, its legally established central organization, if such exists, shall be the project partner.

⚡ IMPORTANT

Regional structures/branches of central organizations, other than local/regional/national authorities, are ineligible applicants under this Call for proposals.

For Bulgarian applicants this means that even though a regional structure/branch may have its own registration code (as an extension to the registration code of its central body), it is still not a separate legal entity and therefore only the central structure could be a project partner.

and

- be registered in the eligible cross-border region between Bulgaria and Serbia or fall under one of the following exceptions:

⚡ IMPORTANT

An exception to this rule is the eligibility of Bulgarian or Serbian national/regional public authorities whose area of competence, established by legal acts, covers the eligible area of the programme.

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⚡ IMPORTANT

Further exception to this rule is the eligibility of applicants that are located outside the eligible cross-border regions, ensuring that the envisaged operations in the proposed project are for the benefit of the programme area (as specified in Article 44(2) of Commission Implementing regulation (EU) No 447/2014 of 2 May 2014). To this end, a legally established entity (acting as Lead partner or Project partner), located outside the eligible cross-border area, but still on the territory of Bulgaria or Serbia, may participate under this Call for Proposals. In order to be eligible for financing, the project proposal involving partner/s located outside the eligible cross-border area must additionally include at least one partner from each side of the eligible cross-border region.

The total amount allocated under the Programme to beneficiaries and activities outside the eligible cross-border area shall not exceed 20% of the support from the Union at Programme level. Compliance with this rule will be monitored at Programme level by the Programme Implementation Structures.

and

- be non-profit making organizations;

and

- be directly responsible for the preparation and management of the action, not acting as an intermediary.

⚡ IMPORTANT

The above criteria are cumulative and must be fulfilled together.

Indicative list of potential beneficiaries under each Specific Objective is given below:

1. For applications under Specific Objective 1.1:
 - All levels of regional/local authorities;
 - Regional and sector development agencies;
 - Central and regional offices and structures of relevant government institutions/administrations;
 - Public cultural institutes (museum, library, community centres, etc.);
 - Non-government organizations;
 - Regional touristic associations.
2. For applications under Specific Objective 1.2:
 - All levels of regional/local authorities;
 - Regional and sector development agencies;
 - Central and regional offices and structures of relevant government institutions/administrations;

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- Non-government organizations;
 - Regional touristic associations;
 - Business support structures - chamber of commerce, business association, business cluster;
 - Education / Training Centres;
3. For applications under Specific Objective 1.3:
- All levels of regional/local authorities;
 - Regional touristic associations;
 - Civil society structure (association/foundation/NGOs);
 - Business support structures;
 - Education / Training Centres;
 - Cultural institutes (museum, library, art gallery, community centres, etc.);
 - Local Action Groups (LAGs) established and supported under measure "Leader" within the Rural Development Programme 2014-2020 for Bulgaria and within IPARD for Serbia.
4. For applications under Specific Objective 2.1:
- All levels of regional/local authorities;
 - Local and national education institutions;
 - Training service providers;
 - Vocational training institutions;
 - Universities, knowledge / research institutes;
 - Civil society structure (association/foundation)/ NGOs;
 - Business support structures;
 - Cultural institutes, local community centres.
5. For applications under Specific Objective 2.2:
- All levels of regional/local authorities;
 - Youth organisations / Non-government organizations;
 - Local and national education institutions;
 - Training service providers;
 - Universities, knowledge / research institutes;
 - Civil society structure (association/foundation);
 - Business support structures;
 - Cultural institutes, local community centres.
6. For applications under Specific Objective 3.1:
- Relevant local and regional structures dealing with emergency situations;
 - Central and regional offices and structures of relevant government institutions/administrations;
 - Regional and sector development agencies.

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7. For applications under Specific Objective 3.2:

- All levels of regional/local authorities;
- Central and regional offices and structures of relevant government institutions/administrations in the sphere of their competence;
- Regional and sector development agencies;
- Administrations of protected areas;
- Research and academic institutes;
- Environmental NGOs;
- Local Action Groups (LAGs) established and supported under measure "Leader" within the Rural Development Programme 2014-2020 for Bulgaria and within IPARD for Serbia.

Political parties, commercial entities and ideologically based organizations **are not** eligible applicants under the Programme.

B) Potential applicant is not eligible to participate in this Call for proposals or be awarded a contract if:

a) – it is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;

b) - it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established;

c) - it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes a wrongful intent or gross negligence, including, in particular, any of the following:

i) - fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility criteria or in the performance of a contract;

ii) - entering into agreement with other applicants with the aim of distorting competition;

iii) - violating intellectual property rights;

iv) - attempting to influence the decision-making process during the evaluation, selection and pre-contracting procedure;

v) - attempting to obtain confidential information that may confer upon it undue advantages in the evaluation, selection and pre-contracting procedure;

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d) - it has been established by a final judgment that the applicant is guilty of any of the following:

i) - fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests drawn up by the Council Act of 26 July 1995;

ii) - corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the law of the country where the Managing Authority is located, the country in which the applicant is established or the country of the performance of the contract;

iii) - participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;

iv) - money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;

v) - terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA respectively, or inciting or aiding or abetting or attempting to commit such offences, as referred to in Article 4 of that Framework Decision;

vi) - child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;

e) - the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract financed by the EU, which has led to its early termination or to the application of liquidated damages or other contractual penalties or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;

f) - it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/951;

g) - the applicant is in situation of conflict of interests; the conflict of interests represents any circumstances that may affect the evaluation or implementation process, in an objective and impartial manner. Such circumstances may result from economic interests, political or national preferences or family connection.

⚠ WARNING

The Lead partner on behalf of all partners should sign a "Declaration of eligibility" (Annex A3), declaring that all project partners including Lead Partner, do not fall into any of the above categories (a) to (g).

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⚡ IMPORTANT

If an applicant does not meet any of the general eligibility criteria listed in p. 2.5.1.A) or falls under any of the assumptions included in p. 2.5.1.B), it shall be considered ineligible, which should lead to an automatic rejection of the project proposal.

2.5.2. Lead Partner Principle

All organizations, participating under this Call for Proposals, are called partners. For each project, a "Lead Partner" (LP) must be appointed among the project partners prior to the submission of the project proposal. The Lead Partner will be responsible for the development and submission of the project proposal and in case of positive decision for financing will sign the Subsidy contract (Annex C) with the Managing Authority and be responsible for the overall management of the project.

⚡ IMPORTANT

In addition to other eligibility criteria specified in section 2.5.1 General Criteria for Eligibility of Applicants (Lead Partner and Partners), the Lead partner must be registered on the territory of Bulgaria or Serbia at least 12 months prior to the deadline for submission of project proposals under current Call for Proposals.

The condition for registration at least 12 months prior to the submission deadline does not apply to the rest of the Project partners.

The Lead partner is responsible for:

- laying down the arrangements for all relations with the partners participating in the operation in an agreement comprising, inter alia, provisions guaranteeing the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
- signing the subsidy contract for implementation of the operation with MA and further addenda to the contract (if any);
- ensuring the implementation of the entire operation;
- transferring the relevant budget amount to the partners participating in the operation according to the project partnership agreement and verified costs;
- ensuring that the expenditure presented by the partners participating in the operation has been paid for the purpose of implementing the operation and corresponds to the activities agreed between the partners participating in the operation;
- verifying that the expenditure presented by the partners participating in the operation has been validated by the controllers;
- collecting and checking the information from the project partners and submitting the reports on progress of the project to the JS;
- informing MA/JS about project modifications.

Information about the role and tasks of the Lead Partner is provided in more detail in the **Subsidy contract** (Annex C).

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⚠ IMPORTANT

Every project must include at least one partner from each side of the eligible cross-border region. Projects which do not comply with this requirement will be eliminated at the eligibility assessment stage.

All partners are directly responsible for the project implementation and cannot act as an intermediary.

⚠ IMPORTANT

A partner can never be a sub-contractor and vice versa.

Please note that all project partners (Lead Partner and Project partners) involved in the project implementation are excluded from any forms of sub-contracting to other partners within the project.

2.5.3. Limitations concerning partnership

The maximum number of partners in a project shall not exceed 5 (five) including the Lead Partner.

All partners must sign a **Project partnership agreement** that stipulates their rights and duties. The project partnership agreement should be annexed to the application form. A project partnership agreement template is annexed to the present Guidelines for applicants (Annex A2), indicating the minimum standards of the Project partnership Agreement. The concrete agreement for the project can be further extended and/or clarified by the project partners, adding relevant supplementary provisions. The Project partnership agreement should specify the role and obligations of all partners in project development and implementation.

⚠ IMPORTANT

Under the current Call for proposals an institution/organization may submit maximum one project proposals as a Lead Partner. In case an institution/organization has submitted more than one project proposal as a Lead Partner, all these proposals (submitted as Lead partner) will be eliminated at the administrative assessment stage.

Under the current Call for proposals an organization may participate in no more than 2 (two) project proposals as a partner (i.e. if an organization/institution has submitted a proposal as a Lead Partner, the same organization can be a project partner in no more than 1 (one) other project; an organization that has not submitted a project as a Lead Partner, can participate as a project partner in no more than 2 (two) projects). In case an organization participates in more than 2 (two) project proposals, all submitted proposals will be eliminated at the administrative and eligibility assessment stage.

2.5.4. Project duration and grant amounts

The project proposals must be in line with the indicative actions from the respective Specific objective under the relevant Priority axis as stipulated in the Interreg – IPA CBC Bulgaria – Serbia Programme.

Under this Call for proposals, the following type of projects shall be financed:

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- **Soft projects** – project that mainly involve elaboration of studies and strategies, seminars, know-how exchanges, etc., but which can also include small scale construction and/or supply components (representing Budget Line 5 – Equipment and Works), forming no more than 50% of the total eligible cost of the entire project;
- **Investment projects** – projects that have small scale construction and/or supply components (representing Budget Line 5 – Equipment and Works), forming more than 50% of the total eligible cost of the entire project. In addition, it is highly recommended those projects to also involve “soft” activities relevant to the proposed investment measures, such as studies, common strategies, trainings, seminars, know-how exchanges, etc. Thus their contribution to achievement of the Programme’s specific objectives, results and outputs will increase.

Priority axis	Specific objectives	Type of projects	Grant Amounts (€) /Amount of obligatory activities(€)*1	Project Duration (min.-max. months)
Priority Axis 1 <i>Sustainable Tourism</i>	1.1. Tourist attractiveness	Investment	300.000-600.000	12-24
	1.2. Cross-border touristic product	Soft	100.000-200.000	8-15
	1.3. People to people networking	Soft	75.000-150.000	8-15
Priority Axis 2 <i>Youths</i>	2.1. Skills & entrepreneurship	Investment	300.000-600.000	12-24
		Soft	100.000-200.000	8-15
	2.2. People to people networking	Soft	75.000-150.000	8-15
Priority Axis 3 <i>Environment</i>	3.1. Joint risk management	Investment	300.000-600.000	12-24
		Soft	100.000-200.000	8-15
	3.2. Nature protection	Investment	300.000-600.000	12-24
		Soft	100.000-200.000	8-15

* Obligatory activities are covered by:

a) for Bulgarian bodies: 85% EU contribution + 15% national public co-financing, AND

b) for Serbian bodies: 85% EU contribution + 15% national own co-financing

Note: Further to the forementioned obligatory amount of the activities, each project partner (Bulgarian or Serbian) may choose to provide ADDITIONAL own co-financing for the needs of the project. For Serbian bodies, this additional own co-financing shall come as a supplement to the OBLIGATORY own co-financing of 15% of the activities. There are no limits for the amount of the additional own co-financing.

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2.5.5. Activities location

In accordance with Article 39 (2) of Commission Implementing regulation (EU) No 447/2014 of 2 May 2014, the selected operations shall involve beneficiaries from both partnering countries, at least one of which shall be from Bulgaria as a Member State. The beneficiaries and operations should be located in at least one of the eligible NUTS level III regions in Bulgaria and the equivalent NUTS III regions in Serbia covered by the cross-border programme and specified in Section 1.1.1.

⚡ IMPORTANT

An exception to this rule is the eligibility of beneficiaries that are located outside the eligible cross-border regions, ensuring that the envisaged operations in the proposed project are for the benefit of the programme area and the conditions of Article 44(2) of Commission Implementing regulation (EU) No 447/2014 of 2 May 2014 are satisfied. To this end, the Programme shall finance operations involving beneficiaries located outside the eligible cross-border area, but still on the territory of Bulgaria or Serbia.

Furthermore, the Programme shall finance activities outside the eligible cross-border area carried out by project partners located inside the eligible area, given that those activities are for the benefit of the respective project and the beneficiary has provided a detailed justification proving that those activities are necessary for achieving of the specific project objectives.

The activities outside the eligible cross-border area must be related to participation/organization of events, seminars, business trips, promotion campaign etc. and should be budgeted in BL3 and BL4 in the budget of the respective partner. When identifying activities and corresponding expenditures outside the eligible cross-border area, applicants must keep in mind that:

- The place for incurring expenditures for services is the place of the performance of the service in question;
- The place for incurring expenditures for meetings, conferences, seminars, trainings, etc., is the place where the event will be held.

The total amount allocated under the Programme to beneficiaries and activities outside the eligible cross-border area shall not exceed 20 % of the support from the Union at Programme level.

At Programme level, the Joint Monitoring Committee will monitor the percentage of funds allocated to both project partners located outside the eligible cross-border area and activities outside the eligible cross-border area (performed by project partners from inside the eligible area) in order to ensure compliance with the 20% rule. **At project level though, partners are not obliged to respect the 20% rule**, meaning that:

- a project proposal could include partner/s from outside the eligible cross-border area. The budget of the respective partner shall be considered in its entirety, meaning that the whole budget of that project partner shall count towards the 20% rule at Programme level, regardless of where the envisaged activities are taking place;
- a project proposal could include activities outside the eligible cross-border area (performed by project partners from inside the eligible area). In such cases, only the expenditures for those activities shall count towards the 20% rule at Programme level.

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However, applicants are reminded that a strong justification is needed for the inclusion of both project partners and activities outside the eligible area, and where the necessity for such inclusion is not visible, the project proposals shall not be recommended for funding.

All project proposals, including those with partners from/activities outside the eligible cross-border area, shall be evaluated according to the assessment criteria stipulated in the Guidelines for Applicants. Based on the final ranking of the project proposals according to their technical scores, the Joint Monitoring Committee will fund proposals with partners from/activities outside the eligible cross-border area until exhaustion of the 20% Programme funding, allocated for such operations.

2.5.6. Eligible Activities

The types of activities financed under each priority axis and specific objective must demonstrate a clear cross-border effect to the eligible Programme area.

Detailed description of the eligible activities under this Call for proposals is given below:

Priority Axis 1 – Sustainable tourism

Specific objective 1.1. Tourist attractiveness

It concerns supporting the development of competitive tourist attractions achieved through cooperation and thus contributing to the diversification of tourist product(s) in the cross-border region.

Under this objective, the following investment activities are eligible (*indicative only!*):

- **Preservation of natural and cultural heritage** such as restoration and maintenance of sites of historical and cultural importance; conservation and protection of both tangible and non-tangible natural, historical and cultural heritage, etc.
- **Development of small-scale support infrastructure to touristic attractions and additional small scale technical infrastructure, encouraging the visits to the tourist attractions** including rehabilitation of access roads; upgrade of public utilities related to natural, cultural and historic tourism sites; small touristic border crossings and related facilities; ICT facilities development/upgrade, playgrounds; recreational and sports facilities; landscaping; signing and lighting; other support facilities serving tourist attraction and visitors, etc.
- **Development of joint transport access schemes and adventure routes** (e.g. cross-border public transport to touristic sites; tourist paths and health paths, climbing, horse riding and biking routes, etc.).
- **Development of tourist attraction accessible to persons with disabilities** (e.g. encouraging the modification of access points, washrooms, stairs, transportation vehicles, rough paths, etc.).
- **Development of information access facilities** such as info-centres and/or kiosks to guide potential visitors; joint GIS platforms; joint platforms for online reservations, payment, etc.
- **Support for public awareness activities** (information campaigns), promoting the region as a tourist destination.

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Specific objective 1.2. Cross-border touristic product

It concerns the capturing economic benefits from development of natural and cultural heritage in the border area through creating common cross-border touristic destination(s).

Under this objective, the following activities are eligible (indicative only!):

- **Development of joint cross-border touristic destinations** (e.g. development strategies and action plans based on innovative service concepts and products; carrying out joint researches on tourism demand for new tourist destinations; adoption of joint visitor management plans to ensure that tourism does not damage natural and cultural resources; risk management plans for cultural and natural heritage sites exposed to climate change; elaborating joint monitoring programmes to measure trends and impacts, and facilitate adaptive management of natural, cultural and historical heritage in the region, etc.).
- **Development of sustainable cross-border touristic products and services** (e.g. research activities to identify tourist products with potential for cross-border branding; development of new and innovative tourist products and services; development of local brand/s based on natural, historical and cultural heritage of the border region; establishment of networks/clusters/entities for management of joint tourist products; creating knowledge networks for tourism innovations in the border area, etc.).
- **Joint marketing and promotion of cross-border tourist destinations and products** (e.g. joint market perception analysis with the aim to assess the customer understanding of the border region as a consistent tourism destination; application of best practices in tourism promotion; preparation and dissemination of information and advertising materials; studies of the impact of the implemented marketing and advertising activities; organisation of tourism exhibitions and fairs; visualisation of local tourist products/ brand/s/ destinations, incl. 3D visualisation; mobile applications, social networks, tailor-made internet platforms, and other innovative tools; creating multi-lingual on-line tourist platforms, etc.).

Specific objective 1.3. People-to-people networking

It concerns capitalising the effect of cultural, historical and natural heritage tourism on border communities through common actions.

Under this objective, the following activities are eligible (indicative only!):

- **Support for public awareness activities and information services** (e.g. awareness raising campaigns on the values of cross-border cultural, historical and natural heritage, incl. joint events among youth; dissemination of relevant information to the touristic providers in the border region; organizing travel forums to promote effective two-way communication; participation and involvement of local touristic enterprises in recognizing and solve common problems; organisation of different events such as conferences, forums, seminars, platforms and networking meetings in order to improve the recognition and trust among existing partners and to assure the political commitment at all levels, etc.).

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- **Capacity building activities addressed to local community and business** (e.g. training and consultancy support services for tourist enterprises/establishments to improve skills and performance; organising online forums for exchange of good practices in sustainable tourism management; support the cooperation of public and private institutions in fields of competence, etc.).
- **Organization of joint events to promote cross-border natural and cultural heritage** (e.g. promotion and cultivation of the common traditions of the borderland areas; support to activities in the fields of multiculturalism, cultural exchange and the establishment of connections on field of creative industry in order to increase cultural diversity; organisation of festivals, exhibitions, performances, etc.).

Priority Axis 2 – Youths

Specific objective 2.1. Skills & Entrepreneurship

It concerns supporting the development of attractive environment for advancement of young people in the border region achieved through cooperation.

Under this objective, the following investment and support activities are eligible (indicative only!):

- **Development of youth-related small-scale infrastructure, and training and information facilities** (e.g. construction/ reconstruction/ rehabilitation/ refurbishment of youth, education-related and recreational infrastructure and facilities – for instance: lecture facilities, libraries, laboratories, sport facilities, campuses; investments to ensure physical accessibility to youth and education-related and recreational infrastructure and facilities; investments in ICT- facilities' development and upgrade, etc.).
- **Development of small-scale “entrepreneurship” infrastructure** (business incubators, shared workspace, start-up factories and “start-up garage”, equipment provision/sharing, etc.).
- **Support to youth entrepreneurship schemes and initiatives** (e.g. initiatives to encourage learning in support of young people's innovation, creativity and entrepreneurship; students' mini-companies, school-entrepreneur/ business activities and events; simulation games [e.g. computer-based]; business skills training, guidance and counselling services such as one-stop-shops and youth enterprise centres, on-the-job training and workshops, mentor support and business coaching, online portals and web sites, etc.; support to joint market initiatives and networking, incl. promotion and marketing campaigns for youth entrepreneurs, encouraging the development of joint initiatives for research and innovations, etc.).
- **Development of the entrepreneurial competences in the formal educational system** (e.g. support for projects that fostering entrepreneurial skills, knowledge and attitudes of students in elementary and secondary schools; promotion of entrepreneurial activities such as: develop and work of student companies, participation in student companies competition in region and student companies fairs; development and implementation specific training programs for teachers of different subjects in the field of entrepreneurial learning.

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Specific objective 2.2. People-to-people networking

It concerns promoting cooperation initiatives for and with young people, thus enhancing mobility of young people across borders.

Under this objective, the following activities are eligible (indicative only!):

- **Support to youth networking initiatives** such as promotion of young people's participation in representative democracy and civil society; cross-border initiatives aimed at combating youth poverty and social exclusion; community initiatives to support and recognize the value of youth volunteering; supporting youth capacity and opportunities to be creative and youth access to culture; cross-border initiatives for promotion of health and well-being of young people, etc.
- **Support for public awareness activities** (e.g. awareness raising campaigns for common problems and challenges for youth and children with special needs; organisation of different events such as conferences, forums, seminars, platforms and networking meetings in order to improve the recognition and trust among existing partners and to assure the political commitment at all levels, etc.).

Priority Axis 3 - Environment

Specific objective 3.1. Joint risk management

It concerns preventing and mitigating the consequences of natural and man-made cross-border disasters.

Under this objective, the following capacity building and investment activities are eligible (indicative only!):

- **Establishing joint early warning and disaster management systems** (e.g. surveys of actually applied procedures, policies and measures for disaster protection, prevention and provisions; establishing spatial data base for disaster risk assessment, containing terrestrial, meteorological and sociological features; preparing joint risk assessment and mapping strategies; preparing joint plans and procedures for emergency situation liquidation and disaster force accumulation responding to the incidents and emergency situations; developing joint protocols and communication channels for risk prevention and management of natural and man-made disasters.
- **Capacity building related to disaster resilience** (e.g. conducting joint theoretical-tactical exercises and field trainings for emergency situations management; trainings in the use of ICT technologies for risk management; exchange of experience and good practice such as study visits, round-tables, conferences; joint trainings and raising awareness of public service actors and population (volunteers) for disaster resilience; measures related to risk communication and to awareness-raising of population, accompanied with specific educational actions, information-sharing, drills and training for local population; cooperation activities within river basin districts promoting natural flood risk management approach, etc.).
- **Investments in equipment related to disaster resilience** (e.g. up-to-date ICT solutions in pre-fire, fire and post-fire activities; supply of specialized fire-fighting equipment; supply of specialized equipment for floods prevention, and for search and rescue interventions; supply of system for air surveillance of the surface and real time transmission of data, etc.);

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- **Support of small-scale interventions/investments** (e.g. green infrastructure for natural water retention: restoration of flood plains and wetlands, afforestation, re-meandering; sanitation of river banks; building flood defence like dikes and canals; forestation of non-permanent vulnerable land; cuttings for emergency situations, etc.).

In addition, the nature based solutions would contribute to the restoration of the natural processes and characteristics of river habitats in the designated Natura 2000 sites and other nature protected sites. In this regard coordinated actions between the two countries should be envisaged as well.

Specific objective 3.2. Nature Protection

It concerns promoting and enhancing the utilization of common natural resources, as well as stimulating nature protection in the programme area, through joint initiatives across the border.

Under this objective, the following activities are eligible (indicative only!):

- **Joint cooperation initiatives targeting the effective management of Natura 2000 sites and other protected areas** (e.g. development and implementation of joint management plans/coordinated concrete conservation activities for protected areas based on innovative concepts; exchange of experience and capacity building for protected areas/Natura 2000 sites administrations; community involvement, visitor management and tourism development measures; coordinated management planning, implementation and evaluation; public awareness about Natura 2000 sites and protected areas, with the help of e.g. the National Ecological and Rural Networks or the European Network for Rural Development; etc.)
- **Joint initiatives towards the protection and enhancement of biodiversity, nature protection and green infrastructure** (e.g. joint initiatives targeting the effective management of environmental resources; restoration activities targeting the achievement of favourable conservation status of the species and natural habitats, subject of conservation in the established in the area protected areas; education and awareness raising, as well as capacity building measures in the field of ecosystems protection and restoration, which should target predominantly the young people in the CBC region; introduction of Low Carbon practices shared for adaptation climate change, etc.)
- **Preservation and improvement of the quality of soils, air and water** (e.g. developing new governance tools and the "learning region" concepts towards multifunctional use of land and soil and inter-linkages to the regional development; cooperation initiatives and developing policy networks in the field of horizontal and vertical integration of air quality creation of "carbon proofing" tools for integrated spatial development policies, sustainable urban mobility plans, strategies and processes for setting up local/regional low carbon model areas and regions including special needs areas such as nature protection regions; small-scale infrastructure investments, provision of modern supplies, as well as awareness-raising and training about the needs of reducing and recycling waste, waste and water management; raising awareness about soil protection; actions for improvement of the quality of air, cooperation initiatives and networking tackling water pollution including Danube pollution and indirectly Black Sea pollution, etc.).

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- **Capacity building and promotion initiatives** (e.g. provision of training to local and regional authorities in the field of environment related matters, such as waste or protected areas management; establishment of help-desks with mobile expert groups helping regions and cities resolving environmental problems; creating networks for exchange of good practices; creating knowledge networks for innovations in the field of sustainable use of common natural resources; awareness raising on all levels (individual persons, organizations, businesses, public administration, schools) on issues related to environmental and nature protection, including marginalized communities and other vulnerable groups).

⚡ IMPORTANT

The projects which demonstrate relevance with the EU Strategy for the Danube Region (EUSDR) will receive extra points during the technical and quality evaluation stage (see question No. 9 from the Technical and quality assessment grid).

For more information about the interaction of the Interreg-IPA CBC Bulgaria – Serbia Programme with the EUSDR, please refer to the Programme document.

⚡ IMPORTANT

All works activities should be implemented on municipal or state-owned property. The property should be:

- free of any encumbrances;
- not the object of an pending litigation;
- not the object of a claim according to the relevant national legislation.

⚡ IMPORTANT

Supplies, which need permanent installation (billboards, outdoor equipment, etc.), shall be installed on municipal or state-owned property.

2.5.7. Ineligible Activities

Under all Priority Axes the following types of activities are ineligible:

- Activities without a real cross-border impact;
- Activities concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- Activities concerned only or mainly with individual scholarships for studies or training courses or research actions;
- Activities with provisions for financing the usual management activities of the local organizations;
- Activities that started before applicants have signed a contract for awarding grants except project preparation activities;
- Activities linked to political parties;
- Charitable donations;
- Activities financed by other Community Programmes;
- Actions for which the Partner has already received funding, e.g. from the state budget, other Community programmes or other funds;

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- Commercial activities;
- Actions which are ideologically, religiously or politically biased;
- Sub-granting activities (i.e. the use of the grant to make further grants (financial or in-kind) or loans to other organisations or individuals such as for those who are establishing their businesses);
- Actions that include provisions to finance the core activities currently carried out by the applicant or (if any) his partners;
- Actions supporting establishment or activities of private or public enterprises, and profit-earning activities;
- Tourist packages activities such as "safari" and "off-road" runs are not eligible because they lead to significant damage to environment and biodiversity.

2.5.8. Eligibility of Expenditures

Only eligible costs can be taken into account for financial support. The budget is therefore both a cost estimate and a maximum ceiling for eligible costs. Eligible costs must be based on real market costs. The eligibility of expenditures applies to EU and national contribution as well as to beneficiaries' own contribution.

The eligibility of the expenditures is subject to the technical and quality assessment of the project proposals. Therefore it is in the applicants' interest to provide a **realistic and cost-effective budget**. Note that recommendations for decreasing of unrealistic costs, cutting of ineligible costs and correction of any type of arithmetical errors or other inaccuracies may be made by the assessors. The amount of the grant for each specific project and the percentage of the EU co-financing as a result of these corrections **may not be increased**.

The expenditures are generally eligible if they comply with the principles of efficient financial management and, if applicable, with the relevant rules for public procurement.

To be eligible for financial support under the Call for proposals, expenditures must:

- be necessary for carrying out the action and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
- be stipulated in the project budget;
- be recorded in the partners' accounts and tax documents, be identifiable and verifiable, and be backed up by supporting documents;
- be verified and certified as eligible by the controllers designated by the Managing Authority and the National Authority respectively;
- be in line with the provisions of the subsidy contract, European and national legislation;
- not be subject to financing from any other public funds;

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- be carried out within the eligible period: In accordance with Article 43 (1) of the Implementing Regulation (EU) No 447/2014 the starting date for the eligibility of expenditures for project preparation for the Bulgarian partners is the starting date of the Programme period, namely 1st of January 2014. For the partners from Serbia the starting date for the eligibility of expenditure for project preparation is 23rd of September 2014 - the date after the date of submission of the Programme to EC. The ending date for eligibility of expenditures for project preparation is the date of submission of the project proposal, and this condition applies to all applicants, both Bulgarian and Serbian. Other project costs shall be carried out during the implementation period of the project.

⚠ IMPORTANT

The earliest possible starting date for eligibility of project expenditures is the date following the Subsidy contract registration in the Registry system of MA with the exception of expenditures for project preparation (when applicable).

Direct and indirect expenditures (costs)

- **Direct costs** are all expenditures that can be attributed directly to the project - expenditures for travel and accommodation, external expertise and services, equipment and works (**Budget lines 3, 4 and 5**).
- **Indirect costs** are the costs that cannot be assigned directly to the project activities but are necessary for their implementation – expenditures for staff, office and administrative expenditures (**Budget lines 1 and 2**).

Project preparation expenditures (Budget line 6) are carried out before submission of the project proposal.

⚠ WARNING

Unit rates in the respective partners' budgets must be written to the second decimal place only, regardless of the fact that Excel shall automatically round them in case more decimal places are written.

Example:

10 units X 2.25 = 22.50 is the CORRECT way to write the unit rate;

10 units X 2.24875 = 22.50 is the INCORRECT way to write the unit rate, regardless of the fact that Excel shall automatically round it to 2.25.

Failure to comply with this requirement might cause technical glitches in the electronic Application Form and its proper upload in the electronic system, which in turn may lead to problems during the assessment process for the proposal!

List and description of Budget Lines and Eligible Expenditures

BUDGET LINE 1: STAFF COSTS

Staff cost shall not exceed 20% of the eligible direct costs for "Soft" projects and 10% of the eligible direct costs for "Investment" projects.

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Staff costs shall be reimbursed by Managing Authority in one of the following options:

- on a real cost basis (proven by the employment document and payslips); or
- as a flat rate of the direct costs.

Each project partner must choose one of these reimbursement options which will remain unchanged through the entire project implementation period.

Real cost option

Expenditure on staff costs shall consist of gross employment costs for individuals employed by the beneficiary in one of the following ways:

- full time – 100% of gross employment costs are allocated to the project respectively the employee is working 100% on the project;
- part-time with a fixed percentage of time worked per month – fixed percentage of the gross employment costs allocated to the project in line with a fixed percentage of time worked on the project per month;
- part-time with a flexible number of hours worked per month – the reimbursement of staff costs shall be calculated on an hourly rate basis determined by: dividing the monthly gross employment costs by the monthly working time fixed in the employment document expressed in hours; or dividing the latest documented annual gross employment costs by 1720 hours. The calculated hourly rates shall be multiplied by the number of hours actually worked on the project;
- on an hourly basis – staff costs related to individuals who, according to the employment document, work on an hourly basis.

Flat rate option

IMPORTANT

Flat rate is eligible option only for project partners where all team members will be full time employed under the project. In any other cases the eligible option is the real cost.

The flat rate shall be applied at the level of the project partner and shall not exceed 20% of the eligible direct costs for “Soft” projects and 10% of the eligible direct costs for “Investment” projects. The flat rate percentage should be indicated in the budget by the project partner and will remain the same for the entire project implementation period. In the verification process the beneficiaries do not need to present any supporting documents that the expenditures have been incurred and paid. The proper appointment of the project team is on the responsibility of the beneficiaries themselves.

Eligible expenditures

The members of the project staff for example are project manager, coordinator, accountant, assistant, etc. Staff costs must relate to activities which the partner organization would not carry out if the project was not undertaken. The members of the project staff perform periodically repetitive actions related to the organization, coordination, management and reporting of the activities and results related to the project during the project period. The employee could work full-time or part-time for the project. The staff costs include:

- Salary payments fixed in the employment/work contract, an appointment decision (in the case of natural persons working for the partner organization

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	<p>under a contract other than an employment/work contact) or by law relating to the responsibilities specified in the job description of the staff member concerned;</p> <p>- Any other costs directly linked to the salary, such as employment taxes and social security including pensions as long as they are fixed in the employment document and they are in accordance with the legislation and standard practices in the country and/or organization and are not recoverable by the employer.</p> <p>The appointment of the staff by the beneficiaries is the sole responsibility of the beneficiaries themselves and has to be made in accordance with European and national legislation.</p> <p>In the beginning of the project implementation each beneficiary will be requested to present a document (internal order, a letter, etc.) for nomination of the project team members, necessary for the successful implementation of the project activities.</p>
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BUDGET LINE 2: OFFICE AND ADMINISTRATIVE COSTS

Office and administrative costs shall be reimbursed by the Managing Authority to the beneficiaries as a flat rate of maximum 15 % of Budget Line 1 "Staff costs" for both "Soft measures" and "Investment" projects. The flat rate percentage should be indicated in the budget by the project partner and will remain the same for the entire project implementation period! In the verification process the beneficiaries do not need to present supporting documents that the expenditures has been incurred and paid. The spending and proper documentation of these expenditures is the sole responsibility of the respective beneficiary. The expenditures for office and administration cover operating and administrative expenses of the partner organization that support delivery and implementation of project activities.

	Eligible expenditures
	<p>The eligible expenditures under the budget line include expenditures for:</p> <ul style="list-style-type: none">• rent of office (especially for the purpose of the project);• overheads (expenses covering electricity, heating, water, telephone, internet, other utilities);• consumables (expenses covering paper, pens, CDs, folders, toners etc.);• bank charges (expenses for opening and administrating the bank account where the implementation of the project requires a separate account to be opened (only for the Lead beneficiary) and charges for transnational financial transactions (for all beneficiaries)) ;• maintenance costs (expenses for postal services, cleaning, security, insurances, business cards, coffee/biscuits for small project meetings).

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Example for calculation of the amount of flat rate on BL 1 "Staff costs" and BL 2 "Office and administrative costs":

Investment project:

BL 3 "Travel and accommodation costs" = 5 000 Euro;

BL 4 "External expertise and services costs" = 50 000 Euro;

BL 5 "Equipment and works" = 180 000 Euro;

- Max. amount of BL 1 "Staff costs" = (BL 3 + BL 4 + BL 5) * 10/100 =
= (5 000 + 50 000 + 180 000) * 10/100 = 23 500 Euro
- Max. amount of BL 2 "Office and administrative costs" =
= BL 1 * 15/100 = 23 500 * 15/100 = 3 525 Euro

Soft project

BL 3 "Travel and accommodation costs" = 3 000 Euro;

BL 4 "External expertise and services costs" = 55 000 Euro;

BL 5 "Equipment and works" = 25 000 Euro;

- Max. amount of BL 1 "Staff costs" = (BL 3 + BL 4 + BL 5) * 20/100 =
= (3 000 + 55 000 + 25 000) * 20/100 = 16 600 Euro
- Max. amount of BL 2 "Office and administrative costs" = BL 1 * 15/100 =
= 16 600 * 15/100 = 2 490 Euro.

The examples above use the maximum flat rates for staff costs and office and administrative costs allowed by the current call for proposals. The project partners may use smaller percentages for flat rates in the process of preparation of the budgets.

BUDGET LINE 3: TRAVEL AND ACCOMMODATION COSTS

<p>This budget line covers expenses for participation in events of the <u>project staff members only</u>, as follows:</p> <ul style="list-style-type: none"> • events related to the project (technical meetings, meetings of joint working groups, meetings of the project team etc., workshops, trainings & seminars) • business trips related to the project activities. 	
Sub-line	Eligible expenditures
Travel costs	<p>Travel costs usually cover expenses for:</p> <ul style="list-style-type: none"> • train tickets; • bus tickets; • airline tickets; • parking fees; • car/ mini-bus travels (expenditure for fuel/kilometer, insurances for cars, green cards, motor way taxes, vignettes, etc.); • rent of vehicle for the operation;

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	<ul style="list-style-type: none"> • medical insurances. <p>⚡ IMPORTANT</p> <p>The expenditure for fuel for personal vehicle or vehicle of the organization for project staff travels must be budgeted in kilometers at a maximum rate of 0,21 euro per kilometer. The budgeted fuel shall be only for vehicles used for project events.</p> <p>The expenditure for rent of vehicle for project staff travels (car, van, minibus, etc.) must be budgeted in kilometers at a maximum rate of 1,5 euro per kilometer. Please note that personal vehicles or vehicles of the organization cannot be rented for the purposes of the project activities.</p> <p>Proposed unit – per km.</p>
Daily allowances	<p>Expenses for in-country and out-of-country travel must be calculated in accordance with the national rules of the respective country.</p> <p>Proposed unit – per person.</p>
Accommodation	<p>In the eligible border area of the two partnering countries the accommodation costs are up to € 80 per night. Outside the eligible area the accommodation costs are up to € 130 per night.</p> <p>Proposed unit – per night.</p>

BUDGET LINE 4: EXTERNAL EXPERTISE AND SERVICES COSTS

This budget line covers expenses for organization of meetings, seminars, press conferences, awareness campaigns, trainings, consultancy, studies, designs, etc.	
Sub–line	Eligible expenditures
Rent of hall for events	<p>Expenses for rent of hall for meetings, trainings, conferences, etc.</p> <p>Proposed unit – per hour, per day.</p>
Rent of audio/video equipment for events	<p>Expenses for rent of equipment (proposed unit – per hour, per day), including:</p> <ul style="list-style-type: none"> • translation equipment; • audio equipment; • video equipment; • other equipment related to the event. <p>Proposed unit – per hour, per day.</p>
Travel for events	<p>The expenditure for rent of vehicle for participants in the events (car, van, minibus, bus, etc.) must be budgeted in kilometers at a maximum rate of 1,5 euro per kilometer. In justified cases and in close relation to the proposed activities, it is possible to budget costs for tickets – bus, train or airplane. Please note that personal vehicles or vehicles of the organization cannot be rented for the purposes of the project activities.</p> <p>Proposed unit – per km, per contract.</p>
Catering for events	<p>Expenses for coffee breaks, refreshments, lunches and dinners for participants in the events.</p>

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	<p>Proposed unit – per participant.</p> <p>Please, consider the following maximum allowed rates for catering:</p> <ul style="list-style-type: none"> • coffee and refreshments - 5 Euro per participant; • coffee, refreshments and lunch - 20 Euro per participant; • coffee, refreshment, lunch and dinner - 35 Euro per participant. <p>Expenditures for alcoholic beverages and cigarettes are not eligible!</p>
<p>Accommodations for participants in the events</p>	<p>In the eligible border area of the two partnering countries the accommodation costs (bed only, OR bed and breakfast, OR half-board, OR full-board, etc.) are up to € 80 per night. Outside the eligible area the accommodation costs are up to € 130 per night.</p> <p>Proposed unit – per participant.</p> <p>In case the accommodation includes half-board or full-board, the respective expenditures for catering are ineligible.</p>
<p>Consumables and materials for events</p>	<p>Expenses for purchase of consumables and materials for the participants in the events - paper, files, folders, cases, CDs etc. and printing of invitations, agenda, presentations.</p> <p>Proposed unit – per participant.</p>
<p>Elaboration, design, translation of promotional materials</p>	<p>These materials are especially produced for promotion of the project (are specifically designed, bearing the Programme logo etc.) and are distributed during the planned public events - folders, notebooks, pens, key chains, CDs, USBs, hats, conference bags, mugs, t-shirts, leaflets, brochures, catalogues etc.</p> <p>Proposed unit – per item.</p> <p>It is not necessary for a project to have a logo. In fact, it is recommendable that the beneficiaries use the Programme logo in combination with the project name as project logo. In case the beneficiaries decide to create a project logo, the respective expenditure should be at their own expense.</p> <p>The following maximum rates (including design, preparation/pre-print, elaboration and delivery) of promotional materials should be respected:</p> <ul style="list-style-type: none"> • leaflet (a single paper material, containing information about the project – usually full color, folded or not) – 1 Euro • brochure (multi paper material, containing specific information related to the project, usually full color, A5 or similar size) – 3 Euro • catalogue (multi paper material, containing specific information related to the project, usually full color, A4 or other appropriate size, hardcover) – 10 Euro • folder – 1,50 Euro • notebook - 7 Euro • pen – 1,50 Euro • key chain - 3 Euro

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	<ul style="list-style-type: none"> • hat – 3 Euro • conference bag - 12 Euro • t-shirt – 5 Euro • mug – 4 Euro • USB – 15 Euro • poster – 1.5 Euro • banner - 50 Euro <p>Concerning the printed materials, the maximum allowed rate for written translation is 10 Euro per page.</p>
<p>Publications in mass-media</p>	<p>Expenses for publications in press and broadcasting in mass-media (radio, TV). Applicants must explicitly specify the type of media they plan to use – local, regional or national.</p> <p>Proposed unit – per publication.</p> <p>⚡ IMPORTANT</p> <p>Publications in the social networks or at the organization’s own website will be considered to be done for free by the applicants. Such publications could be specified in the description of the project activities, but no costs should be associated with them in the budget.</p>
<p>Consultancy, studies, designs, website development etc.</p>	<p>Expenses for feasibility studies, surveys, technical expertise, legal advice, elaboration of works design/specialized software/web-pages, web platforms, video films, clips, procurement expertise, etc.</p> <p>Expenditures for procurement expertise are not eligible for the project partners in case procurement expert is envisaged in the project team by those partners.</p> <p>Proposed unit – per contract.</p> <p>The maximum allowed rate for website development is 2000 Euro per contract. The maximum allowed rate for procurement expertise is 3000 Euro per contract.</p> <p>⚡ IMPORTANT</p> <p>For expenditures planned as a lump sum (unit – per contract), justification for calculation of the amount should be presented in a separate free-form document, signed by the respective partner. This justification should contain at least:</p> <ul style="list-style-type: none"> - detailed description of the proposed activity; - calculation of the envisaged experts’ input, including number and type of experts needed, days/months of involvement and remuneration unit rate. The maximum allowed rates for involvement of experts should respect the rates specified in sub-line “Interpreters, lecturers, trainers, experts, moderators, etc.” below; - detailed description of the expected outcomes from the activity, including information about any printed materials (type, number of copies, number of pages) and calculation of the price; - any other additional information the applicant may find appropriate for

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	justification of the proposed cost.
Interpreters, lecturers, trainers, experts, moderators etc.	Expenses for interpreters, lecturers, trainers etc. Proposed unit – per hour, per day. The following maximum rates should be respected: <ul style="list-style-type: none"> • interpreter - 30 Euro per hour (160 Euro per day). • lecturer/trainer/expert - 40 Euro per hour (320 Euro per day). • moderator - 25 Euro per hour (200 Euro per day).
Other	Any other specific project expenses which cannot be classified and included in any other budget lines/sub-lines.

BUDGET LINE 5: EQUIPMENT AND WORKS

<p>This budget line covers the expenses for works (small scale construction) and supplies, representing the investment part of the project.</p> <p>In case of “investment projects”, the total amount of eligible expenses under this budget line should form <u>more than 50 % of total eligible project costs of the entire project.</u></p> <p>In case of “Soft measures” projects, the total amount of eligible expenses under this budget line should be <u>no more than 50 % of total eligible project costs of the entire project.</u></p>	
Sub–line	Eligible expenditures
Small scale construction	<p>Expenses for land preparation – any works aimed at making the land suitable for the purpose of the project (removal of unnecessary materials and vegetation, drainage etc.);</p> <p>Main investment (construction, reconstruction, rehabilitation, widening and modernization of the building(s)/site(s) and the related installations);</p> <p>Connection to utilities: power connection, water supply and sewage connection, gas connection etc.;</p> <p>Site organization: places for workers and equipment, waste removal, fences etc;</p> <p>Expenses for land rehabilitation after completion of works and/or environment protection activities;</p> <p>Expenditure for supervision (if necessary) – in compliance with the relevant national legislation.</p>

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Supply	<p>Expenditure for purchase and rental of IT equipment and office furniture; Expenditure necessary to bring the equipment to working condition; Expenditure for purchase of software; Purchase of vehicles is eligible provided that they are mandatory for achieving the project objective (i.e. specialized vehicles for interventions in case of disasters). Expenditure for purchase of specialized equipment (laboratory equipment, machines, measuring instruments etc.)</p>
	⚡ IMPORTANT
	<p>Depreciation costs – for equipment that will not be used by the project partners or the project target groups after the project completion and if the economic lifetime of the equipment (respectively – the period of depreciation) is longer than the project duration, only the depreciation costs for the period of project duration are eligible. The depreciation rate has to be in line with national rules. Depreciation is charged proportionally for each relevant period for which a periodical report is required and prepared. The full value of depreciated costs on equipment in relation to the total project duration cannot be charged as total amount for one particular period. Only the proportionate sum of the depreciations costs according to the use of equipment for the project is eligible. The amount (percentage used and time duration) has to be properly clarified (auditable). The depreciation costs of equipment can never exceed the purchase price of the equipment.</p>

BUDGET LINE 6: PROJECT PREPARATION

<p>The budget line covers the expenses for project preparation – meetings between partners, consultancy, studies, translation of documents, taxes and other charges arising from preparation of project proposal, elaboration of investment technical documentation, etc.</p>	
Budget line	Eligible expenditures
Preparation of Project proposal	<p>This budget sub-line covers the expenses for preparation of the Project proposal (Application Form, necessary annexes and supporting documents), including consultancy, as well as all connected translation costs, taxes and other charges (the maximum allowed rate for written translation is 10 Euro per page). The sub-line may also include the expenses for meetings between the project partners. Amount for preparation of the Application Form may be included in the budget of only one of the project partners. The maximum allowed rate for this sub-line is 3000 Euro.</p>
Preparation of technical documentation	<p>This budget sub-line covers the expenses for elaboration of technical documentation (incl. feasibility studies, detailed designs, technical drawings, etc.) including consultancy, as well as all connected translation costs, taxes and other charges (the maximum allowed rate for written translation is 10 Euro per</p>

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page).

The amount under this sub-line could be distributed among the project partners responsible for preparation of the relevant technical documentation.

⚡ IMPORTANT

The cost for project preparation will be reimbursed only to those applicants awarded subsidy contracts. Otherwise this cost is not recoverable. The starting date for eligibility of project preparation expenditures for the Bulgarian beneficiaries is the starting date of the programme period, namely 1st of January 2014. According to Article 43(1) of IPA Implementing Regulation, for the beneficiaries from Serbia the starting date for the eligibility of expenses for project preparation is 23rd of September 2014 - the date after the date of the submission of the Programme to the EC.

The project preparation expenditures should be carried out before or on the date of submission of the project proposals at the latest. It means that all supporting documents as invoices, acceptance protocols, lists etc., should be issued before or on the date of submission of the project proposal at the latest. The expenses for project preparation should be requested for reimbursement and verified only in the first reporting period of the respective project partner and in accordance with the guidelines from the Managing Authority.

⚡ IMPORTANT

In case the project preparation activities are sub-contracted, procurement rules should be observed in order for the costs to be eligible for reimbursement under the Programme (see section 2.3).

⚡ IMPORTANT

At the stage of preparation of the budget, the total project preparation costs (including the "Preparation of Project proposal" and "Preparation of technical documentation" sub-lines) must not exceed 3% of the total project direct costs (BL3 + BL4 + BL5).

⚡ IMPORTANT

For Bulgarian partners: The amount of eligible VAT (non-recoverable from other sources) should be included in the unit rates of the budget. The eligibility of expenditures for VAT should be proved by the beneficiary at the reporting stage and is subject of verification by the MA. The beneficiaries who partially recover VAT have to provide the first level controllers with the proof of the percentage of non-recoverable VAT. VAT paid abroad is eligible expenditure in case it is not recoverable by any means from other sources. Guidelines for Bulgarian beneficiaries concerning the eligibility of expenditures for VAT are given by the Bulgarian minister of finance with letter No. NF-3/23.12.2016.

For Serbian partners: The prices stated in the budget should not include VAT. Note that based on the current procedures applied in the Republic of Serbia, Serbian project partners cannot claim VAT recovery even if they are not exempted from VAT, in case the expenditure is incurred prior to signature of the Subsidy contract (e.g. costs for project preparation). The project budget should be planned accordingly.

2.5.9. Ineligible Expenditures

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According to Article 43(2) of *Commission implementing regulation (EU) No 447/2014 of 2 May 2014* the following expenditures shall **not be eligible** for a contribution from the IPA:

- (a) interest on debt;
- (b) value added tax (VAT) except where it is non-recoverable under national VAT legislation;
- (c) the decommissioning and the construction of nuclear power stations;
- (d) investment to achieve the reduction of greenhouse gas emissions from activities falling under Annex I to Directive 2003/87/EC of the European Parliament and of the Council (1);
- (e) the manufacturing, processing and marketing of tobacco and tobacco products;
- (f) undertakings in difficulties as defined under Union State aid rules;
- (g) investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.

In addition, the project **ineligible** expenditures are as follows:

- Fines, financial penalties and expenditure on legal disputes and litigation;
- Costs of gifts, except those not exceeding EUR 50 per gift where related to promotion, communication, publicity or information;
- Costs related to fluctuation of foreign exchange currency;
- Interest on debt;
- Purchase of land not built on or land built on in the amount exceeding 10% of the total eligible expenditure of the project;
- Recoverable VAT from other sources;
- Charges for national financial transactions;
- Consultant fees between partners for services and work carried out within the project;
- Contracting of employees of the partner organizations as external experts (for Serbian partners only);
- Contribution in kind.

⚠ ADVICE

In addition to the above, a detailed instruction on how to complete the project budget is given in Section 2.6.2, Application Form – Part III below.

2.6. How to Apply

The financing under the Interreg – IPA CBC Bulgaria – Serbia Programme is available to potential beneficiaries through a competitive process.

The submission of project proposals is open to all potential beneficiaries that meet the eligibility criteria.

⚠ IMPORTANT

Applying under the present Call for Proposals shall be done entirely in electronic form using the Programme's electronic system.

No paper documents shall be submitted by potential applicants to the premises of the Managing Authority.

2.6.1. How to review the Application Package

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The Application Package contains the Guidelines for Applicants with its Attachments (Attachment 1 "Fulfilment of Programme Indicators and Ranking of Project Proposals", Attachment 2 "State Aid and De Minimis Provisions", Attachment 3 "Complaint Procedure", Attachment 4 "Instruction for electronic submission of project proposals"), the Application Form, the Annexes and draft version of the Subsidy contract.

Prior to preparation of the project proposal and completion of the electronic submission of the project, potential applicants must carefully review the content of the Application Package, available on the following websites:

- Programme's website: www.ipacbc-bgrs.eu
- MA website: www.mrrb.government.bg
- NA website: www.mei.gov.rs
- EU Structural funds information portal of Bulgaria: www.eufunds.bg
- Information system for coordination of the development assistance to the Republic of Serbia: <http://www.evropa.gov.rs/CBC/PublicSite/Default.aspx>

Applicants may submit questions of substance in writing up to 21 calendar days before the deadline for submission of proposals. The JS will reply no later than 11 calendar days before the deadline for the submission of proposals.

Questions should be sent by e-mail to the address listed below, indicating clearly the reference of the Call for Proposals:

- E-mail: SKanatov@mrrb.government.bg

In the interest of equal treatment of applicants, the Managing Authority cannot give a prior opinion on the eligibility of an applicant or an action.

All questions received by the potential applicants, together with the answers provided by the Managing Authority, will be periodically published during the submission period on the Programme website: www.ipacbc-bgrs.eu

2.6.2. How to fill in the Application Form

⚠ ADVICE

Note that most of the sections of the Application form have word limits (indicated for each section), therefore you should complete it carefully and as clearly as possible in order for your Application to be assessed properly. You should fill in all sections of the Application form consequently, starting from the Cover page.

Application Form

The Application form should be submitted **both** electronically (in Excel form), and also – in scanned version (in PDF format). For this purpose, you should first submit electronically the Application form in Excel and then print it, have it signed and stamped on the cover page and signed on each page by the Lead partner, scan the entire document and submit it again as a PDF file.

Application Form - Cover

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On the cover page of the Application form you should fill in the title of the project and then to select the Priority Axis, Specific Objective and type of project from the drop-down menus (Please refer to section 2.5.6 "Eligible Activities" of these Guidelines). Also from a drop-down menu, you must select the Intervention field of the project. In doing so, please choose a field to which your proposal's objectives and expected results relate the most.

You should then fill in the Lead Partner institution and the name of its official representative (in English).

Application Form – Output indicators

This section is filled in automatically as the information is extracted from section 4.1 Expected outputs of the Application form.

Application Form - Check list

In case more than two project partners are involved in the project proposal, you have to indicate that from the drop-down menus. By doing this, the respective blank sheets for each project partner (Project partner 3, Project partner 4 and Project partner 5) will appear. The checks themselves will be filled automatically when all parts and sections of the Application form have been properly completed.

Application Form - PART I

Please fill the information below for every project partner starting with sheet No 1 for the Lead partner:

1. Identity

1.1. Contact information

- State the official and *full name* of the organization both in English and in the native language.
- Select the type of the organization from the drop-down menu.
- Indicate the nationality of the organization.
- Indicate the NUTS III region where the organization is registered.
- State the official address of the organization, telephone, fax, e-mail and website (if available). For project partner 1/ Lead partner – the e-mail of the organization should be the same as in Annex A6, as far as the Programme bodies will use it for official communication with the Lead partner throughout the whole assessment, selection and pre-contracting process.
- Fill in the name and position of the legal representative of the organization.

⚠ WARNING

The Lead partner will be the addressee of the entire correspondence during the application assessment process and therefore, the contact information must be correct and up-to-date. If a change in the contact information occurs during the assessment stage, the Lead partner must immediately inform the MA/JS and provide new channels for communication.

1.2. Partner profile

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In section 1.2.1 you have to describe the organization's background and scope of competences and activities by focusing on experience and expertise related to project objectives, activities and outputs.

In section 1.2.2 Partner's authority, it is important to describe whether the project partners have the authority to implement the project activities envisaged for each of them. Note that the envisaged project activities should be of the respective partner competence.

1.3. Experience in project management of public funded projects

This section intends to reveal whether the project partners are experienced in project management of public funded projects. In case the organization has implemented/ participated in public funded projects, select the "YES" button and describe in the respective table/s these three projects, which you consider most relevant and implemented successfully. Please, be aware that previous experience in public funded projects in the field addressed by the current project will be considered as advantage.

If your organization has not implemented/ participated in public funded projects, than skip this question and move to the next section.

2. Financial data

2.1. Detailed information

Provide the national registration code of the organization and the VAT registration code (if applicable).

2.2. Financial status and human resources

Provide information concerning the annual turnover for the past 3 years (2016, 2015 and 2014), as well as the number of full time and/ or number of part time staff.

Application Form - PART II

1. Project identity

1.1. Project title

State the official and full name of the project.

The Priority axis, Specific objective and the type of project (selected on the Cover page) will appear automatically here.

Indicate the project duration in months (Please refer to the table in section 2.5.4 "Project duration and grant amounts" of these Guidelines).

1.2. Cooperation criteria

Your proposal must respect at least Joint Development and Joint Implementation and, additionally, one of the other two cooperation criteria: Joint Financing or Joint Staffing.

Please give clear justification on how the selected criteria have been/will be respected. When the respective field for justification is filled, the check mark for the selected cooperation criterion will appear automatically.

Avoid answering the question with a simple, one-sentence answer - for example "The project proposal was developed by all project partners". You are advised to be more convincing by describing what has been the exact role of each partner organization in the project development. The same recommendation refers to the other cooperation criteria as well.

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1.3. Cross border impact of the project

Describe what the long-term common benefit of the project for the partner organizations, the target groups and the Programme area will be. Please, note that a clear cross-border impact should be demonstrated by the project, e.g. wider effect that can be credibly attributed to the implemented project activities.

For more information, please refer to section 2.1 of these Guidelines.

2. Project description

2.1. Background and demand for the project proposal

In this section you are expected to explain:

- What is the project background (for example: current condition of the sector; the problem(s) that you have detected and that you are going to face; potential for development; weaknesses and constraints of the chosen target group(s) in the concrete region etc.); The project's relevance to the particular needs and constraints of the border region should be well described and justified;
- What method(s) / what strategy have you chosen for improvement of the situation / solving the problem(s); What is the new approach; What will be the long-lasting effect / result of your project;
- Why have you chosen this specific partner organization(s) for implementation of the project;
- What will be the benefit(s) of your project proposal to the pointed target group(s), final beneficiaries and for the partner organizations.

2.2. Description of the target groups and beneficiaries (estimated number)

Please specify the target group(s), direct and final beneficiaries of your project proposal - state the types of these groups with a very brief description (For example, when you point out SMEs, add the sector in which they operate).

“**Target groups**” are the groups/entities who will be positively affected by the project

“**Direct beneficiaries**” are those directly involved in the project implementation

“**Final beneficiaries**” are those who will benefit from the project in a long term

Then you have to fill in the estimated numbers (in total for all partners). Please, do not overestimate the numbers and try to be as realistic as possible. (For example, a project proposal with quite narrow specific overall aim and limited actions is not expected to reach hundreds or thousands of people. Nonetheless this does not make it less significant than a project with wider overall aim and large number of activities).

2.3. Project activities – description and methods of implementation

Please take into consideration the maximum allowed characters to be filled in per activity.

Consider carefully what kind of activities you will need to achieve the project objectives. Try to organize them by types and to present their interconnection. Project activities should be necessary for achievement of the set objectives, well defined, realistic and achievable.

You have the possibility to plan up to 15 activities. Then you have to entitle each activity and to fill in the exact location of its execution (NUTS III region).

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The project partners located inside the eligible cross-border area should provide detailed information regarding the activity/ies that will be implemented outside the eligible cross-border area of the Programme (if applicable). The activities outside the eligible area must be related mainly to participation/organization of events (seminars, trainings, business trips etc.) and budgeted only in BL3 and BL4 in the budget of the respective partner.

Please, answer all four questions for each activity by giving exact information. Avoid answering the questions with a simple, one-sentence answers, such as "The Lead partner will be responsible the implementation of this activity".

⚠ WARNING

"Formation of the project team", "Project team meetings", "Project reporting", "Preparation of tender documentation", "Project Accounting" etc. are not to be considered as separate activities since they could be incorporated within almost all project activities.

⚠ ADVICE

Please, have in mind that each activity should be described in a clear way so that it provides all necessary information about its execution. To this end, you need to provide at least the following information for activities like:

➤ Organization of a seminar/ workshop/ training/ conference etc.:

- Title of the seminar;
- Purpose of the seminar;
- Location;
- Estimated number, background and nationality of participants;
- Duration;
- Necessary equipment (rent of hall, sound systems etc.) and logistics (transportation) for the conduction of the seminar;
- Involvement of external experts (lecturers, trainers, interpreters, consultants, etc.) – if applicable;
- Provision for catering and/or accommodation of the participants – if applicable;
- Necessary (information) materials and consumables for the event;
- Responsible partner for the overall organization and reporting of the event.

➤ Supply of materials/ equipment etc.:

- Technical specification of the materials / equipment to be supplied;
- Exact quantities;
- Purpose of the supplies (including link with other project activities);
- Provision for design – if applicable.

➤ Consultancy/ studies/ analyses/ researches etc.:

- Title;
- Purpose of the study/ analysis (including link with other project activities);
- Expected human input in implementation of the activity (for example, number and type of experts involved and duration of their involvement);

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- Type of the expected product (hard copy, electronic version, number of pages etc.).

2.4. Communication and visibility

Although a special activity for promotion of the project might be planned, different measures for visibility and communication could appear in the other project activities. Therefore you are expected **to summarize** here all such activities (including exact numbers and types of activities/ products). The completed section will give you the overall view on the planned measures for project popularization. This will enable you to plan which of these activities/measures could be grouped and assigned to external sub-contractor(s).

⚠ IMPORTANT

Please be aware that according to the EC Regulations and the Programme you are obliged to promote your project and the added value of the Community funds. The communication activities should promote the fact that the project financing is provided from the European Union (under the Instrument for Pre-Accession Assistance II) and ensure the adequate presentation of the project and the European cooperation.

2.5. Duration and action plan

All activities described in section 2.3 will automatically be filled in the table. You have to add in which trimester they are going to be implemented within the project's timeframe ensuring adequate timing and logic interconnection between the planned activities.

Please consider carefully the sequence and duration of the activities, especially of those which will be subject to sub-contracting through procurement procedure/s.

3. Management of the project

Describe the overall plan for management of the project. The number of the project team members, their specific positions in the project, duties and responsibilities should be clear enough to guarantee smooth project implementation and reporting.

You have to provide the following information:

- The responsibilities of each project partner in view of the overall project implementation and reporting;
- The structure of the project team (both Bulgarian and Serbian representatives).
- The responsibilities of each member of the project team.

⚠ WARNING

Submission of CVs of the appointed project team members is not necessary.

4. Monitoring of the project

4.1. Expected outputs

The Output indicators allow measuring the achievement of the quantitative targets of the Programme.

In this section you are expected to specify to the achievement of which Programme output indicator(s) your project proposal will contribute. Please note that the output indicators are direct measures of the project activities that could be counted within the project's timeframe. In that connection, you should fill in exact numbers which correspond to the project activities.

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Please note that for each Specific Objective there are a number of pre-defined Output Indicators and each proposal must contribute to the achievement of at least one of those, although projects that demonstrate fulfilment of more than one Output Indicator will receive higher scoring during the technical assessment stage. The only exception to this rule shall be for projects applying under Specific Objective 2.2 "People-to-people networking" where the programme has pre-defined only 1 Output Indicator.

Applicants must first select Output Indicatio/s from the drop-down menu in this section of the Application Form, then fill in exact quantities for achievement of the respective indicator, and finally describe the sources for verification of the pointed quantities in the "Sources of verification" column.

Please note that there must be logical connection between the projects's envisaged activities and the selected Output Indicator/s, together with clear evidence that the pointed quantities are realistic and achievable.

For more information on selection of Output Indicators and examples of measurement of quantities, please refer to **Attachment 1 "Fulfilment of Programme Indicators and Ranking of Project Proposals"** (part of these Guidelines for Applicants)

4.2. Multiplier effect

Describe the possibilities for further development of the project idea in a subsequent project. Even though the possibility for multiplying the effects may not be identified for every proposal, quite often certain project ideas and activities could be extended and upgraded in a way to form a consecutive (linked) project.

4.3. Sustainability

You should explain how the sustainability of the project results will be ensured after completion of the action. Which activities will be continued, in which way and who will be the responsible partner? How would institutional and/or financial sustainability be secured?

The Lead Partner and project partners should ensure the sustainability of the project results not less than 5 (five) years after completion of the implementation period for both investment support projects and "soft measures" projects.

Please note that in the sustainability period the beneficiaries should ensure that all project results/deliverables shall be made available for free to all interested individual or legal persons, in a non-discriminatory way. Making the project results available only for certain individual or legal persons is strictly forbidden.

⚠ WARNING

The project partners should be aware that in case the project is financed they cannot sell or otherwise transfer in any form the goods, purchased from the financing, throughout the period of 5 (five) years after the end date of the implementation period of the project or throughout their life period, as it is stipulated by the national legislation, if this period is shorter than the implementation period of the project. In case the project envisages direct use of supplied assets/goods by representatives of target groups, the respective project partner should ensure this use without transferring of the assets to third parties.

5. Project coherence with other strategies and principles

5.1. Project coherence with other strategies

You should describe:

- The way your project proposal is coherent with the European Union strategies concerning territorial cooperation (if applicable). Please consult the Programme document, Section 1, for a list of relevant policy frameworks and strategies.
- The potential synergy of your project with other initiatives/ programmes/ strategies at national/ regional level (if applicable).

5.2. Project coherence with the EU Strategy for the Danube Region

In case your project envisages activities which are coherent with the EU Strategy for the Danube Region (EUSDR), you should provide clear justification.

For more information about the interaction of the Interreg-IPA CBC Programme Bulgaria – Serbia with the EUSDR, please refer to the Programme document.

5.3 Project coherence with the horizontal principles

Explain how your project will contribute to one or more of the horizontal principles – sustainable development, equal opportunities and non-discrimination and equality between men and women (refer to section 2.2 "Horizontal principles" of these Guidelines).

Please note that the coherence with the horizontal principles should be evident from the description of the project activities as well.

Application Form - Part III

Table 1 – TOTAL BUDGET PER PROJECT PARTNERS

The names of the project partners and their nationality will be filled automatically after Parts I and II of the Application Form are completed. The amount of the total financial contribution will be filled automatically after Part III of the Application Form is completed.

Table 2 – DETAILED BREAKDOWN OF BUDGET LINES (PP1, PP2, PP3 etc.)

Each project partner should fill in a separate Table 2 in the same sequence as Table 1 (first the PP1/LP, then PP2, PP3 etc.), providing a breakdown of the expenditures that each of them will be responsible for during the project implementation.

Before filling Table 2, each project partner should clarify its VAT (Value Added Tax) status and determine the VAT as recoverable or non-recoverable from other sources:

- For Bulgarian partners, if the VAT is non-recoverable from other sources, it is eligible for financing by the Programme. In this case the expenditures in the respective partner's budget should include VAT.
- For Serbian partners, the prices stated in the budget should not include VAT.

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The filling of Table 2 should start with filling of budget lines 3, 4 and 5 (the direct expenditures) and budget line 6 (project preparation costs, if applicable). After that the project partners should indicate the percentage of the flat rate for budget line 1 "Staff costs", taking into account the type of the project ("soft" or "investment") and the maximum allowed flat rate percentage (20 % or 10% respectively). The amount for staff costs will be calculated automatically. The project partners should then indicate the percentage of the flat rate for budget line 2 "Office and administrative costs" taking into account that the maximum allowed flat rate percentage is 15 % from the amount of budget line 1 "Staff costs" (applies to both "soft" and "investment" projects). The amount for office and administrative costs will be calculated automatically.

In accordance with section 2.5.5 "Activities location" of these Guidelines, it is possible for the Programme to finance activities implemented outside the eligible cross-border area by partners located inside the eligible cross-border area. These costs shall be eligible only if they are included in the respective partner's budget, Table 2, column "Expenditures outside of the eligible area". The activities outside border area must be related to participation/organization of events, seminars, trainings, business trips, promotion campaign etc. and should be budgeted only in BL3 and BL4 in the budget of the respective partner.

When calculating the amount of expenditures for the activities which will be implemented outside the eligible cross-border area, applicants must keep in mind that:

- The place of incurring expenditures for services is the place of the performance of the service in question;
- The place of incurring expenditures for meetings, conferences, seminars, trainings, etc., is the place where the event will be held.

⚠ WARNING

Unit rates in the respective partners' budgets must be written to the second decimal place only, regardless of the fact that Excel shall automatically round them in case more decimal places are written.

Example:

10 units X 2.25 = 22.50 is the CORRECT way to write the unit rate;

10 units X 2.24875 = 22.50 is the INCORRECT way to write the unit rate, regardless of the fact that Excel shall automatically round it to 2.25.

Failure to comply with this requirement might cause technical glitches in the electronic Application Form and its proper upload in the electronic system, which in turn may lead to problems during the assessment process for the proposal!

⚠ IMPORTANT

For the purposes of the proper project assessment, implementation and reporting, it is very important that each project partner fills in Table 2 carefully and in logical connection to the project activities. The use of right units (per hour, per day, per month, per kilometers, per contract etc.) and precise number of units in the budgeting process avoids future problems in reporting and more importantly, in reimbursement of expenditures.

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ADVICE

Try to be as specific as possible when planning and budgeting project events under Budget Line 3 “Travel and Accommodation Costs” and Budget Line 4 “External Expertise and Services Costs”. Consider carefully the number of participants and the corresponding number of daily allowances / provisions for catering and number of accommodations. Keep in mind that project staff members are entitled daily allowances, but should not be included in catering costs; on the contrary, participants (other than the project staff members) are entitled catering, but cannot receive daily allowances.

Try also to account for cases that do not necessarily follow the budgeting logic, but are nonetheless possible – for example, the budgeting logic for a one-day event is that only daily allowances and/or catering should be planned. However, if the event takes the whole day and starts early in the morning, a provision for accommodation of some team members for the previous night may be included.

In case the planned expenditures for project activities exceed the maximum allowed budget limits, the difference should be considered as additional own contribution (co-financing), provided by the respective partner, and should be included in row “Thereof others co-financing” of Table 5 - PROJECT SOURCES/PARTNERS' CONTRIBUTION.

Table 2 – DETAILED BREAKDOWN OF BUDGET LINES– TOTAL

The table will be filled automatically after each project partner fills in its own respective Table 2 and will provide a detailed summary of all project costs per Budget lines and Sub-lines.

Table 3 – SUMMARY BREAKDOWN OF BUDGET LINES PER ORIGIN OF PROJECT PARTNERS

The table will be filled automatically after each project partner fills in its own respective Table 2 and will provide a summary of all project costs per Budget lines and percentages of the respective Budget lines from the total project costs.

Table 4 – SUMMARY BREAKDOWN OF BUDGET LINES PER PROJECT PARTNERS

The table will be filled automatically after each project partner fills in its own respective Table 2 and will provide information for the distribution (balanced/unbalanced) of the project budget between project partners. Information is generated automatically.

Table 5 – PROJECT SOURCES/PARTNERS' CONTRIBUTION

The table generates automatically the EU co-financing rate (a maximum 85% of the total project costs), the national public co-financing for Bulgarian partners and the obligatory own co-financing for Serbian partners, both at minimum 15 %. In case the project partners envisage additional own contribution (co-financing), the amount of contribution must be inserted by the partner in its respective column (PP1/LP, PP2, PP3 etc.), row “Thereof others co-financing”.

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PARTNERSHIP AND CO-FINANCING STATEMENT

The Statement shall be generated automatically for each project partner. In addition, each partner must fill the name and the position of its legal representative. After printing, the statements have to be signed by the legal representative or an authorized person, dated, stamped, scanned and provided electronically together with the Application Form.

PROJECT SUMMARY

The project summary should be prepared in Bulgarian, English and Serbian languages, as the information in these three documents should be identical. In case of inconsistency between the three versions, the English version shall prevail.

Some parts will appear automatically (in the English version), but you have to fill in the other required information.

Please, try to be as concrete as possible. The project summaries will be used by the MA, NA and JS for continuous promotion of the project results through inclusion in the Programme promotional materials and initiatives such as: Programme brochures, social media pages, posters, banners, catalogues, etc.

3. Annexes

⚡ IMPORTANT

All Annexes (A) and Supporting Documents (B) must be presented in scanned version together with the electronic Application Form, using the electronic system.

Each document from the lists below must be signed, dated and stamped according to the requirements, and then scanned and titled as a separate file.

In case a project proposal is selected for contracting, the Managing Authority shall request from the respective Applicant to present all the electronically submitted documents in original paper version as well. Failure to do so on the part of the Applicant, or in case discrepancies are found between the scanned and paper versions of the documents, shall result in decline of signature of Subsidy contract.

Regardless of the above, throughout the whole assessment and selection process the Managing Authority reserves its right to ask Applicants to submit the already electronically presented scanned documents in hard copies as well, in order to verify their correctness.

3.1. Annexes (A)

The following Annexes should be filled in according to the provided templates and submitted together with the Application form:

- A1. Checklist of submitted documents – signed, dated and stamped by the Lead partner
- A2. Project Partnership Agreement – signed, dated and stamped by all partners
- A3. Declaration of Eligibility – signed, dated and stamped by the Lead partner
- A4. Sworn Statement – signed, dated, stamped and provided by each partner
- A5. Declaration of Commitment – signed, dated, stamped and provided by each partner

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A6. Declaration of E-mail Address of the Lead Partner – signed, dated and stamped by the Lead partner

Besides being dated and stamped, all annexes must be duly signed by the legal representative or an authorized person from the Lead partner and/or the respective project partner.

⚠ WARNING

Please note that the E-mail address, provided by the Lead partner in Annex A6, shall be used by the Programme bodies as the only official communication channel with the Applicant during the entire assessment, selection and pre-contracting process in terms of requests for additional clarifications, notification for selection results, etc.

The e-mail address should be functional and must be regularly used and checked by the Lead partner, as the Managing Authority shall bear NO responsibility in cases when the Applicant does not respond to a clarification request within the set deadline or fails to meet other deadlines!

Furthermore, any requests for clarifications and notifications shall be deemed to have been received on the date upon which the Managing Authority has sent them to the e-mail address of Lead partner.

3.2. Supporting Documents (B)

⚠ IMPORTANT

All supporting documents should be submitted in the original language and when specifically required, translated in English as well. The translation may either be made by a certified translation agency or be certified “True copy” by the legal representative or an authorized person from the Lead partner and/or the respective project partner. The translated version will prevail for the purposes of the application assessment.

The following Supporting documents should be provided and submitted together with the Application form:

B1 – Documentary and other evidence on the most recent legal status of each project partner – not older than 6 months prior to the date of submission of the application. In the cases when the applicable document does not show the legal representative of the organization, additional document should be provided (the act of appointment/nomination, decision of municipal election commission, etc.) showing clearly the name of the person with representative power.

The document on the recent legal status should indicate also the date of establishment of the organization, the place of establishment (registration) and scope of territory competence (if applicable), and it should prove the eligibility of the organization in accordance to all criteria stated above in section 2.5.1. In case the issued document does not justify all of the above circumstances, other documents could be provided, like the act of establishment or certificates from superior authorities (Ministries, Agencies, District governments, Inspectorates).

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Clarification:

- **For candidates from Republic of Bulgaria** – Document for the most recent legal status (Удостоверение за актуално състояние). In case such a document is not applicable (for example – schools, municipalities, regional administrations, universities etc.), an establishment act should be submitted by the candidate (in cases where the establishment act is a large document or contains information that is not relevant to the candidate, partners may submit only the cover page of the document and the page with the relevant information concerning the institution).
- **For candidates from Republic of Serbia** – Legal document issued by the Serbian Business Register Agency (Agencija za privredne registre) stating that the institution is presently operational should be submitted or legal document issued by the institution relevant for keeping Register of organizations. In case such a document is not applicable (for example – schools, municipalities, regional administrations, universities etc.), an establishment act should be submitted by the candidate (in cases where the establishment act is a large document or contains information that is not relevant to the candidate, partners may submit only the cover page of the document and the page with the relevant information concerning the institution).

B2 – Decision of Local Council/ Board of Directors/ any similar body or managing person provided by each project partner regarding the project development and implementation. The decision for project development and implementation has to be provided in all cases, no matter whether sole or collective managing authority takes the decisions in the organization. In the cases where the executive authority is different from the collective managing body (i.e. Mayor and Municipal Council), the decision has to be taken by the second one.

⚡ IMPORTANT

The Bulgarian partners which are second-level budget administrators (второстепенни разпоредители с бюджетни средства) should present a Letter of Support for implementation of the project issued by the respective first level administrator (първостепенни разпоредители с бюджетни средства).

B3 – Power of Attorney from the legal representatives of the project partners, in case the application form and/or the the annexed declarations and/or the partnership agreement are not signed by the legal representatives of the Lead Partner/project partners.

In case the signatures are of a deputy by rights, the act certifying the substitution by rights has to be presented together with the act for nomination of the person at the position of a deputy.

B4 – Justification of lump sum costs – For expenditures planned as lump sums under Budget Line 4, sub-line “Consultancy, studies, designs, website development, etc.”, each project partner should provide justification for calculation of the amount in English, signed by the legal representative or the authorized person. This justification should contain at least:

- detailed description of the proposed activity;

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- calculation of the envisaged experts' input, including number and type of experts needed, days/months of involvement and remuneration unit rate. Please note that the maximum allowed rates for involvement of experts should respect the rates specified in Budget Line 4, sub-line "Interpreters, lecturers, trainers, experts, moderators, etc.";
- detailed description of the expected outcomes from the activity, including information about any printed materials (type, number of copies, number of pages) and calculation of the price;
- any other additional information the applicant may find appropriate for justification of the proposed cost.

⚡ IMPORTANT

In addition to all annexes (A1-A6) and supporting documents (B1-B4), the project proposals that envisage investment activities (works or supplies, regardless of whether the project is "soft" or "investment") must also provide the following supporting documents:

B5 – Supporting documents concerning INVESTMENT ACTIVITIES ONLY (regardless of whether the project is "investment" "soft")

B5.1 – In case the investment activities will be performed on municipal or state-owned property:

- **B5.1.1 – Ownership act** or certificate or legal document for municipal or state ownership of the tangible assets, which will be subject of works activities together with recent outline/design of the property – issued in the original language and translated into English. In the case the project envisages purchase of supplies which need to be permanently installed, it is necessary to submit an ownership act for municipal or state-owned property as well – issued in the original language and translated into English.
- **B5.1.2 – Consent of the owner (Decision of the Council/ Board, etc.)**, issued in the original language and translated into English, clearly stating that the assets are given for free right of use for the purpose of the project at least for 5 years after the end of the project.

The consent should be signed by the person/body with the decision-making authority (e.g. the Municipal Council, not the Mayor).

Consent of the owner is necessary in all cases even when the partner is the owner of the assets. In case the assets are owned by a partner the consent can be given in the same act (document) as the one containing the **Decision for project development and implementation** described in section B3.

In the case the project envisages purchase of supplies which need to be permanently installed, it is necessary to submit decision/consent of the owner as well, clearly stating that the assets are given for free right of use for the purpose of the project at least for 5 years after the end of the project – issued in the original language and translated into English.

- In the case of permanent installation of supplies or equipment on municipal or state-owned property (immovable supply/ equipment items like outdoor equipment, kiosks, permanent video walls etc.), a decision for the use of the property, where the installation will be placed, issued by the relevant institution should be submitted. If, according to the relevant legislation, issuing of such a decision is not required, applicants have to present a statement by the relevant institutions for this exception.

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B5.2 – In case the investment activities require passing/access through **private territories**:

- **B5.2.1 – Consent of the owners**, issued in the original language and translated into English.
- **B5.2.2 – Ownership act** or certificate or legal document, issued in the original language and translated into English.

B5.3 – In case of investment activities within **territories/objects with special status** (National parks, environmental and architectural reserves, cultural monuments, protected areas and territories, areas included in Nature 2000, etc.) relevant documentation (permits, approvals, certificates, statements, etc.) required by the respective national applicable law and issued in the original language and translated into English.

B5.4 – Positive Environmental Impact Assessment (positive opinion from the relevant body), required by the national legislation and issued in the original language and translated into English;

or

Statement issued by the relevant body clearly stated that Environmental Impact Assessment is not necessary, issued in the original language and translated into English.

B5.5 – Approved Detailed Works Design_(if applicable according to the relevant legislation), issued in the original language.

Bulgarian partners must present:

- **Approved Detailed Works Design** (одобрен Работен проект) - if applicable according to the relevant legislation. In case Detailed Works Design is not mandatory for the planned construction works – applicants must submit a Statement by the competent institution that the envisaged construction/repair works do not require approval of works design; explanatory note, describing the envisaged construction/repair works; scheme/ plan of the object/s of intervention and Bill of quantities.

Serbian partners must present:

- **Project for Works Design** (Projekat za gradjevinsku dozvolu), or, if works design is not mandatory for the planned construction works according to the Serbian legislation - **Preliminary Design** (Idejni projekat), valid on the date of deadline for submission of project proposals under the current call;
- **Valid decision on construction permit** (Rešenje o građevinskoj dozvoli) issued according article 135 of the Law on Planning and Construction of Republic Serbia in force, or **valid decision on approval of construction works** (Rešenje o odobrenju izvođenja radova) issued according article 145 of the Law on Planning and Construction of Republic Serbia in force.

All construction activities (for both Bulgarian and Serbian partners) should be supported by:

- **Summarized Explanatory note** – both in the original language and translated into English (signed and stamped by the respective partner); and

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- **Detailed Bill of Quantities** – both in the original language and translated into English (signed and stamped by the respective partner). All items in the Bill of Quantities have to be specified in details and all unit prices and total price have to be pointed out. If the amount in the Bill of Quantities is presented in local currency, it must contain a separate column showing all unit rates and total prices in Euro (the conversion of the national currency into Euro should be made according to the exchange rate published on the web site of the EC for the month, during which the document is prepared:

<http://ec.europa.eu/budget/inforeuro/index.cfm?language=en>.

In case the application is approved for funding, during the pre-contracting stage and after request, the Lead Partner has to present to the Managing Authority the **valid Construction permit** (if applicable according to the relevant legislation).

⚠ IMPORTANT

For all specific cases (for example: works activities for protection of cultural and historical heritage) the elaboration of the Detailed Works Design (for Serbian partners: project for works design OR preliminary design) should respect the relevant national legislation.

B5.6 – Technical specifications of envisaged supplies, including exact quantities, presented in English (signed and stamped by the respective partner).

⚠ WARNING

Please note that brands/ trade marks and models must not be indicated in the technical specifications!

3.3. Documents for information (C)

C. Subsidy contract - draft version (for information purposes only)

4. How to Submit the Project proposal




















No paper submission of documentation is required under this Call for Proposals. The project proposal must be submitted entirely electronically, form using the Programme's electronic system.

Detailed instructions for access to the electronic system and submission of project proposals are provided in **Attachment 4 "Instruction for electronic submission of project proposals"** to these Guidelines for Applicants.























Bellow is a list of all documents that need to be submitted as part of the electronic application. The documents **must not be scanned and provided in one file** – each document has to be scanned separately, provided as a separate file and named accordingly, as described bellow. Furthermore, the documents of each project partner must be provided separately as well (e.g. there should be separate scanned Sworn Statements (Annex A4) for each project partner, etc.)

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If some of the scanned files becomes too large and difficult to handle by regular computers it is acceptable the same file to be divided into several files clearly noting which part of the respective annex they contain, e.g. B5.6_PP1/LP_bg/rs.pdf can be separated in two parts as follows: B5.6_PP1/LP_bg/rs-part1.pdf and B5.6_PP1/LP_bg/rs-part2.pdf.

Application Form – required in all cases		
	AF_ipacbcgrs.xls	The application form in Excel
	AF_ipacbcgrs.pdf	The application form in PDF, signed and stamped on the cover page and signed on each page by the Lead partner
	Partnership and co-financing statement.pdf	These should be scanned documents – signed, dated, stamped and provided by each partner
Annexes (A) – A1-A6 required in all cases		
		Annex_A1 – Checklist of Submitted Documents
		Annex_A.1_Checklist of submitted documents.pdf This should be a scanned document – signed, dated and stamped by the Lead partner
		Annex_A2 – Partnership Agreement
		Annex_A.2_Project partnership agreement.pdf This should be a scanned document – signed, dated and stamped by each partner, but provided only by the Lead partner
		Annex_A3 – Declaration of Eligibility
		Annex_A.3_Declaration of Eligibility.pdf This should be a scanned document – signed, dated and stamped by the Lead partner
		Annex_A4 – Sworn Statement
		Annex_A.4_PP1/LP_Sworn Statement.pdf This should be a scanned document – signed, dated and stamped by the Lead partner
		Annex_A.4_PP2_Sworn Statement.pdf This should be a scanned document – signed, dated and stamped by PP2
	pdf And so on for all partners (PP3, PP4, etc.)
		Annex_A5 – Declaration of Commitment
		Annex_A.5_PP1/LP_Declaration of Commitment.pdf This should be a scanned document – signed, dated and stamped by the Lead partner
		Annex_A.5_PP2_Declaration of Commitment.pdf This should be a scanned document – signed, dated and stamped by PP2
	pdf And so on for all partners (PP3, PP4, etc.)
		Annex_A6 – Declaration of E-mail Address of Lead Partner
		Annex_A.6_ Declaration of E-mail Address of the Lead Partner.pdf This should be a scanned document – signed, dated and stamped by the Lead partner
Supporting Documents (B) – B1 and B2 required in all cases, B3 and B4 are optional		


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		Annex_B1 – Evidence of Most Recent Legal Status	
		B1_PP1/LP_Legal Status_bg/rs.pdf	The legal status of the Lead partner in original language – scanned
		B1_PP2_Legal Status_bg/rs.pdf	The legal status of PP2 in original language – scanned
	pdf	And so on for all partners (PP3, PP4, etc.)
		Annex_B2 – Decision Regarding Project Development and Implementation	
		B2_PP1/LP_Decision_bg/rs.pdf	The Decision of Local Council/Board of Directors of the Lead partner in original language – scanned
		B2_PP2_Decision_bg/rs.pdf	The Decision of Local Council/Board of Directors of PP2 in original language – scanned
	pdf	And so on for all partners (PP3, PP4, etc.)
		Annex_B3 – Power of Attorney (submitted only if applicable)	
		B3_PP1/LP_Power of Attorney_bg/rs.pdf	The Power of Attorney of the Lead partner in original language – scanned
		B3_PP2_Power of Attorney_bg/rs.pdf	The Power of Attorney of PP2 in original language language – scanned
	pdf	And so on for all partners (PP3, PP4, etc.)
		Annex_B4 – Justification of Lump Sum Costs (submitted only if applicable)	
		B5.1_PP1/LP_Justification.pdf	Justification of lump sums for the Lead partner in English – scanned
		B5.1_PP2_Justification.pdf	Justification of lump sums for PP2 in English – scanned
	pdf	And so on for all partners (PP3, PP4, etc.)
Annexes_B5 (submitted only in case of investment activities, regardless of whether the project is “investment” or “soft”)			
		Annex_B5.1 – Ownership Act and Consent of Owner (submitted only in case of works or permanent installation of supplies or equipment on municipal or state-owned property by any of the partners)	
		B5.1.1_PP1/LP_Ownership_bg/rs.pdf	Ownership act or certificate for municipal or state ownership of the Lead partner in original language and translated into English – scanned
		B5.1.2_PP1/LP_Consent_bg/rs.pdf	The Agreement with the owner of the Lead partner in original language and translated into English – scanned
		B5.1.1_PP2_Ownership_bg/rs.pdf	Ownership act or certificate for municipal or state ownership of PP2 in original language and translated into English – scanned
		B5.1.2_PP2_Consent_bg/rs.pdf	The Agreement with the owner of PP2 in original language and translated into English – scanned
	pdf	And so on for all partners (PP3, PP4, etc.)












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			Annex_B5.2 – Consent of Owner and Ownership Act (submitted only in case of activities require passing/access through private territories by any of the partners with works)
			B5.2.1_PP1/LP_Consent_bg/rs.pdf The Consent of the owners (in original language and translated into English) in case of passing/access through private territories for the Lead partner – scanned
			B5.2.2_PP1/LP_Ownership_bg/rs.pdf Ownership act for the Lead partner in original language and translated into English – scanned
			B5.2.1_PP2_Consent_bg/rs.pdf The Consent of the owners (in original language and translated into English) in case of passing/access through private territories for PP2 – scanned
			B5.2.2_PP2_Ownership_bg/rs.pdf Ownership act for PP2 in original language and translated into English – scanned
		pdf And so on for all partners (PP3, PP4, etc.)
			Annex_B5.3 – Documentation required by the respective national applicable law (submitted only in case of activities within territories/objects with special status by any of the partners with works)
			B5.3_PP1/LP_Documentation_bg/rs.pdf In case of investment activities within territories with special status: relevant documentation (in original language and translated into English) required by the respective national legislation for the Lead partner – scanned
			B5.3_PP2_Documentation_bg/rs.pdf In case of investment activities within territories with special status: relevant documentation (in original language and translated into English) required by the respective national legislation for PP2 – scanned
		pdf And so on for all partners (PP3, PP4, etc.)
			Annex_B5.4 – Positive Environmental Impact Assessment (or statement by relevant authority that EIA is not necessary)
			B5.4_PP1/LP_EIA_bg/rs.pdf Positive Environment Impact Assessment or statement that it is not necessary for the Lead partner in original language and translated into English – scanned
			B5.4_PP2_EIA_bg/rs.pdf Positive Environment Impact Assessment or statement that it is not necessary for PP2 in original language and translated into English – scanned
		pdf And so on for all partners (PP3, PP4, etc.)
			Annex_B5.5 – Approved Detailed Works Design (and supporting documents)
			B5.5_PP1/LP_Works Design_bg/rs.pdf Approved Detailed Works Design for the Lead partner – issued in the original language <u>Bulgarian partners must present:</u> Approved Detailed Works Design (одобрен Работен проект) - if applicable according to

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				<p>the relevant legislation. In case Detailed Works Design is not mandatory for the planned construction works – applicants must submit a Statement by the competent institution that the envisaged construction/repair works do not require approval of works design; explanatory note, describing the envisaged construction/repair works; scheme/ plan of the object/s of intervention and Bill of quantities.</p> <p><u>Serbian partners must present:</u></p> <p>Project for Works Design (Projekat za gradjevinsku dozvolu), or, if works design is not mandatory for the planned construction works according to the Serbian legislation - Preliminary Design (Idejni projekat), valid on the date of deadline for submission of project proposals under the current call;</p> <p>Valid decision on construction permit (Rešenje o građevinskoj dozvoli) issued according article 135 of the Law on Planning and Construction of Republic Serbia in force, or valid decision on approval of construction works (Rešenje o odobrenju izvođenja radova) issued according article 145 of the Law on Planning and Construction of Republic Serbia in force.</p>
			<p>B5.5_PP2_Works Design_bg/rs.pdf</p>	<p>Approved Detailed Works Design for PP2 – issued in the original language</p> <p><u>Bulgarian partners must present:</u></p> <p>Approved Detailed Works Design (одобрен Работен проект) - if applicable according to the relevant legislation. In case Detailed Works Design is not mandatory for the planned construction works – applicants must submit a Statement by the competent institution that the envisaged construction/repair works do not require approval of works design; explanatory note, describing the envisaged construction/repair works; scheme/ plan of the object/s of intervention and Bill of quantities.</p> <p><u>Serbian partners must present:</u></p> <p>Project for Works Design (Projekat za gradjevinsku dozvolu), or, if works design is not mandatory for the planned construction works according to the Serbian legislation - Preliminary Design (Idejni projekat), valid on the date of deadline for submission of project proposals under the current call;</p> <p>Valid decision on construction permit (Rešenje o građevinskoj dozvoli) issued according article 135 of the Law on Planning and Construction of Republic Serbia in force, or valid decision on approval of construction works (Rešenje o odobrenju izvođenja radova) issued according</p>

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				article 145 of the Law on Planning and Construction of Republic Serbia in force.
		pdf	And so on for all partners (PP3, PP4, etc.)
			B5.5_PP1/LP_Explanatory Note_bg/rs.pdf	Summarized Explanatory note of the Lead partner – both in original language and translated into English – signed and stamped - scanned
			B5.5_PP1/LP_Bill of Quantities_bg/rs.xls	Detailed Bill of Quantities of the Lead partner – both in original language and translated into English – in Excel format
			B5.5_PP1/LP_Bill of Quantities_bg/rs.xls	Detailed Bill of Quantities of the Lead partner – both in original language and translated into English – signed and stamped - scanned
			B5.5_PP2_Explanatory Note_bg/rs.pdf	Summarized Explanatory note of PP2 – both in original language and translated into English – signed and stamped - scanned
			B5.5_PP2_Bill of Quantities_bg/rs.xls	Detailed Bill of Quantities of PP2 – both in original language and translated into English – in Excel format
			B5.5_PP2_Bill of Quantities_bg/rs.xls	Detailed Bill of Quantities of PP2 – both in original language and translated into English – signed and stamped - scanned
			...	And so on for all partners (PP3, PP4, etc.)
			Annex B5.6 – Technical Specifications (submitted only in case of envisaged supplies by any of the partners)	
			B5.6_PP1/LP_Specifications_bg/rs.pdf	Technical specifications of envisaged supplies, including exact quantities, presented in English for the Lead partner – signed and stamped – scanned
			B5.6_PP2_Specifications_bg/rs.pdf	Technical specifications of envisaged supplies, including exact quantities, presented in English for PP2 – signed and stamped – scanned
		pdf	And so on for all partners (PP3, PP4, etc.)

5. Deadline for Receipt of Project proposals

The deadline for electronic submission of the Project proposals is **23rd April 2018, 17:00 h. local Bulgarian time.**

6. Assessment and Selection of Project proposals

The project assessment and selection criteria prepared by the Managing Authority together with the National Authority and the Joint Secretariat are approved by the Joint Monitoring Committee (JMC). The assessment is performed by Assessment Working Group (AWG), consisting of Chairperson, Secretary and voting members, all from the Managing Authority, the National Authority and the Joint Secretariat, and is divided into three parts:

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1. Preparatory activities and verification of the submitted proposals – performed by the AWG;
2. Administrative compliance and eligibility check – performed by the AWG;
3. Technical and quality assessment – performed by independent external assessors, supported by the AWG.

⚠ IMPORTANT

In order to be proposed for financing, a project must fulfil all the administrative and eligibility criteria and receive at least 65 points at the technical and quality assessment.

An applicant can be excluded at any stage of the evaluation, selection and pre-contracting process whenever it is obvious that the latter does not meet the eligibility criteria.

The results of each assessment step will be summarized in the form of reports by the AWG and presented to the JMC for approval. Based on the received technical scores, proposals will be ranked in descending order for each Output Indicator in each Priority Axis. The JMC may select projects for financing until exhaustion of all funding available under the Programme, including funding allocated for this Call for Proposals and generated savings from the projects contracted under the previous Call for Proposals.

As outlined in **Attachment 1 “Fulfilment of Programme Indicators and Ranking of Project Proposals”** to these Guidelines for Applicants, the available funds shall be allocated with priority towards the achievement of the target values of those Programme Output Indicators in need of more contracted projects, whereas projects fulfilling only Output Indicators that have already been achieved shall only be contracted in case some funding still remains available.

Simultaneously, JMC will approve the list with the rejected proposals (proposals, which either did not cover the administrative and eligibility criteria or have received less than 65 points at the technical and quality assessment) and may also decide on creating reserves lists for project proposals, which have passed the administrative and eligibility criteria and have received more than 65 point at the technical and quality assessment, but for which funding under the present Call for Proposals is unavailable.

Each Lead partner will be informed with an official letter, signed by the MA on behalf of JMC, about the decision of the JMC on the approval/placement on the reserves list/rejection of their project. For the approved projects this letter will also provide information on the next steps. Upon receipt of the letter and in case of disagreement with the outcome, each Lead partner may issue a complaint towards the decision of the JMC, following the standard complaint procedure described in **Attachment 3 “Complaint Procedure”** to these Guidelines for Applicants.

Potential applicants may find below the project assessment and selection criteria for each assessment stage.

6.1 Preparatory activities and verification of the submitted proposals

Before the assessment of the project proposals begins, a preparatory meeting of the AWG is organized. The purpose of the meeting is that all members of the AWG get familiar with the Guidelines for Applicants and Application Package, the Questions and answers during the submission period of the Call for Proposals, as well as the rules to be observed during the entire evaluation process.

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At the conclusion of the preparatory meeting the Chairperson of the AWG verifies the number of electronic submissions of project proposals through the Programme's electronic system and their successful upload in the Management Information System (MIS).

Only the proposals having met the submission deadline are subject to administrative and eligibility check, which assesses whether they satisfy all the administrative and eligibility criteria specified in section 6.2 below.

6.2 Administrative compliance and eligibility check

The administrative compliance and eligibility check will be carried out by voting members of the AWG under the supervision of the Chairperson. Each proposal will be examined by 2 persons (representative of each country), with each person filling in a "yes" or "no" answer in the separate administrative compliance and eligibility check grid, as published below.

If any project proposal has received "No" on a specific criterion/a, the AWG could request clarification or justification of information/documents submitted with the project proposal.

⚠ IMPORTANT
Clarifications will only be requested to conclude the administrative compliance and eligibility check and not to improve the content of the application. The Assessment Working Group could only request clarification or justification of information/documents already submitted with the project proposal. Re-submission of corrected documents or other required documents, not included in the original proposal, shall not be allowed.

The AWG will ensure equal treatment of the applicants, i.e. all applicants with the same type of problem shall be requested to clarify the respective issue in the same manner. All requests for clarification shall be sent to the e-mail address of the Lead partner (as provided in Annex A6), which shall be used as the only official communication channel with the Applicant during the entire assessment process, and will contain clear instruction concerning the deadline for submission of the information and any other instruction if necessary. The deadline for submission of the information by the Applicants will be defined depending on the type of the requested information/clarification/supporting document/s but shall be not less than 5 working days. The Managing Authority shall bear NO responsibility in cases when the Applicant does not respond to a clarification request within the set deadline. Furthermore, any requests for clarifications and notifications shall be deemed to have been received on the date upon which the Managing Authority has sent them to the e-mail address of the Lead partner.

ADMINISTRATIVE COMPLIANCE AND ELIGIBILITY CHECK

ADMINISTRATIVE PART	
Project Registration No	
Project title	
Name of Lead Partner	

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Name of Partner/s	
--------------------------	--

No	SECTION I: CRITERIA FOR ADMINISTRATIVE COMPLIANCE	YES	NO
1.	The Lead partner has not submitted any other project proposal as a Lead partner under this Call for proposals.		
2.	Each project partner (including the Lead partner) does not participate in more than 2 project proposals in total under this Call for proposals		
3.	The Application form is submitted in both Excel format (duly completed in compliance with the template) and PDF format (signed and stamped on the cover page and signed on each page by the Lead partner).		
4.	The submitted Application forms in Excel and PDF formats are identical in content.		
5.	Project summary is submitted in the 3 (three) languages - English, Bulgarian and Serbian, duly completed in compliance with the templates.		
6.	Partnership and co-financing statement is provided by each partner - signed, dated and stamped		
7.	Project partnership agreement between all partners is provided - signed, dated and stamped (Annex A.2)		
8.	Declaration of eligibility is provided by the Lead partner - signed, dated and stamped (Annex A.3)		
9.	Sworn statement is provided by each partner – signed, dated and stamped (Annex A.4)		
10.	Declaration of commitment is provided by each partner – signed, dated and stamped (Annex A.5)		
11.	Declaration of E-mail Address of Lead Partner is provided by the Lead partner – signed, dated and stamped (Annex A.6)		
	SUPPORTING DOCUMENTS	YES	NO
12.	Documentary and other evidence on the most recent legal status of each project partner – not older than 6 months prior to the date of submission of the application.		
13.	Decision of Local Council/ Board of Directors/ any similar body or managing person regarding the project development and implementation is provided by each project partner. The Bulgarian partners that are second-level budget administrators (второстепенни разпоредители с бюджетни средства) should present a Letter of Support for implementation of the project issued by the respective first level administrator (първостепенни разпоредители с бюджетни средства).		
14.	Power of Attorney from the legal representative of the project partner (in case the application form and/or annexed declarations and/or partnership agreement are not signed by the legal representatives of the project partner/s) is submitted by the respective partner.		
15.	Justification of lump sum costs – provided by each partner with planned		

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	lump sums under Budget Line 4, sub-line "Consultancy, studies, designs, website development, etc.", in English, signed by the legal representative or the authorized person.		
	SUPPORTING DOCUMENTS CONCERNING INVESTMENT ACTIVITIES	YES	NO
16.	In case investment activities will be performed on municipal or state-owned property		
16.1.	Ownership act or certificate or legal document for municipal or state ownership of the tangible assets, which will be subject of works activities together with recent outline/design of the property – issued in the original language and translated into English. In the case the project envisages the purchase of supplies which need to be permanently installed - an ownership act for the municipal or state-owned property (issued in the original language and translated into English).		
16.2.	Consent of the owner (Decision of the Council/ Board, etc.), issued in the original language and translated into English, clearly stating that the assets are given for free right of use for the purpose of the project at least for 5 years after the end of the project The consent should be signed by the person/body with the decision-making authority (e.g. the Municipal Council, not the Mayor). Decision/Consent of the owner for use of municipal or state-owned property for installation of equipment (in the case the project envisages purchase of supplies which need to be permanently installed), clearly stating that the assets are given for free right of use for the purpose of the project at least for 5 years after the end of the project – issued in the original language and translated into English.		
17.	In case of investment activities required passing/access through private territories		
17.1.	Consent of the owners, issued in the original language and translated into English.		
17.2.	Ownership act or certificate or legal document, issued in the original language and translated into English.		
18.	In case of investment activities within territories/objects with special status (National parks, environmental and architectural reserves, cultural monuments, protected areas, areas included in Nature 2000 etc.)		
18.1.	Relevant documentation (permits, approvals, certificates, statements, etc.) required by the respective national applicable law – issued in the original language and translated into English.		
	For works activities		
19.	Positive Environmental Impact Assessment (positive opinion from the relevant body), required by the national legislation – issued in the original language and translated into English		

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	<p>OR</p> <p>Letter issued by the relevant body clearly stated that Environmental Impact Assessment is not necessary, issued in the original language and translated into English.</p>		
20.	<p><u>For Bulgarian partners:</u></p> <p>Approved Detailed Works Design (Работен проект) or, if not mandatory according to the Bulgarian legislation – a Statement by the competent institution that the envisaged construction/repair works do not require approval of works design; explanatory note, describing the envisaged construction/repair works; scheme/ plan of the object/s of intervention and Bill of quantities</p> <p><u>For Serbian partners:</u></p> <p>Project for Works Design (Projekat za gradjevinsku dozvolu), or, if not mandatory according the Serbian legislation - Preliminary Design (Idejni projekat), valid on the date of deadline for submission of project proposals; Valid decision on construction permit (Rešenje o građevinskoj dozvoli) issued according article 135 of the Law on Planning and Construction of Republic Serbia in force, or valid decision on approval of construction works (Rešenje o odobrenju izvođenja radova) issued according article 145 of the Law on Planning and Construction of Republic Serbia in force.</p> <p>AND</p> <p><u>For all partners:</u></p> <p>Summarized Explanatory note – both in the original language and translated into English (signed and stamped by the respective partner); and Detailed Bill of Quantities – both in the original language and translated into English, including unit rates and total prices in Euro (signed and stamped by the respective partner).</p>		
For supply activities			
21.	<p>Technical specifications for supplies (in English) – description of the envisaged supplies, including exact quantities (signed and stamped by the respective partner).</p>		
SECTION II: ELIGIBILITY CRITERIA		YES	NO
22.	<p>All partners are registered on the territory of Republic of Bulgaria or Republic of Serbia.</p>		
23.	<p>At least one partner from each side of the eligible cross-border region is involved.</p>		
24.	<p>The Lead partner is registered at least 12 months before the deadline for submission of project proposals under current Call for Proposals.</p>		
25.	<p>All partners meet the eligibility criteria defined in section 2.5.1 of the Guidelines for Applicants.</p>		
26.	<p>The implementation period does not exceed the maximum project duration per specific objective and type of project as indicated in the</p>		

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27.	The amount of the requested eligible expenditures is in line with the limits for the respective specific objective and type of project as indicated in the Guidelines for Applicants.		
28.	The project proposal meets at least both the criteria for joint development and joint implementation, and additionally, one of the other two cooperation criteria: joint staffing or joint financing.		
29.	For investment projects - The minimum rate of more than 50 % for works and/or supplies is observed. For soft projects – The maximum rate of 50 % for works and/or supplies is observed.		
30.	The maximum rate for Staff Costs (Budget Line 1) is observed for each Project partner (including the Lead partner).		
31.	The maximum rate for Office and Administrative Costs (Budget Line 2) is observed for each Project partner (Including the Lead partner).		
32.	The maximum rate for Project preparation costs is observed, as well as the maximum rate for preparation of the Application package.		
COMMENTS:			
THE PROJECT PROPOSAL SATISFIES ALL CRITERIA FOR ADMINISTRATIVE AND ELIGIBILITY COMPLIANCE			

⚡ IMPORTANT

Only proposals that satisfy all the administrative and eligibility criteria mentioned in the above checklist, applicable to the respective project, will be subject to technical and quality assessment

6.3 Technical and quality assessment

All project proposals which have successfully passed the administrative compliance and eligibility check will be subject to technical and quality assessment. The assessment allows the quality of the project proposals to be evaluated in relation to the set objectives and priorities, and ensures that the selected operations comply with the Programme specific objectives, contribute to the achievement of the Programme Output Indicators, and guarantee the visibility of the Community funding.

The technical and quality assessment of the project proposals is carried out taking into account the submitted project proposals, annexes and supporting documents, and the clarifications received during the previous stages of assessment.

The technical and quality assessment will be performed on the basis of specific **selection criteria**, grouped in four general sections in the technical and quality assessment grid, as published below:

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- **Section 1: Capacity of the Partnership (maximum 15 points)** – the assessment will check the experience and competences of all project partners, as well as the relevance of the partnership to the envisaged project objective. The project partners should be capable of ensuring quality of the final product or service, and efficient, transparent allocation of resources;
- **Section 2: Project's context and consistency with the Programme and other strategies (maximum 36 points)** – the assessment will check how the needs and constraints of the target region are addressed by the proposal and what the overall cross-border effect shall be. Furthermore, the achievement of the Programme's output indicators will be evaluated, together with the relevance of the proposal to the selected indicators. The assessment will also verify the coherence of the project with other programmes and/or strategies and its value added, providing coherence with the following horizontal principles: sustainable development, equal opportunities and non-discrimination, equality between men and women;
- **Section 3: Methodology (maximum 39 points)** – the proposed project activities will be assessed according to the intervention logic "objective-activity-result". The assessment should verify if the activities are needed for achievement of the set objective, realistic, well defined and justified, if the output indicators are quantified and relevant. The assessment will also check the level of involvement of project partners in activities, the action plan, the potential multiplier effect of the project and the sustainability of the project results. If there is no logical consistency in the proposed activities or they are not realistic, the action plan is not clear and the level of involvement of partners in activities is not balanced, then this would lead to lower score under section 3;
- **Section 4: Budget (maximum 10 points)** – assessment of the necessity of the planned expenditures for the implementation of the project, eligibility of costs and compliance of the expenditures with the market rates within the target region. The assessment should make clear recommendation regarding the possibility for decreasing of the requested grant according to the identified inconsistent, ineligible or over-estimated costs.

The maximum overall score of a project proposal is **100 points**.

The assessment will be performed by equal number of Bulgarian and Serbian assessors. Each proposal shall be assessed by two different assessors (one from each participating country) working separately and producing their own independent assessment with respective scores for each question, in accordance with the provided scale and guidelines in the grid. The Assessors have to justify their scores with concise, clear, objective and relevant comments for each section.

The assessors will also make final conclusions/recommendations on each application, which will consist of a short critical analysis of the proposal, followed by a list of the main strong and weak points for each section of the evaluation grid.

In case of significant divergences in the scores attributed by the two external assessors for particular project proposal, additional assessment (arbitration) of the project must be performed. The additional assessment is carried out by two voting members of the AWG, appointed by the Chairperson, who fill in new evaluation grids for the proposal concerned. Arbitration is required when:

- The total scores given by the two external assessors diverge by more than 10 points;

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- One external assessor's final score is above the threshold for overall admissibility of the proposal (65 points) and the other external assessor's final score is below that threshold, regardless of the discrepancy between the total scores.

When arbitration is done, the final score given to the proposal will be calculated as arithmetical average of the total scores given by the four evaluators.

Based on the performed assessment, lists of the proposals ranked by score (average of the scores given by the assessors), shall be prepared for each Output Indicator, following the provisions outlined in **Attachment 1 "Fulfilment of Programme Indicators and Ranking of Project Proposals"** to these Guidelines for Applicants. Whereas a project contributes towards the achievement of more than one Output Indicator, the proposal shall be included in each of the ranking list for the respective Output Indicators.

In certain cases a situation may occur where a number of proposals receive the same overall score and at the same time they cannot be all proposed for financing (e.g. the proposals are close to the threshold for available funding under certain Output Indicators and funds are unavailable for financing all of them). In such cases, priority shall be given to those proposals that have received higher average scores on section 2 – Project's context and consistency with the Programme and other strategies. If the scores on section 2 are also identical, the step will be repeated using the average scores on section 3 (then section 1 and 4, if necessary), until ranking of the proposals is achieved.

⚠ WARNING

In case a project proposal receives an average of 0 points (both assessors give a score of 0) on any one of the questions No. 1, 6, 7, 13, 14, 16 and 17 from the technical and quality assessment grid below, the project shall be proposed for rejection.

⚠ IMPORTANT

Since the Programme has identified only one Output Indicator under Priority Axis 2 "Youths", Specific Objective 2.2 "People to people networking", project proposals applying under this Specific Objective can contribute to the achievement of only Output Indicator 2.2.1 "Total number of youth networking initiatives supported by the Programme".

In view of question No. 7 from the technical and quality assessment grid below, which gives priority and maximum points to proposals covering more than one Output Indicator, an exception will be made only for the projects applying under Specific Objective 2.2 – namely, they will still receive the maximum score of 8 points if clear evidence that the pointed quantities are reasonable is presented, regardless of the fact that they contribute to the achievement of only one Output Indicator.

TECHNICAL AND QUALITY ASSESSMENT GRID

(to be filled by the Assessors)

Project registration No:

Project title:

Lead Partner:

Project partner/s:

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SECTION I: CAPACITY OF THE PARTNERSHIP				
No	Selection criteria	Max. score	Reference in the AF	
1.	Project partners have authority to implement the project activities	2 (0 – rejection)	Part I p. 1.2 (1.2.1 and 1.2.2)	
	<i>All project partners have authority to implement the project activities envisaged for each of them</i>			2 points
	<i>Not all project partners have authority to implement the project activities, but the respective activities could still be implemented by the partnership</i>			1 point
	<i>None of project partners has authority to implement the project activities</i>			0 points
2.	Composition of partnership is relevant to the proposed project	5	Part I p. 1.2 (1.2.1 and 1.2.2) Part II p. 3	
	<i>All project partners have the necessary expertise to implement the project and complement each other</i>			5 points
	<i>The partnership is relevant to the proposed project and partners complement each other although not all of them have the necessary expertise to implement the project</i>			4 points
	<i>The partnership is relevant to the proposed project, but not all partners have necessary expertise to implement the project.</i>			2 points
	<i>One of the partners is not relevant to the proposed project in view of its profile (it is artificially added to the partnership/its role is not clear)</i>			1 points
	<i>The partnership is not relevant to the proposed project and none of the project partners has the necessary expertise to implement the project</i>			0 points
3.	The partners are experienced in project management of public funded projects, especially in the field addressed by this project	6	Part I p.1.3	
	<i>All project partners are experienced in project management of public funded projects, especially in the field addressed by this project</i>			6 points
	<i>All project partners are experienced in project management of public funded projects, but not all of them in the field addressed by this project</i>			5 points
	<i>All project partners are experienced in project management of public funded projects, but none in the</i>			4 points

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	<i>field addressed by this project</i>			
	<i>Not all of the partners are experienced in project management of public funded projects</i>	2 points		
	<i>None of the partners is experienced in project management of public funded projects</i>	0 points		
4.	Staff and financial stability of the project partners		2	Part I p.2.2
	<i>All partners have permanent staff and financial stability</i>	2 points		
	<i>Some partners have permanent staff and financial stability</i>	1 points		
	<i>None of the project partners has permanent staff and financial stability</i>	0 points		
SUBTOTAL SECTION I			15	
SECTION II: PROJECT'S CONTEXT AND CONSISTENCY WITH THE PROGRAMME AND OTHER STRATEGIES				
No	Selection criteria		Max. score	Reference
5.	The project is relevant to the particular needs and constraints of the border region		7	Part II p.1.3 p.2.1 p.2.2
	<i>The envisaged activities in terms of needs of the border region are very well described and well justified: they are timely and appropriate</i>	7 points		
	<i>The envisaged activities are timely and appropriate, relevant to the particular need and constraints of the border region, but are not described in details</i>	5 points		
	<i>The envisaged activities in terms of needs of the border region are very well described and well justified, but they are not timely</i>	4 points		
	<i>The project activities are well described and justified, but the connection with the particular need and constraints of the border region is not clear</i>	2 points		
	<i>The project activities are not well described and justified, and the connection with the particular need and constraints of the border region is not clear</i>	0 points		
6.	Cross-border impact of the project		7 (0 – rejection)	Part II p.1.3
	<i>The project will have positive effect on the partners organizations, target groups and beneficiaries, and will bring a clear cross country benefit</i>	7 points		
	<i>The project will have positive effect on the partners organizations, target groups and beneficiaries, but the envisaged activities do not complement each other and</i>	5 points		

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	<i>will not be implemented jointly</i>			
	<i>The project will have positive effect on the partners organizations, but the effect on the target groups and beneficiaries on both sides of the border is not clear</i>	3 points		
	<i>The project will have positive effect on the partners organizations, target groups and beneficiaries, but the justification for the cross country benefit is insufficient</i>	1 points		
	<i>The project will not have positive effect on the partners organizations, target groups and beneficiaries, and there will be no cross country benefit</i>	0 points		
7.	The project contributes to the achievement of the Programme's output indicators (*) – PA2, OI 2.2.1 exception		8 (0 – rejection)	Part II p. 4.1
	<i>The project contributes to the achievement of the more than one Programme output indicator and there is clear evidence that the pointed quantities are reasonable</i>	8 points		
	<i>The project contributes to the achievement of one Programme output indicator and the pointed quantities are well justified</i>	4 points		
	<i>The project contributes to the achievement of Programme output indicators, but there is no clear evidence that the pointed quantities are reasonable</i>	2 points		
	<i>Selected output indicators are not relevant to the project idea and proposed activities</i>	0 point		
8.	Coherence of the project with European Union strategies concerning territorial cooperation and other programmes/ initiatives/ strategies at national/ regional level		2	Part II p.5.1
	<i>The project demonstrates clear coherence with both European Union strategies concerning territorial cooperation and with other national/ regional strategy(ies)</i>	2 points		
	<i>The project demonstrates coherence with only European Union strategies concerning territorial cooperation, or programmes/ initiatives/ strategies at national/ regional level only.</i>	1 points		
	<i>The project does not demonstrate coherence with European Union strategies concerning territorial cooperation and with other programmes/ initiatives/ strategies at national/ regional level.</i>	0 points		
9.	Coherence of the project with the EU Strategy for the Danube Region		4	Part II p.5.2

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	<i>The project envisages activities which are coherent with the EU Strategy for the Danube Region</i>	<i>4 points</i>		
	<i>The project envisages some measures for coherence with the EU Strategy for the Danube Region, but justification is insufficient</i>	<i>2 points</i>		
	<i>The project does not demonstrate coherence of the EU Strategy for the Danube Region</i>	<i>0 points</i>		
10.	The target groups, direct and final beneficiaries are relevant to the project activities, clearly defined and quantified		3	Part II p.2.2
	<i>Relevant, clearly defined and realistically quantified target groups, direct and final beneficiaries</i>	<i>3 points</i>		
	<i>Relevant and clearly defined, but not realistically quantified target groups, direct and final beneficiaries</i>	<i>2 points</i>		
	<i>Partially relevant, not clearly defined and/or not realistically quantified target groups, direct and final beneficiaries</i>	<i>1 point</i>		
	<i>Undefined target groups, direct and final beneficiaries (lack of relevant description and lack of quantification)</i>	<i>0 points</i>		
11.	Multiplier effect of the project		2	Part II p.4.2
	<i>The project has clear and justified potential for further development.</i>	<i>2 points</i>		
	<i>The project has potential for further development, but the respective measures are not clearly defined.</i>	<i>1 point</i>		
	<i>The project does not possess potential for further development.</i>	<i>0 points</i>		
12.	The project makes positive contribution to the Programme horizontal principles: sustainable development; equal opportunities and non-discrimination; equality between men and women		3	Part II p. 5.3
	<i>The project demonstrates coherence with all 3 horizontal principles and they are clearly integrated in the planned activities and outputs.</i>	<i>3 points</i>		
	<i>The project demonstrates coherence with at least 2 horizontal principles and they are clearly integrated in the planned activities and outputs.</i>	<i>2 points</i>		
	<i>The project demonstrates coherence with at least 1 horizontal principle and it is clearly integrated in the planned activities and outputs.</i>	<i>1 point</i>		
	<i>No coherence with the horizontal principles</i>	<i>0 points</i>		
SUBTOTAL SECTION II			36	

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SECTION III: METHODOLOGY				
No	Selection criteria	Max. score	Reference	
13.	Project activities are well defined, realistic, achievable and necessary for achievement of the set objectives	8 (0 – rejection)	Part II p. 2.3 p. 2.4	
	<i>All project activities are necessary for achievement of the set objectives, clearly defined, described in details, realistic and achievable</i>			8 points
	<i>The project activities are necessary for achievement of the set objectives, realistic and achievable, but are not described in enough details</i>			6 points
	<i>The project activities are necessary for achievement of the set objectives, well defined, but the methods for achievement are quite vague.</i>			4 points
	<i>The project activities are described in details, but the link between the activities and expected results is not clear</i>			2 points
	<i>The project activities are not well defined, poorly described and their achievement is unrealistic.</i>			0 points
14.	The intervention logic “project objective – activity – result/output” is kept	8 (0 – rejection)	Part II p.2.3 p.2.5	
	<i>The project is well-thought and structured in way that shows clear consistency between the project objective, activities and expected results/outputs.</i>			8 points
	<i>There is an overall consistency between the project objective, activities and expected results/outputs, but some project activities (including expected results/outputs) do not correspond to the project objective</i>			5 points
	<i>The connection between the activities and result/outputs is well defined, but the justification for achievement of the project objective is insufficient</i>			2 points
	<i>The project shows lack of clear-thought structure and there is no consistency between the project objectives, activities and expected results/ outputs</i>			0 points
15.	Sustainability of the project’s main results/ outputs	7	Part II p. 2.3 p. 4.3	
	<i>Clear evidence for the institutional and/or financial sustainability of project’s main results/ outputs and their long-term contribution to all targeted beneficiaries is presented.</i>			7 points

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	<i>The institutional and/or financial sustainability of project's main results/ outputs is ensured for the short-term without any long-term strategy.</i>	4 points		
	<i>The project's main results/ outputs will be sustainable, but will be used only by the project partners</i>	2 points		
	<i>There is no evidence for the sustainability of the project's main results/ outputs</i>	0 points		
16.	Communication and visibility activities		4 (0 – rejection)	Part II p. 2.4
	<i>The project envisages communication and visibility activities, which are adequate for the foreseen objectives and the target groups of the project.</i>	4 points		
	<i>The project envisages communication and visibility activities, but it is unclear how well all target groups will be reached.</i>	2 points		
	<i>The project does not envisage communication and visibility activities</i>	0 points		
17.	Action plan in accordance with the project activities		4 (0 – rejection)	Part II p. 2.5
	<i>The action plan is realistic – the sequence and duration of activities is clear</i>	4 points		
	<i>The sequence and duration of activities is not well defined, but they could still be implemented within the timeframe of the project</i>	2 points		
	<i>The action plan is unachievable with neither the sequence, nor the duration of the activities realistic</i>	0 points		
18.	Level of involvement and participation of project partners in activities		8	Part II p. 2.3 p. 2.5 p. 3
	<i>All project partners are involved in implementation of the project activities, including participation in joint actions</i>	8 points		
	<i>All project partners are involved in implementation of the project activities, but not all of them participate in joint activities</i>	6 points		
	<i>All project partners are involved in implementation of the project activities, but participation in joint actions is not foreseen</i>	4 points		
	<i>Unbalanced distribution of activities and responsibilities between all project partners</i>	2 points		
	<i>Some of the project partners are not responsible for implementation of any project activities</i>	0 point		
SUBTOTAL SECTION III			39	

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SECTION IV: BUDGET				
No	Selection criteria	Max. score	Reference	
19.	Estimated expenditures are necessary for the implementation of the project and the prices are realistic and market based	5	Part III Table 2	
	<i>All estimated costs fully correspond to the proposed activities and are necessary for the implementation of the project. All prices are realistic and market based. No budget reduction/revisions are needed.</i>			5 points
	<i>Planned expenses correspond to the proposed activities and are necessary for the implementation of the project, but partial reductions (up to 10 % of the total project budget) of budget items and/or item prices is needed to optimize cost effectiveness.</i>			4 points
	<i>Planned expenses correspond to the proposed activities and are necessary for the implementation of the project, but serious reduction of budget items and/or item prices (from 10 to 25 % of the total project budget) is necessary for optimizing the expenditure performance.</i>			3 points
	<i>Project expenses highly exceed the expected benefits for the target area and the target groups. Some costs are not relevant to the activities proposed. A significant reduction of budget items and/or item prices (more than 25 % of the total project budget) is necessary.</i>			2 points
	<i>Costs envisaged are totally inconsistent with project activities. Most prices are not realistic and not market based. The budget needs full re-design in this aspect.</i>			0 points
20.	The specific rules for each budget line (as described in point 2.5.8 “Eligibility of expenditures” of the Guidelines for Applicants) are respected	2	Part III Table 2	
	<i>The specific rules for each budget line are respected</i>			2 points
	<i>Not all specific rules for each budget line are respected</i>			1 point
	<i>None of the specific rules for each budget line are respected</i>			0 points
21.	Budget breakdown between partners	3	Part III Table 4	
	<i>Even budget breakdown between partners (in case one partner’s budget exceeds the budget of another partner with up to 25%)</i>			3 points
	<i>Balanced budget breakdown between partners (in case</i>			2 points

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one partner's budget exceeds the budget of another partner from 25% to 50 %)			
Unbalanced budget breakdown between partners (in case one partner's budget exceeds the budget of another partner from 50% to 80 %)	1 points		
Unfair budget breakdown between partners (in case one partner's budget exceeds the budget of another partner by more than 80 %)	0 point		
SUBTOTAL SECTION IV		10	
GRAND TOTAL		100	
Comments:			
Recommendations:			
Assessor's name:	Assessor's signature:	Date of evaluation:	

6.4 Complaint procedure

In case of disagreement with the outcome of the selection procedure, each Lead partner may issue a complaint towards the decision of the JMC, following the standard complaint procedure described in **Attachment 3 "Complaint Procedure"** to these Guidelines for Applicants.

6.5 Pre-contracting procedures

Prior to signature of Subsidy contracts with the projects, preliminary approved for financing by the JMC, the Programme Managing bodies shall conduct a series of pre-contracting procedures with the **selected applicants**, including the following:

1. Check of presence/lack of double financing – assessment of whether the proposed action/s has not already been financed under other EU funded Programmes;
2. Check for compliance with the State Aid rules – applicable for Bulgarian project partners only. Detailed information about State Aid rules is provided in to this Guidelines for Applicants;
3. Performance of on-the-spot visit of the investment projects, which include works components – assessment of whether or not the object, subject to the proposed investment, really exists and is in a physical condition as described in the project proposal and/or has not already been developed or is currently under development.; Virtual (online) checks will be held as substitution of the on-the-spot visit on the investment projects during the Covid-19 pandemic situation and according to the local measures of the health authorities. The only difference in the approach shall be that instead of visiting the site, the Pre-contracting committee members shall coordinate with the beneficiary the usage of live video connection (like provided by Viber, Webex, Zoom, Skype, Google, etc.). A site visit report (Annex 4.9) shall be filled and signed by both parties (digital signatures, scanned pdf, or platform for online signing like Scrive, for example). Collection of proofs is done as in a regular "on the spot" check. All proofs requested shall be sent by the beneficiary through MIS or e-mail/file-sharing service.

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4. Budget optimization and projects' content modifications – final review of the budgets of the proposed projects, including seeking additional justifications for proposed costs and making revisions of unit rates, based on both the recommendations of the assessors and the good practices of the MA and NA in terms of transparent and market-oriented financial allocations. Additionally, a verification procedure concerning additional documents will be conducted, as specified during the previous stages, in cases where additional documentation was requested prior to contract signature.

Based on the performed pre-contracting procedures, a final Pre-contracting Report shall be submitted for approval to the JMC, outlining individual findings for each project proposal, which may recommend:

- Signature of Subsidy contract based on the proposed budget optimization and projects' content modification (if any) and the additional documents presented (if any), as there are no negative findings as a result of pre-contracting procedure or evidence of double financing as well;
- Declining signature of Subsidy contract in any of the following circumstances – lack of common agreement on the proposed budget optimization; additional documents as requested are not provided; there are substantial discrepancies between the physical condition of the object, subject to investment activities, specified in the project proposal and its present status (as identified during the on-the-spot check); there is an indisputable evidence of double financing.

7. Contracting

Contracting is the procedure carried out in order to conclude a Subsidy contract between the Lead Partner and the MA for the implementation of a project, approved for financing by decision of the JMC. This means that the Lead partner is responsible for implementation of the whole project.

For the needs of preparation of the Subsidy contracts, the Lead partners will be requested to provide additional documents like: Financial identification form of the project bank account for the Lead Partner, Certificate for lack of obligations for each project partner issued not later than 3 months prior the date of contract signature or plan for rescheduling of the debts if existing, Specimen of the legal representative of the Lead Partner, State aid de minimis declaration for Bulgarian partners, Declaration for awareness with definition for irregularity and fraud and procedure for reporting, etc.

⚡ IMPORTANT

Each Lead partner shall sign a Subsidy contract for the whole amount of the approved budget (including the total IPA funds) with the Managing Authority.

The implementation of each project may start only after the respective Subsidy contract is signed by both the MA and the Lead partner and is registered in the Registry system of the MA.

Draft Subsidy contract is presented for information in Annex C to these Guidelines for Applicants.

8. State aid and de minimis provisions

Within the Interreg-IPA CBC Programme Bulgaria-Serbia no state aid is granted. Activities of economic character could be financed only under the de minimis rule. In this case the provisions of Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid shall apply.

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All activities planned by **Bulgarian applicants** within the projects proposed for financing will be subject to check for compliance with the state aid and de minimis rules.

All **Serbian applicants** should follow the applicable national regulations regarding State aid.

⚡ IMPORTANT

Detailed information related to financing of state aid relevant activities is presented in [Attachment 2 "State Aid and De Minimis Provisions"](#) to these Guidelines for applicants.

9. Indicative schedule for selection and contracting

Activity	Indicative term for completion of the activity
Preparatory activities and verification of the submitted proposals	1 month after the deadline for submission of project proposals
Administrative compliance and eligibility check	3 months after the deadline for submission of project proposals
Technical and quality assessment	3 months after completion of the Administrative compliance and eligibility check
Pre-contracting procedures	2 months after the JMC decision for approval of the results from the Technical and quality assessment
Contracting	2 months after completion of the Pre-contracting procedures

⚡ IMPORTANT

Please, be informed that the pointed terms are only indicative and may vary depending on the number of the received project proposals.

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GLOSSARY OF TERMS

Applicant	Any legal entity meeting the eligible criteria which submits an application to be financed by the Programme
Beneficiary	Any applicant whose application has been approved for financing
Eligible expenditure	The expenditures are generally eligible if they comply with the specific requirement of the Programme, the principles of efficient financial management and, if applicable, with the relevant rules for public procurement
Eligible area/region	The border area of Bulgaria comprises the following districts: Vidin, Montana, Vratsa, Sofia district, Pernik and Kyustendil. The border area of Serbia comprises the following districts: Bor, Zaječar, Toplica, Nišava, Pirot, Jablanica and Pčinja.
Lead Partner	An applicant designated by the partners involved in a project responsible for coordinating the process of development, submission and implementation of that specific project
Managing Authority	The structure responsible for managing the Programme is the Territorial Cooperation Management Directorate at the Ministry of Regional Development and Public Works (Republic of Bulgaria).
National Authority	Ministry of European Integration of Republic of Serbia - the counterpart of the Managing Authority in the partner state (Republic of Serbia)
Priority Axis	A strategic priority within the operational Programme, including a group of interconnected specific objectives.
Partner	Any applicant involved in a project
Project	The operation for which funding is being sought under the Programme, expressed in the application form and its annexes.

Glossary of Acronyms

AA	Audit Authority
AF	Application Form
AWG	Assessment Working Group
CA	Certifying Authority
CBC	Cross-border Cooperation
EC	European Commission
ERDF	European Regional Development Fund
EU	European Union
EUSDR	EU Strategy for the Danube Region

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GD	Government Decision
ICT	Information and Communication Technology
IPA	Instrument for pre-accession assistance
IT	Information Technology
JMC	Joint Monitoring Committee
JS	Joint Secretariat
MA	Managing Authority
MF	Ministry of Finance (Republic of Bulgaria)
MIS	Management Information System
Mol	Memorandum on Implementation
MS	Member State
NA	National Authority
NGO	Non Governmental Organization
NUTS	Nomenclature of Territorial Units for Statistics
PRAG	Practical Guide for Procurement and Grants for European Union External Actions
SEA	Strategic Environmental Assessment
SMEs	Small and Medium sized Enterprises
TA	Technical Assistance
VAT	Value Added Tax