

APPLICANT'S GUIDE

BULGARIA - SERBIA IPA CROSS-BORDER PROGRAMME

Call for proposals No: 2007CB16IPO006 – 2009 - 1

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Legal basis

In the elaboration of this guide the following legal provisions have been observed:

- Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)
- Commission Regulation (EC) No 718/2007 of 12 June 2007 [OJ L 170 from 29.06.2007] implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA), (hereinafter IPA IR)
- Bulgaria – Serbia IPA Cross Border Programme, approved by the European Commission on 25.03.2008 with programme reference number C (2008) 1058
- Other relevant national and European legislation.

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

Explanation of text-box

Across all the following pages you will find a highlighted text boxes. Please see below a general explanation:

📌 IMPORTANT - highlights the most important elements to be taken into account when preparing a project

1 General Information

This application guide aims to provide practical information for project applicants to the Bulgaria – Serbia IPA Cross Border Programme.

It is the most practical level of documentation needed for the successful submission of a project under this programme. This guide provides information on how to fill in the application, budget and related forms, the support measures

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Please note that this is not a PHARE/CARDS programme. Therefore please read carefully this Guide in order to avoid confusion!

1.1 Overview of Bulgaria – Serbia IPA Cross Border Programme

This programme is financed by the European Union through the IPA Fund and co-financed by Bulgaria and Serbia through contributions from state budgets (for the TA component) and if applicable - from project beneficiaries.

The programming document drafted jointly by the two countries through a large partnership with national, regional and local stakeholders was approved by the European Commission on 25 March 2008 (Decision no. 1058). It sets out the general framework of intervention of IPA in the Programme cross-border area.

The programme continues the evolution of the EU's cross-border initiatives, reflected in Neighbourhood Programme from 2004 to 2006.

More detailed information on types of projects, eligible activities and beneficiaries, the budget breakdown per priority axes and key areas of intervention are given below.

The programming document is available on www.bgregio.eu, www.evropa.gov.rs and www.ipacbc-bgrs.eu

1.1.1 Eligible Cross-border Area

The eligible border area for the Bulgaria - Serbia IPA Cross-border Programme covers a territory of 39 434 sq. km. (20 525 sq. km Bulgarian part and 18 909 sq. km Serbian part). 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, 315 of which land border and respectively 26 km border on river Timok. There are 5 border checkpoints operating alongside the border.

The common Bulgarian-Serbian border area includes 12 administrative units: **6 districts in Bulgaria**, which correspond to NUTS level III (EUROSTAT) in accordance with the requirements of the EC Regulation 1059/2003 on NUTS classification and in line with the EC draft Guidance Note of January 2004, and the equivalent NUTS III **6 districts in Serbia**:

Table 1: Eligible NUTS III and NUTS IV

Bulgaria – NUTSIII level	Serbia – NUTSIII equivalent
Vidin District: 11 municipalities: <i>Belogradchik, Boynitsa, Bregovo, Vidin, Gramada,</i>	Bor District: 4 municipalities: <i>Bor, Kladovo, Majdanpek, Negotin</i>

<i>Dimovo, Kula, Makresh, Novo Selo, Ruzhintsi, Chuprene</i>	
Montana District: 11 municipalities: <i>Berkovitsa, Boychinovtsi, Brusartsi, Valchedram, Varshets, Georgi Damyanovo, Lom, Medkovets, Montana, Chiprovtsi, Yakimovo</i>	Zaječar District: 4 municipalities: <i>Boljevac, Zaječar, Knjaževac, Sokobanja</i>
Sofia District 22 municipalities: <i>Anton, Bojurishte, Botevgrad, Chavdar, Chelopech, Dolna banya, Dragoman, Elin Pelin, Etropole, Godech, Gorna Malina, Ihtiman, Koprivshitsa, Kostenets, Kostinbrod, Mirkovo, Pirdop, Pravets, Samokov, Slivnitsa, Svoje, Zlatitsa</i>	Nišava District: 11 municipalities: <i>City of Niš (Municipalities: Pantelej, Medijana, Crveni Krst, Palilula and Niška Banja), Aleksinac, Gadžin Han, Doljevac, Merošina, Ražanj,, Svrlijig</i>
Pernik District: 6 municipalities: <i>Breznik, Zemen, Kovachevtsi, Pernik, Radomir, Tran</i>	Pirot District: 4 municipalities: <i>Babušnica, Bela Palanka, Dimitrovgrad, Pirot</i>
Kyustendil District: 9 municipalities: <i>Bobovdol, Boboshevo, Kocherinovo, Kyustendil, Nevestino, Rila, Sapareva Banya, Dupnitsa, Treklyano</i>	Jablanica District: 6 municipalities: <i>Bojnik, Vlasotince, Lebane, Leskovac, Medveđa, Crna Trava</i>
Sofia-city District <i>1 municipality: Sofia city*</i> <i>* Please note that Sofia City District is an Adjacent Area as described below. Not more than 20% of the funding for any Priority axis can be spent in this adjacent area</i>	Pčinja District: 7 municipalities: <i>Bosilegrad, Bujanovac, Vladičin Han, Vranje, Preševo, Surdulica, Trgovište</i>

The eligible area of the Bulgaria - Serbia IPA Cross-border Programme is illustrated on the map below:



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In duly justified cases, Community funding may finance expenditure incurred in implementing operations or parts of operations up to a limit of 20% of the amount of the Community contribution to the cross-border programme in NUTS level 3 regions or, in the absence of NUTS classification, equivalent areas, adjacent to the eligible areas for that programme. In exceptional cases as agreed between the Commission and the participating countries, this flexibility may be extended to the NUTS level 2 regions or, in the absence of NUTS classification, equivalent areas in

which the eligible areas are located. At project level, in exceptional cases, expenditure incurred outside the programme area as defined in the first subparagraph may be eligible, if the project could only achieve its objectives with that expenditure.

The district of Sofia-city defined as adjacent area should implement operations up to 20 % of the amount of the Community and national contribution.

1.1.2 Programme Strategy

IPA replaces the five previously existing pre-accession instruments, PHARE, ISPA, SAPARD, Turkey instrument, and CARDS, thus uniting under a single legal basis all pre accession assistance. IPA has also been designed to better adapt to the different objectives and progresses of each beneficiary concerned, thus providing a targeted and effective support according to their needs and evolution.

Border regions are often facing disadvantages due to their peripheral geographical locations and relative isolation from national economies. At the same time the development of the internal market within the Union (and the free movement of people, goods, services and capital) also brought out the need for the balanced development and integration of the European territory.

The aim of this Programme is to promote stronger integration of the territory thus providing a balanced and sustainable development throughout the entire cross-border region. According to IPA Regulations this Strategy aims promoting good neighbourly relations fostering stability, security and prosperity in the mutual interest of both countries, encouraging their harmonious, balanced and sustainable development. The Strategy is elaborated according to the new single instrument principals thus giving the possibility for further development and creation of effective partnerships in order to facilitate the sustainability of the cross-border region.

The programme strategy objectives fit within the framework of the Community Strategic Guidelines on Cohesion, the Lisbon agenda and the sustainability principles expressed in the Göteborg Council Conclusions. The main purpose of the interventions to be funded by the programme in the CBC area is to support activities for economic and social development, by investing in the necessary small-scale infrastructures, human potential and supporting favourable business environment and social inclusion. The main resources used to develop the strategy were the following:

- EU guidelines and Regulations on IPA; Community Strategic guidelines on cohesion;
- The socio-economic analysis and the SWOT analysis of the eligible border region;
- Correspondence with EU Programmes, National / regional programmes and strategies on both sides of the border;
- Experiences from the previous PHARE and CARDS programmes for the 1999-2006 period;
- The conclusions of the discussions of programming bodies, responsible authorities, experts and key persons at the regional / local level.

The Programme strategy is developed by the use of the potential opportunities of the region through the defined priorities and spheres of intervention taking into account the great variety of cross-border needs and possibilities for cooperation. In addition the programme aims to reduce the common threats from natural disasters and pollution for the region.

1.1.3 Programme objectives

The strategy, therefore, sets out to address the specific needs of the border area both in the short and longer term, and supports the following **overall strategic goal**:

To strengthen territorial cohesion of the Bulgarian–Serbian cross-border region, its competitiveness and sustainability of its development through co-operation in the economic, social and environmental area over the administrative borders

The above overall aim of the programme, together with the core elements of the strategy derived from the SWOT analysis, have together led to the formulation of the following **specific objectives of the IPA CBC Programme**, which should be taken into account when preparing a project:

Specific objective No. 1: To bolster the infrastructure enabling social and economic development and improvement of the environment on both sides of the border through improving access to transport, information and communication services, and through improving the cross-border systems for utilities and environmental protection.

Specific objective No. 2: To increase economic synergy in the region and improve the capacity to jointly make use of common regional potential for improving regional well being, through developing policy and social networks, a sound framework for (cross-border) business support, collaborations in particular sectors such as culture, tourism, research and development, environmental protection and education, an active exchange of best practices, and joint regional planning and the preparation of the region's economic sector for participation in the joint EU market.

Specific objective No. 3: To promote the principles of sustainable development of the cross-border region in all matters pertaining to increased mutual understanding and respect, through developing successful models of cooperation, on the business, local stakeholder and policy levels in key priority areas.

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For further details on programme strategy please refer to the programming document.

1.1.4 Programme Priority Axes

In order to achieve the objectives set out in the programming 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: Development of small-scale infrastructure;***
- ***Priority Axis 2: Enhancing capacity for joint planning, problem solving and development;***
- ***Priority Axis 3: Technical Assistance.***

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The first two Priority Axes finance projects submitted by applicants. The third Priority Axis is dedicated to ensuring the proper functioning of the programme management and implementation bodies.

The priority axes are broken down into key areas of intervention as follows:

Priority Axis 1: Development of small-scale infrastructure

- 1.1 Physical and information infrastructure
- 1.2 Infrastructure concerning environmental issues
- 1.3 Assistance for project preparation

Priority axis 2: Enhancing capacity for joint planning, problem solving and development;

- 2.1 Links and networking on institutional, business and educational levels
- 2.2 Sustainable development through efficient utilization of regional resources
- 2.3 People to people actions

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For further details on programme priority axes and key areas of intervention please refer to the programming document.

1.2 Programme Implementation Structures

According to the IPA Regulations, the two partner countries have established the following main management and implementation bodies.

Managing Authority - the Bulgarian Ministry of Regional Development and Public Works – both countries have agreed that the responsibility of a Single Managing Authority (MA) will be given to the Directorate General Programming of Regional Development at Ministry of Regional Development and Public Works of the Republic of Bulgaria. The Managing Authority is responsible for managing and implementing the cross-border programme in accordance with the principle of sound financial management.

National Authority - The Sector for Programming and Management of EU funds and Development Assistance at the **Ministry of Finance of Republic of Serbia**.

Joint Monitoring Committee (JMC) is formed of representatives at national, regional and local level from both countries, supervises the programme and is responsible for its strategic adaptation. The JMC approves the Applicant's Package, including the project evaluation and selection criteria.

Joint Technical Secretariat (JTS) (main office) is based in Sofia (Bulgaria). It assists the programme management bodies in carrying out their respective duties and is the main contact point between the programme and the potential beneficiaries/project partners.

Joint Technical Secretariat (JTS branch/antennae) is based in Niš (Serbia) as part of the JTS, having as main role to serve as local Contact point for potential beneficiaries/project partners.

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For further details on programme management and implementation structure please refer to the programming document.

1.3 Programme Financial Allocation

The total budget of the programme for the 2007-2009 programming period is **13 589 746 Euro**, of which **11 551 284 Euro** is represented by EU contribution. The remaining **2 038 462 Euro** are national contributions.

Please note that the programme financial allocation is not broken down by state or NUTS III eligible region.

1.3.1 Financial allocation for the first call for proposals

The total amount allocated for this call for proposals (2007 and 2008 allocation) for the two priority axes is broken down as follows:

Priority Axis	Community Funding	National funding*	Total funding
	(a)	(b)	(a)+(b)
Priority Axis 1	3760400	663600	4424000
Priority Axis 2	2392982	422291	2815273
Total	6153381	1085891	7239272

Euro

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

1.4 State Aid

Considering the activities financed under the current call, activities for which the beneficiaries do not act as economic operators and for which there are no considerations to assume that the competition will be distorted, **the projects shall not be subject to state aid.**

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

- When the beneficiaries of the project sub-contract the activities in order to achieve the goals of the operation, the contracting must be done by a transparent tendering procedure, following the PRAG.
- The project must not create an economic advantage to an economic operator.
- All studies or other project results shall be made available for free to all interested individual or legal persons, in a non-discriminatory way.

Making the studies available only for certain individual or legal persons is strictly forbidden!

1.5 Revenue Generating Projects

No revenue generating projects shall be financed under the present call for proposals.

2 Rules of the call for proposals

2.1 General Information

Cooperation criteria

The projects must have direct CBC impact, which shall be understood in terms of respecting at least one of the following conditions as described below: joint development, joint staffing, joint implementation and joint financing.

Joint development – means that the project must be designed in close cooperation of the partners from both side of the border. This means that project proposals must clearly integrate the ideas, priorities and activities of stakeholders. The Lead Partner is the coordinator of this process but should include other partners from the beginning of the development process;

Joint implementation – means that activities must be carried out and coordinated among 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 the project should not duplicate functions. Therefore, regardless of where the body is located, there should be a joint project management. The staff will be responsible for project activities on both sides of the border;

Joint financing – means that there will be only one contract per project and there must therefore be one joint project budget. The budget should be divided between partners according to the activities carried out. There is only one project bank account for the EU and national contribution (held by the Lead Partner). The Lead Partner is responsible for administration and distribution of funds and for reporting on their use.

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Projects covering more than one of the above conditions will be evaluated more favourably.

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Number of project proposals per institution/organization:

Under the current call for proposals an institution/organization may submit only one project proposal as a Lead Partner. In case an institution/organization has submitted more than one project proposal as a Lead Partner, all submitted proposals will be eliminated at the administrative stage.

An institution/organization may, however, be involved in other projects but only as a Project Partner.

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One project proposal must cover only one Key Area of Intervention. This is obligatory condition. Combination of activities from different Key Areas of Intervention is forbidden and will lead to direct elimination.

Applicable law

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When the beneficiaries of the project sub-contract the activities in order to achieve the goals of the operation, the sub-contracting must be done by a transparent tendering procedure, following the provision of EU Regulation 718/2007, article 121, translated into Practical Guide to Contract Procedures for EC external actions.

The projects must be in line with the national and European legislation on equal opportunities and environmental protection. The project must also respect the European legislation provisions on information and publicity.

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The project must include activities for information and publicity, according to the European Commission Regulations and observing the Visual Identity Manual (available at http://ec.europa.eu/europeaid/work/visibility/index_en.htm).

The financing under the current Programme shall be made available to potential beneficiaries through a competitive process. The Managing Authority together with the National Authority and the Joint Technical Secretariat are launching the present call for proposals. The deadline for submission of applications is given in section 5.

The present call for proposal has the goal of establishing solid partnerships in the eligible area by financing "soft" projects (as studies, strategies, seminars, know-how exchanges etc.) and "investment projects" (as works activities, supply etc.).

For each project, a **Lead Partner (LP)** among the project partners **must** be appointed. The Lead Partner shall be a natural or legal person **in the eligible border region of the Programme** and shall assume the following responsibilities:

- lays down the arrangements for its relations with the final beneficiaries 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;
- is responsible for ensuring the implementation of the entire operation;
- is responsible for transferring the relevant budget amount to the partners participating in the operation according to the partnership agreement and certified costs;
- ensures 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;
- verifies that the expenditure presented by the final beneficiaries participating in the operation which are natural or legal person in the participating countries has been validated by the controllers referred to in Article 108 of Commission Regulation (EC) No.718/2007 of 12 June 2007;
- collects the information from the project partners, cross-checks the verified activities with the progress of the project and submits the reports to the JTS;
- signs the agreement for implementation of the operation with MA;
- informs MA about necessity of project modifications;

The tasks of the Lead Partner are provided in the subsidy contract (Annex C) and in the partnership agreement template (Annex A3) as well.

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

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

All organizations participating, under this Call for Proposals, are called partners. The partners shall select one, from among themselves, to be the Lead Partner. All partners are also known as applicants.

The submission of projects is open to all potential beneficiaries that meet the eligibility criteria set below.

2.2 Eligibility Criteria

In order to be eligible for funding under the Programme, a project should meet three types of criteria: eligibility of applicants, eligibility of activities and eligibility of expenditures.

2.2.1 Eligibility of applicants

(1) All partners involved must fulfil the following criteria:

- be legally established organizations (legal persons) **and**
 - be established within the eligible cross border region between Bulgaria and Serbia **and**
 - be non profit making **and**
 - belong to the one of the following categories:
 - be local/regional/national authorities or subsidiary structure(s) of local/regional/national authorities. In case a local/regional/national structure **is not and can not act as a legal entity**, its legally established central organization, if such exists, shall be the project partner
 - be national and regional agencies (responsible at central, regional and municipal level)
 - be nature park administrations
 - be local/regional forestry directorates
 - be health care institutions
 - be cultural institutions
 - be community centres
 - be regional employment agencies
 - be non-governmental (NGO) or non-profit (NPO) organizations¹ such as business support organizations, local enterprise agencies, development agencies, Chambers of Commerce (CoCs), Information and Communication Technology (ICT) development agencies, educational, training and Research and Development (R&D) institutions, employers and producer associations, trade unions; other state and public agencies and associations
 - be educational institutions such as universities, schools, colleges and libraries
 - be Euro regions
- or any association of two or more of the above

¹ Profit is defined as:

-The making of gain in business activity for the benefit of owners of the business;

- in the case of a grant for an action, profit is a surplus of receipts over the costs incurred by the beneficiary when the request is made for final payment;

- Lump-sums and flat-rate financing should be established in such a way as to exclude a priori a profit.

and

- be directly responsible for the preparation and management of the action with their partners, not acting as an intermediary **and**
- not have a conflict of interest with the Joint Structures of the Programme (Managing Authority (MA), National Authority (NA), Certifying Authority (CA), Audit Authority(AA), Joint Monitoring Committee (JMC) and Joint technical Secretariat (JTS)). Should a conflict of interest arise during the performance of the contract, the beneficiary must immediately inform the Managing Authority (MA);

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Lead partner must be registered within eligible border region between Bulgaria and Serbia at least 12 months before the deadline for submission of project proposals under current Call for Proposals. In case when local/regional/national authorities/bodies situated in the eligible area is not and can not be a legal person/entity, its legally established central organization shall apply as Lead partner.

The maximum number of partners in a project will be ten (10), including the Lead Partner!

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All partners in a project must sign a draft partnership agreement with the Lead Partner that stipulates their rights and duties. Partnership agreement should be signed and annexed to the application form. A partnership agreement template is annexed to the present Guide (Annex A3). The partners may decide to stipulate additional or more restrictive provisions from those mentioned in the partnership agreement template.

All partners must have clear roles in project development and implementation. If there are no changes in the approved application the draft agreement to be considered as final.

(2) Potential applicants are not eligible to participate in calls for proposals if:

- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation, arising from a similar procedure provided for in the national legislation or EU regulations;
- (b) they have been convicted of an offence concerning professional conduct by a judgment which has the force of *res judicata* (i.e., against which no appeal is possible);
- (c) they are guilty of serious professional misconduct proven by any means;
- (d) they have not fulfilled obligations relating to the payment of debts to the consolidated state budget;
- (e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the Communities or national financial interests;
- (f) they have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the Community or national budget.

Applicants are also excluded from participation in calls for proposals or the award of financial support if, at the time of the call for proposals, they:

- (g) are subject to a 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 connections.
- (h) are guilty of misrepresentation in supplying the information required by the Managing Authority/ Joint Technical Secretariat as a condition of participation in the call for proposals or fail to supply this information;
 - (i) have attempted to obtain confidential information or influence the evaluation bodies during the evaluation process of current or previous calls for proposals;

In the cases referred to in points (a), (c), (d), (f), (h) and (i) above, the exclusion applies for a period of two years from the time when the infringement is established. In the cases referred to in points (b) and (e), the exclusion applies for a period of four years from the date of notification of the judgment.

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The Lead Partner (LP) on behalf of all partners, must sign a "Declaration of Eligibility" (Annex A4 to the application form), declaring that all project partners, including the Lead Partner, do not fall into any of the above categories (a) to (i).

(3) The applicants must prove their financial and administrative capacity to manage their share of the project, namely:

They must have the capacity to ensure their own contribution and the financing for non-eligible expenditures of the project; they must also have the capacity to ensure the temporary availability of funds until they are reimbursed by the programme. **The own contribution represents the share of the total eligible expenditure** that will be supported by the beneficiaries of the project;

- a) the value of the own contribution of the applicant and the list of eligible expenditures must be followed when completing the budget of the project (AF – part 3 to the present Guide). Any non-eligible expenditure and any additional expenditure that may incurred in the implementation period of the project, shall also be financed by the applicants.
- b) the applicant must have stable and sufficient sources of finance to ensure the continuity of the operation of their organization throughout the project and, if necessary, to play a part in financing it;
- c) the applicant must be experienced and able to demonstrate their capacity to manage their share of activities of the project for which the subsidy is requested;

The applicants shall annex if applicable a Decision of Local Council/ Board of Directors or any similar body governing them regarding the project development and the coverage of expenditures related to it.

⚡ IMPORTANT

The applicants should:

- **ensure temporary availability of funds from their own/third party sources until they are reimbursed by the programme;**
- **undertake the expenses for all non-eligible expenditures.**

The Managing Authority may require additional documentary evidence and argumentations regarding financial capacity.

⚡ IMPORTANT

Political parties/organizations and profit making organizations are not eligible - either as applicant or as partners.

2.2.2 Eligibility of Activities

Definition: An action (or project) is composed of a set of activities.

The project must be in line with the indicative operations from the key area of intervention under each priority axis as stipulated in the Bulgaria – Serbia IPA Cross-Border Programme and listed below.

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

- **Investment support projects;**
- **Institutional Building (IB) support projects;**
- **Project preparation facilities projects;**
- **People to people projects.**

No "two-phase" (two-component) projects will be allowed (project design component/phase and works/construction component/phase).

Duration: The planned duration of an action may not be lower than 6 months nor exceed 12/24 months.

Projects duration and budget limits:

Priority axis	Area of intervention	Type of measure	Amount of obligatory activities (€)*	Project Duration (months)**
Priority Axis 1 Development of small-scale infrastructure	1.1 Physical and information infrastructure	Investment support measures	200 000-600 000	6-24
	1.2 Infrastructure concerning environmental issues	Investment support measures	200 000-600 000	6-24
	1.3 Assistance for project preparation	IB support measures	10 000 – 50 000	6-12
Priority Axis 2 Enhancing capacity for joint planning, problem solving and development	2.1 Links and networking on institutional, business and educational levels	IB support measures	10 000-200 000	6-12
	2.2 Sustainable development through efficient utilization of regional resources	IB support measures	10 000-200 000	6-12
	2.3. People to people actions	IB support measures	10 000-100 000	6-12

* Obligatory activities include a) for Bulgarian bodies: 85% EU contribution + 15% national co-financing AND b) for Serbian bodies: 85% EU contribution + 15% 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 an supplement to the OBLIGATORY own co-financing of 15% of the activity. There are no limits for the amount of the additional own co-financing.

** In the case of Investment project, which include associate soft measures, the investment component should **not exceed 18 months**.

Location: **Actions must take place in one or both following countries: Republic of Bulgaria and Republic of Serbia within the eligible region listed below**

For Republic of Bulgaria the following regions and municipalities are eligible:

Vidin District:

11 municipalities: Belogradchik, Boynitsa, Bregovo, Vidin, Gramada, Dimovo, Kula, Makresh, Novo Selo, Ruzhintsi, Chuprene

Montana District:

11 municipalities: Berkovitsa, Boychinovtsi, Brusartsi, Valchedram, Varshets, Georgi Damyanovo, Lom, Medkovets, Montana, Chiprovtsi, Yakimovo

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, Svoige, Zlatitsa

Pernik District:

6 municipalities: Breznik, Zemen, Kovachevtsi, Pernik, Radomir, Tran

Kyustendil District:

9 municipalities: Bobovdol, Boboshevo, Kocherinovo, Kyustendil, Nevestino, Rila, Sapareva Banya, Dupnitsa, Treklyano

Sofia-city District (adjacent area)

1 municipality: Sofia city

For Republic of Serbia the following regions and municipalities are eligible:

Bor District:

4 municipalities: Bor, Kladovo, Majdanpek, Negotin

Zaječar District:

4 municipalities: Boljevac, Zaječar, Knjaževac, Sokobanja

Nišava District:

11 municipalities: City of Niš (Municipalities: Pantelej, Medijana, Crveni Krst, Palilula and Niška Banja), Aleksinac, Gadžin Han, Doljevac, Merošina, Ražanj,, Svrlijig

Pirot District:

4 municipalities: Babušnica, Bela Palanka, Dimitrovgrad, Pirot

Jablanica District:

6 municipalities: Bojnik, Vlasotince, Lebane, Leskovac, Medveđa, Crna Trava

Pčinja District:

7 municipalities: Bosilegrad, Bujanovac, Vladičin Han, Vranje, Preševo, Surdulica, Trgovište

📌 IMPORTANT

In case the project envisaged implementation of activities in the adjacent area, a strong justification has to be provided.

Indicative operation: The types of activities financed under each Priority axis, Key areas of Intervention and Indicative operations are described below:

Priority Axis 1 – Development of small-scale infrastructure

The objective of the priority axis is the development of steadfast partnership cooperation within the area of improvement of the condition of cross border infrastructure, oriented towards spatial integration, better quality of the environment and accessibility, more favorable business environment for new business activities and attractiveness for inhabitants and investors

Key Area of Intervention 1 – Physical and information infrastructure**📌 IMPORTANT**

Under this intervention mainly investment support activities are eligible for financing. Expenditures for investment support activities must form at least 70 % of total eligible costs.

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

- Small-scale transport infrastructure construction providing regional accessibility;
- Creation and/or development of infrastructure focused on tourism based on the opportunities for sustainable use of regional resources (historical, cultural, natural etc.);

- Information infrastructure for joint utilization of resources, providing internet access infrastructure to schools, libraries and community centers, businesses, business-related infrastructure etc.;
- Establishment and/or development of social infrastructure in areas such as education, health-care, child-care and other issues;
- Establishment and/or development of infrastructure for information network concerning e-services (e-health, e-learning, e-government etc);
- Joint investments in low-cost ICT infrastructure;
- Reconstruction and partial new construction of business and innovation facilities.
- Establishment of centres for exchange of information on cross-border economic cooperation;
- Re- vitalization of public facilities in the locations (e.g. bus stops, parking places, pavements, lightning, and green areas);
- Renovation and establishment of communication networks;
- *Purchase of IT equipment* necessary for establishment of business networks, databases and virtual business support centres;
- Supply of specialized equipment
- Reconstruction works
- Works supervision services (related to the construction works);

📌 IMPORTANT

All envisaged investment activities have to be supported with detailed works design (where applicable according to the relevant legislation). Two-phase projects are not eligible.

All investment activities should be implemented on a public municipal or public state-owned property.

All the investment proposals should have positive environmental impact assessment (EIA), if for such kind of activities an EIA is required by the national legislation. Make sure that all investments (e.g. infrastructure works) be carried out in compliance with the relevant Community environmental legislation. The procedures for Environmental Impact Assessment (EIA) as set down in the EIA-directive² fully apply to all investment projects under IPA. If the EIA-directive has not yet been fully transposed, the procedures should be similar to the ones established in the above-mentioned directive. If a project is likely to affect sites of nature conservation importance, an appropriate nature conservation assessment shall be made, equivalent to that provided for in Article 6 of the Habitats Directive³.

² Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment (OJ L 175, 5.7.1985, p. 40. Directive as last amended by Directive 2003/35/EC, OJ L 156, 25.6.2003, p. 17.

³ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L206, 22.7.1992). Directive as last amended by Regulation (EC) No 1882/2003 (OJ L284, 31.10.2003, p. 1)

Potential applicants must fulfill the eligibility criteria laid down within 2.2. Eligibility Criteria.

Key Area of Intervention 2 – Infrastructure concerning environmental issues

📌 IMPORTANT

Under this intervention mainly investment support activities are eligible for financing. Expenditures for investment support activities must form at least 70 % of total eligible costs.

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

- Improvement/construction of small-scale infrastructural projects associated with natural sites;
- Development of sustainable nature-friendly organic farming, fishery, agriculture and fruit-culture, including cultivation and production of herbs, nuts, medical plants, aromatic species, vegetables, honey products, animal products, mushroom-growing, wild berries, tree-nursery, etc;
- Preparation or reconstruction of farms for adoption of (or conversion to) of technologies for organic aquaculture, farming and stock breeding;
- Small scale investment measures aimed at improving or rehabilitating water wells/springs/ponds and surrounding areas, soil eroded and wet areas;
- Projects concerning waste management and waste-water treatment infrastructure;
- Construction and/or improvement of small-scale infrastructure for pollution prevention and flood control;
- Small-scale renewable energy projects;
- Establishment and/or improvement of information exchange infrastructure in cases of emergency;
- Improvement and/or construction of infrastructure in nature-protected areas (facilities for visitors);
- Investments for reduction of negative effects of economic activities on the environment and supporting environmentally friendly economic activities
- Small scale investment measures aimed at removing the technical barriers through improvement of infrastructure for agriculture/organic waste disposal, herbicides disposal, anaerobic digestion and biogas production, pasture management, agricultural waste water treatment, etc.;
- Investment in specialized equipment and technologies related to the nature protection which are necessary for the implementation of activities under this component;
- Activities for permanent elimination of the negative effect of flooding – cleaning of rivers beds, flood relief works, renewal/rehabilitation of water control and water redirection structures such as: protective walls, embankments, dikes, piers, rehabilitation and construction of drainage facilities and infrastructures, etc;
- Activities in the sphere of operational control of the negative effect of flood constructing small scale hydro-technical infrastructures and other activities for improvement of the cross border flood water management;
- Reinforcement of river cross-sections for the purposes of water monitoring;
- Prevention, restoration and conservation of important areas, species and habitats (remediation of impacted areas, including areas destroyed by fires, replanting, wetland restoration, revitalization of populations of endemic species, enrichment planting, etc.).
- Re/Construction or rehabilitation of a modern tourism infrastructure – camping sites and associated facilities located adjacent to areas of high natural value; systems of walking paths, hiking, riding trails; creation of zones and facilities for rock climbing, water sports; creation and equipment of rest places, fire safe picnic places and the related supervision of these sites;

- Creation of better infrastructure for tourist visits, including facilities for disabled tourists (improvement of access and utilities) to natural phenomenon, cultural sightseeing, etc: e.g. stairs, lighting, water supply and sewerage, electricity, heating and ventilation; installation of signs, ramps, toilets for disabled tourists, small waste collection facilities, etc.
- Creation of information boards, pointers, map schemes etc; construction and renovation of hiking trails, eco-paths, trail marking, interpretation/directional boards, according to the established nomenclature, maps and written guides;
- Works to improve road access to sights and objects for rural tourism – car-parks, re/construction of roads, recreation zones, etc and related supervision (as per the requirements of applicable National legislation);
- Re/Construction/refurbishment of buildings, 'nature based' interpretation / education / visitor centres (these are centres which perform activities aimed at attracting the tourists closer to nature);
- Procurement of equipment and materials – for interpretation, education, visitor or other centres; creation of information systems in tourism information centres, equipment for cultural events, systems for monitoring of dampness and temperature, security systems, etc;
- Creation and equipment of animal-watching places; bird watchers' and photo-hunters' platforms, wild birds'/animals' feeding places made of aesthetically/environmentally appropriate materials; 'Green' and 'theme' eco-paths (ornithological, botanical); educational/scientific itineraries;
- Construction of cycling trails in suitable locations (due to the environmental problems created by off road biking activities, areas and routes liable to erosion should not be developed for this purpose);
- Works to improve road access to sights and objects for eco-tourism – car-parks, re/construction of roads, recreation zones, etc. and related supervision (as per the requirements of applicable National legislation);
- Works supervision services (related to the construction works);

🔔 IMPORTANT

All envisaged investment activities have to be supported with detailed works design (where applicable according to the relevant legislation). Two-phase projects are not eligible.

All investment activities should be implemented on a public municipal or public state-owned property.

All the investment proposals should have positive environmental impact assessment (EIA), if for such kind of activities an EIA is required by the national legislation. All the investment proposals should have positive environmental impact assessment (EIA), if for such kind of activities an EIA is required by the national legislation. Make sure that all investments (e.g. infrastructure works) be carried out in compliance with the relevant Community environmental legislation. The procedures for Environmental Impact Assessment (EIA) as set down in the EIA-directive⁴ fully apply to all investment projects under IPA. If the EIA-directive has not yet been fully transposed, the procedures should be similar to the ones established in the above-mentioned directive. If a project is likely to affect sites of

⁴ Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment (OJ L 175, 5.7.1985, p. 40. Directive as last amended by Directive 2003/35/EC, OJ L 156, 25.6.2003, p. 17.

nature conservation importance, an appropriate nature conservation assessment shall be made, equivalent to that provided for in Article 6 of the Habitats Directive⁵.

Potential applicants must fulfill the eligibility criteria laid down within 2.2. Eligibility Criteria.

Key Area of Intervention 3 – Assistance for project preparation

Indicative operations

(1) "Soft" measures

Under this indicative operation, the following activities are eligible:

- Pre-feasibility and feasibility studies
- Economic and technical feasibility studies
- Cost-benefit analyses
- Financial and cash-flow plans
- Marketing studies
- Background studies and rules for the preparation of aid schemes and financial support tools
- Environmental Impact Assessments
- Technical Studies
- Detailed project designs
- Architectural and engineering designs
- Preparation of tendering (public procurement) documents and bills of quantities
- Joint cross-border studies for improvement of accessibility;

The objective of this sphere of intervention is to prepare mature project for application under other EU and national financial sources.

📌 IMPORTANT

Eligible costs cover only expenditures for preparation of feasibility studies, analyses and other related services. No costs for investment are eligible under current intervention 3.

Potential applicants must fulfill the eligibility criteria laid down within 2.2. Eligibility Criteria.

Priority Axis 2 – Enhancing capacity for joint planning, problem solving and development

The objective of this priority axis is to improve the capacity of the region to deal with regional issues as: identification of problems and tracks for solutions, partnership establishment, strengthening of institutional and business structures to respond to market requirements, establishment of models for cooperation based on best practices and common needs.

This priority axis focuses on improving business, stakeholder and institutional links in both quantity and quality dimensions with the aims of improving the ability of regional stakeholders to jointly address common issues.

⁵ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L206, 22.7.1992). Directive as last amended by Regulation (EC) No 1882/2003 (OJ L284, 31.10.2003, p. 1)

Key Area of Intervention 1 – Links and networking on institutional, business and educational levels

🔔 IMPORTANT

Under this intervention only institutional building (IB) support activities are eligible for financing. In case expenditures for investment support activities are envisaged (only supply), such expenditure must not exceed 20 % of total eligible costs.

🔔 IMPORTANT

Eligible expenditures for investment activities must cover only purchase of small equipment items and small supplies, if these form an integral part of the project. In addition either PCs or laptops can be procured under supplies, while the procurement of laptops should be properly justified for the purpose of the specific activity and will be eligible only if such have not already been procured under other PHARE/CARDS – funded projects. However these costs must not exceed 20% of the total eligible costs.

Under this operation, the following **institutional building (IB) support activities** are eligible (indicative only!):

- Establishment and/or promotion of institutional, business and educational networking;
- Support for joint databases and information provision in order to promote movement of people and services;
- Promotion of joint management plans/strategies/researches/studies for environmental protection;
- Activating institutional capacity for joint planning and training etc.;
- Joint planning in education and labour market policy;
- Facilitation of social inclusion
- Establishment of cooperation between educational institutions, referent institutions and the market;
- Closer connection between education and business;
- Development of training, best practices transfer, scientific exchange and educational facilities for knowledge based economy;
- Promotion of networking opportunities on both sides of the border etc.
- *Cross-border initiatives for the promotion of entrepreneurial collaborations:* training programmes, development of support schemes and establishment of economic networks;
- *Cross-border awareness raising activities on acquis compliance for SMEs:* seminars, training courses, information campaigns, joint development of guides and other publications, assessments and other types of co-operation in the field.
- *Establishment of co-operation structures* for providing joint cross border services to business and especially SME's
- *Support for the setting up of the joint ventures,* co-operatives or consortia for joint manufacturing or provision of tourist services – preparation of business and marketing plans, market studies, market and PR campaigns, direct export sales and marketing, etc.;
- *Information services* for entrepreneurs active in the border region: creation of databases, joint business directories, Internet platforms, various Internet-based informational resources, etc.

- Preparation of *joint research studies* for market opportunities;
- *Joint activities for business-support of cross-border business activities*: establishment of centres to support cross-border business initiatives, development of joint marketing and promotion services, use of IT for promoting cross-border cooperation between companies, establishment of data bases for regional stakeholders, joint initiatives for attracting direct investment in the cross-border region and strengthening the transfer of expertise, etc.

Potential applicants must fulfill the eligibility criteria laid down within 2.2. Eligibility Criteria.

Key Area of Intervention 2 – Sustainable development through efficient utilization of regional resources

📌 IMPORTANT

Under this intervention only institutional building (IB) support activities are eligible for financing. In case expenditures for investment support activities are envisaged (only supply), such expenditure must not exceed 20 % of total eligible costs.

📌 IMPORTANT

Eligible expenditures for investment activities must cover only purchase of small equipment items and small supplies, if these form an integral part of the project. In addition either PCs or laptops can be procured under supplies, while the procurement of laptops should be properly justified for the purpose of the specific activity and will be eligible only if such have not already been procured under other PHARE/CARDS – funded projects. However these costs must not exceed 20% of the total eligible costs.

Under this operation, the following **institutional building (IB) support activities** are eligible (indicative only!):

- Creation of new common cross-border products and services;
- Activities for development of green-, rural-, cultural- eco- etc. tourism as a factor for increasing employment;
- Organization of cross-border cultural events;
- Increase the competitiveness of enterprises by focusing on R&D activities and innovations;
- Joint projects in employment creation, human resources management and equal opportunities for the vulnerable groups within the labour market;
- Exchange of know-how of modern information and communication technologies;
- Joint projects in business, economic and regional development etc.;
- Organization of cross-border business events, seminars, workshops;
- Joint activities and cooperation in cases of emergency.

- Establishment of network and cooperation between the existing environmental institutions (i.e. environment protection agencies, administrations of the protected areas) for the maintenance of the sustainability of ecosystems and protection of the shared natural environment, a cross-border integrated approach and networking;
- Development of the joint/correlated management plans for the nature protected areas;
- Development of joint plans and joint solutions for biodiversity safeguarding;
- Development and implementation of the joint plans, educational and training programmes for pollution prevention;
- Development of joint early warning systems for prevention of natural disasters;
- Joint development and promotion of tools and techniques for the establishment of common cross border tourism based on the opportunities for sustainable use of natural resource;
- Joint studies on climate change impacts on the area and joint action plans for reducing these impacts;
- Joint studies related to the increase of the energy efficiency and of the use of renewable energies;
- Joint research studies, inventories, data collection, information and know how exchange on cross-border area's natural resources protection;
- Reduction of negative effects of economic activities on the environment and encouraging of friendly environmental economic activities;
- Joint public awareness campaigns for environmental protection and nature-friendly behaviour: joint conferences, workshops, exhibitions, bi/multi-lingual promotional literature;
- Joint cross-border information campaigns focused on environmental protection, including cross-border and international workshops on environmental risk prevention and fight against climate change challenges;
- Activities for mitigation of environmental pollution in mining sites (for example exchange of experience, cross-border studies, elaboration of sustainable management plans, etc.)
- Cross-border collaboration of cultural institutions and organisations;
- Creation of new common cross-border cultural products and services;
- Activities for development of cultural tourism as a factor for increase of employment;
- Establishment of information networks for promotion of common cultural heritage in the region;
- Exchange of best practices and know-how in the sphere of revival and preservation of the cultural heritage, promotion of cultural sites and their transformation into tourist sites;
- Elaboration of models for the management of cultural sites;
- Activities reducing and avoiding negative effects of economic activities on the authenticity of the cultural heritage;
- Cultural cooperation through development of joint traditional and new festivals, exhibitions, cultural events, etc.
- Encouragement/revitalization of traditional craftsmanship, traditional customs and cultural heritage, and rural tourism development;
- Development of new cross border integrated rural tourism products covering the whole tourism cycle – destinations, services and skills development, interpretation programmes, marketing and promotion, etc., which could promote employment in the border area;

- Activities related to marketing and advertising of the rural sights, such as publishing of brochures and leaflets, promotion of rural products in the particular area; organization of exhibitions or seminars, creation of data-bases, web pages and multimedia products, identification of the existing needs and trends of the market and development of proper marketing strategies for the products, etc.
- Initiation of partnerships among local stakeholders in the border area and implementation of joint activities aimed at awareness raising, marketing and promotion, capacity building, organization of round tables and workshops for discussing topics related to sustainable rural tourism development and to valorization of local assets and cultural heritage.

Potential applicants must fulfill the eligibility criteria laid down within 2.2. Eligibility Criteria.

Key Area of Intervention 3 – People to people actions

Indicative operations

📌 IMPORTANT

Under this intervention only joint small project activities are eligible for financing. Please have in mind that eligible expenditure for investment activities must cover only purchase of small equipment items and small supplies, if these form an integral part of the project. In addition either PCs or laptops can be procured under supplies, while the procurement of laptops should be properly justified for the purpose of the specific activity and will be eligible only if such have not already been procured under other PHARE/CARDS – funded projects. However these costs must not exceed 20% of the total grant amount.

Intervention 3 will finance joint small projects in the following areas:

- **Environment** – Projects focused on specific regional environment issues, such as drafting studies, problem assessment, environmental training and activities aimed at increasing public environmental awareness, small scale support to wastewater management, environmental management and pollution prevention, dealing with problems exacerbated by the proximity to the border.
- **Education exchanges and training initiatives** – Development of quality education by encouraging cooperation between people and institutions at both sides of the border through a wide range of activities, such as promoting the mobility of citizens; innovative teaching and learning projects; networks of academic and professional expertise; designing joint study programmes, establishing networks, exchanging information, thus also promoting life-long learning for all citizens of the border region.
- **Economic Development** – Support for small projects focusing on development of local economies, which will help to enhance the economic base of the border region. For example proposals for support schemes of small-scale enterprises, marketing initiatives, fairs, exhibitions and advertising events, etc.; establishment of cross-border co-operation structures and partnerships among support organizations; local employment, education and training initiatives. Projects directed to local and regional tourism get particular support as an important tool for both cultural and economic cohesion among the border regions.
- **Measures to promote cooperation in health, particularly the sharing of resources and facilities on a cross-border basis** – Development of quality education by encouraging cooperation between people and institutions at both sides of

the border through a wide range of activities, such as promoting the mobility of citizens; innovative teaching and learning projects; networks of academic and professional expertise; designing joint study programmes, establishing networks, exchanging information, thus also promoting life-long learning for all citizens of the border region.

- **Local Democracy** – schemes improving the capacity of organizational structures in public administration and other institutions at local and regional level; Schemes will be supported that help to create and intensify the skills of organizational structures in local and regional public administration and other elements of democratic society (NGOs including civil associations, public benefit corporations, religious institutions, consumer protection organizations, professional chambers and local and regional municipal authorities, trade unions, etc.). Relevant training courses and information will be provided in support of exchange visits, project preparation and procedural matters. Joint projects may also involve the elaboration of materials for distance learning etc. Exchange of know-how and experience in education at various levels will also be supported. Also eligible are such activities in the relevant region which strengthen the measures of information dissemination and awareness-raising and training activities that encourage links and networking between civil society organizations and local and regional authorities across the border.
- **Anti-discrimination, unemployment, vocational and career mentoring and advice** – Support to wide range of activities intended to promote the integration of various disadvantaged groups; collective actions to assist people with disabilities; combat discrimination on grounds of racial or ethnic origin, religion or belief, disability, age and sexual orientation; promoting dialogue with civil society organisations; carrying out analysis and evaluation, developing the capacity to combat and prevent discrimination, and raising awareness, etc.
- **Cultural exchanges and promotional events of cultural heritage or natural attractions** – The Programme will support initiatives aimed at improving cultural relations between Bulgaria and Serbia; promoting the exchange of experience, skills and ideas for projects in the future mutual exchanges among youth; folk undertakings; development of cultural traditions; creation and development of cultural networks on either side of the border and the establishment of information and training centres for cultural exchange, etc. It will support also the studying of cultural historical heritage in the border area; popularising historical cultural heritage of the region; joining young people to local cultures; creating a positive notion of history, culture and art of neighbouring countries; creating a model of useful and stable practice for co-operation between different institutions; promotion of cultural tourist product; creation of information network and strategy for representing of the cultural tourist product(s), etc.

Potential applicants must fulfill the eligibility criteria laid down within 2.2. Eligibility Criteria.

2.2.3 Eligibility of expenditures

Only “eligible costs” can be taken into account for financial support. These costs are detailed below. The budget is therefore both a cost estimate and a maximum ceiling for “eligible costs”. Note that the eligible costs must be based on real costs. The eligibility of expenditure applies to EU and national contribution.

It is therefore in the applicant's interest to provide a **realistic and cost-effective budget**.

To be eligible for financial support under the call for proposals, costs must be:

- necessary for carrying out the activity and must comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
- stipulated in the project budget;
- actually incurred by the beneficiaries or their partners during the implementing period for the activities defined in the application form;
- recorded in the partners' accounts and tax documents, identifiable and verifiable, and supported by relevant documents;
- verified as eligible by the controllers and certified;
- in line with the provisions of the subsidy contract, national and European legislation;
- incurred by the end of project. The starting date for the eligibility of expenditure for project preparation is the date of the official approval of the Financing Agreement between the Republic of Serbia and the European Commission (March 27, 2009) but not earlier than one year before the date of call for proposals. The starting date for the eligibility of other expenditure is the date of signing of the contract between MA and Lead Partner;
- expenditures must be made according to the:
 - Commission Regulation (EC) No 718/2007 of 12 June 2007 [OJ L 170 from 29.06.2007] implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA);
 - Practical Guide to Contract procedures for External actions (PRAG);
 - Specific rules approved by the Joint Monitoring Committee.

To be eligible for financial support under the present call for proposals, costs have not been subject to financing from any other public funds;

📌 IMPORTANT

In case the project envisaged implementation of activities in the adjacent area, a strong justification has to be provided and the budget foreseen should not exceed 20% of the total project costs.

📌 IMPORTANT

In-kind contribution is not eligible expenditure!

List of eligible expenditures

BUDGET LINES:

BUDGET LINE 1: Administrating costs – maximum 25 % of total project costs

BUDGET LINE 2: Travel and accommodation

BUDGET LINE 3: Meetings, conferences, events

BUDGET LINE 4: Information and publicity

BUDGET LINE 5: External expertise and audit

BUDGET LINE 6: Investments – minimum 70 % of total project costs (in case of investment support project) or maximum 20 % of total project costs (in case of institutional building support project and people-to-people project)

BUDGET LINE 7: Others – maximum 15 % of total project costs

📌 IMPORTANT

The total sum of the listed maximum rates of the budget lines exceeds 100 %. In a real project with real expenditures the amount should be 100 %.

BUDGET LINE 1: Administrating costs – maximum 25 % of total project costs

Staff involved in project implementation remuneration. Including all expenditures related to the offices as:

Sub-line	Eligible expenditures
Project staff remuneration	Administrative/technical staff is for example the Project Leader, Coordinator, accountant, secretary, technical assistant, procurement expert and other experts. All staff members must be essential for the implementation of the operation. Salaries/fees for technical and administrative staff plus social security charges and other remuneration-related costs.
Rent of office	Expenses covering rent of office.
Overheads	Expenses covering electricity, heating, water etc.
Consumables	Expenses covering paper, pens, diskettes, folders, toners etc.

BUDGET LINE 2: Travel and accommodation

This budget line will cover the expenses for the participants from both countries (project staff and/or direct beneficiaries) relating to events taking place in the two partnering countries, as follows:

- 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	Travel costs will usually cover expenses for: <ul style="list-style-type: none"> • train tickets; • bus tickets; • car travels (expenditure for petrol, green card, motor way taxes etc.); • medical insurances • visa expenditures • insurances ⚠ IMPORTANT Total number of kilometres should be determined in the project proposal in compliance with the project scope.
Daily allowances	Daily allowances In the eligible border region - € 20; In third countries and outside the eligible border region - € 35.
Accommodation	Accommodation costs In the eligible border region - € 80; In third countries and outside the eligible border region – up to € 130.

BUDGET LINE 3: Meetings, conferences, events

Costs for organisation of meetings, seminars, press conferences, awareness campaigns, trainings, evaluation committees etc. include:

Sub-line	Eligible expenditures
Rent of hall	Expenses for rent of hall (in public or private buildings) – for meetings, trainings or evaluation procedures;
Rent of audio/video equipment	Expenses for rent of equipment, including: <ul style="list-style-type: none"> • translation equipment; • audio equipment; • video equipment; • other related equipment for the purpose of the facilitating the event.
Coffee breaks, refreshments etc.	Expenses for coffee breaks, refreshments, catering, business diners and lunches for all participants in the events; ⚠ IMPORTANT Expenditures for alcoholic beverages and cigarettes are not eligible. The costs are only eligible if the services they cover is stated clearly and easily visible on the invitation/agenda.
Preparation of materials	Expenses for preparation of materials supporting the events (invitations, agenda, presentations etc.);
Consumables	Expenses for consumables as paper, files, folders, cases, diskettes, compact disks, etc.

BUDGET LINE 4: Information and publicity

Sub-line	Eligible expenditures
Purchase of advertising materials	Expenses for purchase of advertising materials as CDs, USBs, hats, bags, note books, folders etc.
Elaboration, design, translation, etc.	Expenses for elaboration, design, translation, publishing or printing of: <ul style="list-style-type: none"> • information materials (concerning the project documents, implementation provisions etc.) • brochures (informing about the project's implementation and results); • manuals and guidelines (concerning the project); • visibility materials (including elaboration and printing logo of the project, etc.)
Publications in mass-media	Expenses for preparation of materials and assuring promotions in radio, TV and press.

BUDGET LINE 5: External expertise and financial audit

Sub-line	Eligible expenditures
Feasibility, design works etc.	Expenses for feasibility, technical studies, design works etc.
Interpreters, lecturers,	Expenses for interpreters, lecturers, trainers (should not be persons involved in the programme/project management);

trainers	
Authorizations, certificates, etc.	Expenses for obtaining authorizations, certificates, agreements, permits etc. related to elaboration of documents, supplies and works. Bank charges for transnational financial transactions ; Bank charges for opening and administering the separate bank account(s) required by the programme;
Consultancy	Expenses for external consultancy (for studies, legal advice etc.);
Financial audit	Audit costs shall be eligible provided that an independent audit is requested by the programme management. Audit shall be performed on the project as a whole. Audit costs shall be ensured within the budget of the Lead partner.

BUDGET LINE 6: Investments – minimum 70% (Investment projects), maximum 20 % (IB Projects) of total project costs

Sub-line	Eligible expenditures
Purchase of land	Expenses for purchase of land – only in exceptional cases when it is absolutely necessary for the project implementation. Has to be well justified providing all documents for evaluation of the value of the land. Value of the land should be certified by an independent qualified appraiser or duly authorized official body. ⚠ IMPORTANT Maximum 5 % of total project costs.
Small scale investments	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.); Main investment (construction, reconstruction, rehabilitation, widening and modernization of the building(s)/site(s) and the related installations). Connection to utilities: power connection, water supply and sewage connection, gas connection etc. Site organization: places for workers and equipment, waste removal, fences etc. Expenses for land rehabilitation after completion of works and/or environment protection activities; Expenditure for supervision (if necessary) - in compliance with the relevant national legislation
Supply*	Expenditure for purchase and rental of IT equipment and furniture ; Expenditure necessary to bring the equipment to working condition ; Expenditure for 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).

*** For equipment that will not be used by the project partners or the project target group after the project completion and if the economic lifetime of the equipment is longer than the project duration, only the depreciation costs are eligible.** In this case, the eligible expenditure will be its depreciation costs during operation duration. The depreciation rate has to be in line with national or internal partners' rules.

Depreciation is charged proportionally in each relevant periodical report. The full value of depreciated costs on equipment in relation to the total project duration cannot be charged as total amount in 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 auditable.

The depreciation costs of equipment can never exceed the purchase price of the equipment.

BUDGET LINE 7: Others – maximum 15 % of total project costs

Sub-line	Eligible expenditures
Project preparation	<p>The category includes expenses for project preparation (meetings between partners, consultancy, studies, translation of documents, taxes and other charges) or for the purchase of equipment necessary for the preparation of project activities, carried out before the subsidy contract is signed. The starting date for the eligibility of expenditure for project preparation is the date of the official approval of the Financial Agreement between the Republic of Serbia and the European Commission (March 27, 2009) but not earlier than one year before the date of call for proposals.</p> <p>👉 IMPORTANT Maximum 5 % of total project costs. NB: Payment of a subsidy towards the cost of Project Preparation will only be made to those applicants whose projects are approved for financing. Otherwise, this cost is not recoverable.</p>
Other specific for the project	<p>Specific activities foreseen in the project that cannot be put down under any of the above budget lines. Those costs are eligible only if they are detailed in the explanatory documents, depending on the complexity of the project.</p> <p>👉 IMPORTANT Maximum 5 % of total project costs.</p>
Contingency	<p>👉 IMPORTANT Maximum 5 % of total project costs.</p>

According to Article 89 of IPA Implementing Regulation 718/2007, the following expenditure shall be eligible:

- (a) value added taxes, if the following conditions are fulfilled:
 - (i) they are not recoverable by any means;
 - (ii) it is established that they are borne by the final beneficiary; and
 - (iii) they are clearly identified in the project proposal.
- (b) charges for transnational financial transactions;
- (c) where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
- (d) legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;
- (e) the cost of guarantees provided by a bank or other financial institutions, to the extent that the guarantees are required by national or Community legislation;
- (f) overheads, provided they are based on real costs attributable to the implementation of the operation concerned.

The following types of actions are ineligible:

According to Article 34 of the IPA Implementing Regulation 718/2007 the following expenditure shall not be eligible:

- (a) taxes, including value added taxes;
- (b) customs and import duties, or any other charges;
- (c) purchase, rent or leasing of land and existing buildings;
- (d) fines, financial penalties and expenses of litigation;
- (e) operating costs;
- (f) second hand equipment;
- (g) bank charges, costs of guarantees and similar charges;
- (h) conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- (i) contributions in kind

In addition to the above the expenditures concerning the actions listed below shall not be eligible:

- Actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- Actions concerned only or mainly with individual scholarships for studies or training courses;
- Actions with provisions for financing the usual management activities of the local organizations;
- Actions that started before Applicants have signed a contract for awarding grants except project preparation activities;
- Actions linked to political parties;
- Charitable donations;
- Activities covered by other public funds.

2.3 How to apply for funding

2.3.1 How to get the Applicant's Pack

The Applicant's Pack contains the Application Form and Annexes. These are the official forms that should be submitted when applying for financial support under the programme. The Applicant's Guide, which is also included in the pack, provides potential beneficiaries with detailed guidelines on the application for funding process.

The Applicant's Pack is available on the following websites:

Programme website (www.ipacbc-bgrs.eu);

Managing Authority's website (www.bgregio.eu);

National Authority's website (www.evropa.gov.rs);

Joint Technical Secretariat's website (www.ipacbc-bgrs.eu);

Bulgarian Ministry of Finance's website: (www.eufunds.bg)

Applicants may submit questions of substance in writing up to **21 days before the deadline** for submission of proposals. The JTS will reply **no later than 11 days before the deadline** for the submission of proposals. Questions may be sent by e-mail or by fax to the address listed below, indicating clearly the reference of the Call for Proposals:

e-mail: tcm_exbd@mrrb.government.bg

tel/ fax: +359 2 9405 680

Questions that may be relevant to other applicants, together with their answers, will be published on the internet site: www.ipacbc-bgrs.eu The internet site www.evropa.gov.rs provides a link to the above mentioned site.

2.3.2. How to fill in the Application Form and its Annexes

Please find below the guidelines for filling in the Application Form and Annexes.

⚠ IMPORTANT

Make sure you fill in the Application Form and Annexes (see below) by computer, correctly and completely and add all related documents.

Applications and Annexes must be submitted using the only forms included in the Applicant's Pack.

The Application and Annexes must be filled in English. The supporting documents issued by national/local authorities or other bodies shall be attached in the original language accompanied by a translation in English.

All pages should have, in the lower right corner, the page number (which will continue from the Application Form until the last page of the last annex).

Modifying the standard application form or Annexes will result in the rejection of your application.

The Application Form (Part I, II and III) should be identical in paper and electronic version (version No of the bottom of the pages should be identical).

Application Form (AF)

AF Cover:

The project acronym, the name of the Lead Partner institution and the name of responsible person should be stated in English.

Project registration

Registration number and date: Will be put on the envelop by the JTS/Antennae. The registration date and time is the day and time when the fully completed, dated, stamped and signed application form, together with annexes, arrive at the JTS/Antennae. The application form and annexes should be submitted in hard copy (paper version) and digital (CD or DVD) and should arrive at the JTS/Antennae before or on the deadline announced in the call for proposals. **Any application received after the deadline will be automatically rejected even if the postmark indicates a date preceding the deadline or if the delay is due to the courier service.**

Project number: This will be filled in by the Chairperson of the Assessment Working Group at the opening session.

CHECK LIST

The check list will be filled automatically when all parts and sections of the application form have been properly completed.

AF PART 1

🔔 IMPORTANT

Please fill the information below for every project partner starting with No 1 for Lead partner / beneficiary

1. Identity

1.1. Detailed information

State the official and *full name* of the organisation.

State the legal status, official address, legal representative, telephone, fax and e-mail.

If the partner is a regional/local branch with legal personality, it should be mentioned within section: Organisation.

The names of all the partner organizations should be stated in English. The "legal status" filed should be filled in with the type of organization (from public sector - Public body or Public equivalent body and from private sector - Non-profit organisation).

Public sector

- Public body - legal entity established and governed by public law assigned with specific competences and tasks performed in public interest (e.g. national, regional, local authorities).
- Public equivalent body - legal entity that has to fulfil the following criteria:
 - established under public or private law mainly for the specific purpose of meeting needs in the general interest;
 - having legal personality (including non profit organisation with public financing);
 - financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law

Private sector

- Private non-profit organisation - legal entity whose primary objective is to support private interest or public concern for non-commercial purposes, without concern for financial profit (e.g. foundations, civic associations with private financing only).

For the all partners including the Lead Partner organization, the name and position of the legal representative is required.

The Lead Partner and other partners must present data regarding the object of their activity and their tax registration number.

The *Lead Partner* is, as lead beneficiary, responsible for the implementation of the entire project. The Lead Partner will be the addressee of the entire correspondence during the application evaluation process and will also be responsible for reporting to the JTS after approval of the project. More information about the role and tasks of the Lead Partner are stipulated in the subsidy contract template annexed to this Guide.

1.2. Partner profile

State the past experience (over past 3 years) in territorial co-operation activities.

State the specific role of each partner in the implementation and management of the current project. If the Lead Partner participates as a partner in other project proposals under the present Call for Proposals, these project proposals should be clearly stated by the Lead Partner.

1.3. Partner experience

State already financed and implemented projects (maximum 10 (ten) per project partner).

Here the beneficiaries must state if they have ever previously received financing from European funds.

Here the project partners must provide detailed information about successfully implemented projects (maximum 3 (three) projects per project partner selected by previous table).

2. Financial data

2.1. Detailed information

State national registration code, VAT registration (if applicable), VAT recoverable (if applicable), IBAN, BIC, bank details.

2.2. Financial status, capacity and equipment

The project partners must state information concerning annual turnover, number of full time staff, number of part time staff, number of offices and equipment.

Application Form - PART 2

1. Project identity

1.1. Project title

State the official and *full name* of the project and acronym.

Select Priority and Key area of intervention of the project.

State the project duration in months.

1.2. Cross border character of the project

In order to prove the cross-border character of the project you must explain which of the following criteria are fulfilled (**minimum one**): Joint Development, Joint Implementation, Joint Staffing, Joint Financing (please refer to section 2.1. – General information).

1.3. Cross border impact of the project

The project partners must provide information regarding the cross-border impact of the project.

2. Financial information

2.1. Sources of financing (EUR)

The information concerning total value of the project, total value of the EU funds, total value of the national co-financing and if applicable - own contribution will be filled automatically after filling the Budget tables of the **Application form – Part III - Table 2**.

2.2. Breakdown of eligible expenditure per year (EUR)

The eligible expenditures planned will be filled automatically after filling the Budget tables of the **Application Form – Part III – Table 2**.

3. Project description

3.1. Consistency with programme strategy

All projects in Bulgaria – Serbia IPA Cross Border Programme must comply with the *strategy set out in the Programme*. This can be demonstrated by explaining the foreseen contribution of a project to the aims of the programme. Project partners should explain briefly and clearly how their project will contribute to the aims of the programme.

In this area the partners must explain how the project complies with the programme strategy and state the priority axis, key area of intervention and indicative operation aimed by the project.

In case the project envisages activities which might contribute or influence another priority axis or key area of intervention or indicative operation, explanations are to be given in this section.

3.2. Project objectives

The projects should set its own clear objectives (general and specific), in line with the programme objectives. It must be explained how the project objectives comply with the objectives of the programme and of the priority axes.

3.3. Background and demand for the overall project

Project partners should provide a clear description of the problem which the project is going to tackle and the contribution which the project will make to help solve it. Project partners should provide information about needs, strengths, weaknesses and constraints of the target groups and the target region.

It is recommended to describe what is new about the project in relation to what has been previously achieved – including other EU supported activities and other projects and programmes in the area – and in relation to what will be achieved in this area in the future. It should be described why the chosen partnership is necessary for the project. Furthermore, the level of achievements of the project should be justified in terms of having a long-lasting impact from its final results.

3.4. Description of the target groups, beneficiaries and estimated number

The project partners should provide clear description of the target groups, beneficiaries and estimated number.

"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

3.5. Project activities

Project partners should fill in the activities planned to achieve the objectives as set out in 3.2. Please state the location of each activity and the responsible partner for each activity. Please provide clear description of each planned activity.

3.6. Duration and action plan

All defined activities under section 3.5 will be filled automatically in the table. Please state the duration for each activity.

4. Monitoring indicators

4.1. Expected outputs

The project partners should provide quantification of those indicators that corresponds to the selected Priority axis and Key area of intervention. If the project can identify other specific indicators they should be added in the table Additional project specific outputs and quantified.

4.2. Expected results

The project partners should provide quantification of those indicators that corresponds to the selected Priority axis and Key area of intervention. If the project can identify other specific indicators they should be added in the table Additional project specific results and quantified.

In the "justification" field the applicants must describe the sources of verification of the results to be achieved.

4.3. Multiplier effect

Describe the possibilities for replication and extension of the activities outcomes.

4.4. Sustainability

Explain how sustainability will be secured after completion of the activity. This may include aspects of necessary follow-up activities, built-in strategies, ownership etc.

5. Project coherence with

5.1. Other programmes/strategies

The project partners should identify those regional/national/European programmes or strategies in the field to which the application refers and demonstrate the coherence of the project to the respective documents/activities if applicable.

5.2. Other projects

The project partners must identify projects to which the present application has complementary/ upgrading /multiplier impact.

5.3 Horizontal themes

Explain how your project will contribute towards the promotion of the three *horizontal themes* (equal opportunities, environmental impacts and Innovative elements/methods).

If a negative impact is envisaged, for any reason, then it should be clearly explained as to how such effects will be minimized or otherwise offset.

6. Management of the project

6.1. General coordination and management including administrative and financial aspects

The role and responsibilities of the Lead Partner and project partners should be clearly described.

In general Lead Partner is responsible for the overall coordination, management and administration of the project and project partners are responsible for definite activities.

The Lead Partner and the project partners must agree and sign a Partnership Agreement, which clearly defines the roles and responsibilities of each partner. A suggested template for the Partnership Agreement is included in the application package (Annex 3), indicating the minimum requirements of the Partnership Agreement. The final agreement used for the project can be more extensive and more detailed.

🔔 IMPORTANT

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

Please note that a "partner" involved in the project implementation as "lead partner" or "project partner" is excluded from any forms of sub-contracting to other partners within the project.

6.2. Team proposed for project implementation

The project partners should provide information regarding the project management staff giving different positions and main responsibilities.

Additionally CVs of experts for the different positions have to be attached.

Partners should propose a balanced team in terms of experience, competences and capacity.

7. Information and publicity

According to the EC Regulations and the Programme, the beneficiaries must promote their projects and the added value of the Community funds.

During the project implementation, the Lead Partner or each of the partners in the project must perform communication and promotion activities (media campaigns, events, promotional and informational materials, electronic channels etc). All project partners shall indicate concrete measures to be taken in this respect and also in order to disseminate the project results. All costs for proposed measures need to be included in the financial plan for the project and accounted for in the Budget Form. Who will benefit from the project, should be also mentioned as well as other target groups such as authorities on different levels, enterprises, NGOs, other projects concerning the same issues as the proposed project, the general public and the mass media. These activities must be eventually evaluated to establish the impact they had on the target groups (the means and methods of evaluation should be mentioned in the table).

Application Form - Part 3

Table 1 – TOTAL BUDGET PER PROJECT PARTNERS

Names of project partners starting with PP1 (Lead partner), country code and total financial contribution will be automatically filled after you finish the Application form - part III.

Table 2 – DETAILED BREAKDOWN OF BUDGET LINES PER YEARS AND PER PROJECT PARTNER (PP1, PP2, PP3 etc.)

All project partners fill a separate Table 2 (PP1 to PP10) – answering to their number in Table 1 (PP1, PP2, PP3 etc.) giving a breakdown of the expenditures for which each of them will be responsible during the project implementation. Table 2 (total)– **DETAILED BREAKDOWN OF BUDGET LINES PER YEARS - TOTAL** will be automatically filled and will provide a detailed summary of the project costs per Budget lines and Sub-lines per years.

Table 3 – SUMMARY BREAKDOWN OF BUDGET LINES PER YEARS

Table 3 will be filled automatically providing a summary of the project costs only per budget lines and years.

Table 4 - SUMMARY BREAKDOWN OF BUDGET LINES PER PROJECT PARTNERS

This table will be filled automatically providing information for the distribution (balanced/unbalanced) of the project budget between project partners.

Information about amount of eligible VAT is generating automatically.

The project partners **must provide** information about envisaged activities which will be implemented and expenditures which will be respectively spent in the adjacent area.

Table 5 – PROJECT SOURCES/PARTNERS' CONTRIBUTION

The table generate automatically EU co-financing rate (85%), national co-financing (15%) for Bulgarian partners and obligatory own co-financing (15%) for Serbian partners. In case project partners envisaged additional own contribution (co-financing) the amount of contribution **must be inserted**.

📌 IMPORTANT

EU co-financing should not exceed 85% of the total project costs.

PARTNERSHIP AND COFINANCING STATEMENT is automatically filled. Additionally every project partner should fill name and position of the legal representative and date. After printing the statement has to be signed and stamped.

📌 IMPORTANT

The Managing Authority reserves the right to propose to the JMC reduction of the project costs if they are deemed excessive.

3 Annexes

3.1 Annexes (A)

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

A1. Project summary

📌 IMPORTANT

Project summary should be filled in English, Serbian and Bulgarian. In case of inconsistency between the three versions, the English version shall prevail.

A2. CVs of the project management team

A3. Partnership Agreement

A4. Declaration of eligibility signed by Lead Partner

A5. Sworn Statement

A6. Declaration of Commitment

3.2 Annexes (B)

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

B1. Documentary and other evidence (in original or certified copy) on the most recent legal status of all partners (issued not later than 6 months prior the date of application ***(notary certified)***)

B2. Copy of the partners' accounts - Annual Balance Sheet and Profit and Loss Accounts for 2007 and 2008 /if completed/.

B3. Copies of the partners' national registration code and VAT registration (if applicable).

B4. Copies of the partners' certificate issued by the relevant body for lack of obligations (taxes and social security duties) issued not later than 6 months prior the date of application or plan for rescheduling of the debts if existing ***(notary certified)***.

B5. The applicants shall annex if applicable a **Decision of Local Council/ Board of Directors or any similar body** regarding the project development and implementation – **copy and English translation.**

B6. Legalized mandates of delegation from the legal representatives of partners (in case the application form and annexed declarations are not signed by the legal representatives of the Lead Partner/partners) – **original and English translation.**

B7. Supporting documents concerning **INVESTMENT SUPPORT ACTIVITIES ONLY**

B7.1. In case investment activities will be performed on **public** property:

- Ownership act or certificate for public ownership of the tangible assets, which will be subject of works activities (**notary certified copy**).
- Agreement with the owner, clearly stating that the assets are given for free right of use for the purpose of the project at least for 5 years after end of the project. (**notary certified copy**)

B7.2. In case of investment activities required passing through private territories the consent of the owners must be obtained and presented in a due legal form and copy of the ownership act (**notary certified copy**)

B7.3. In case of investment activities within territories with special status relevant documentation required by the respective national applicable law (**notary certified copy**).

B7.4. Copy of letter issued by the relevant body clearly stated that Environmental Impact Assessment is not necessary (notary certified copy)

OR

Copy of positive Environmental Impact Assessment (positive opinion from the relevant body), required by the national legislation (notary certified copy).

B7.5. Approved Detailed works design (if applicable according to the relevant legislation).

B7.6. Latest photographs of the site

Any other documents concerning the project may be provided as Annexes.

📌 **IMPORTANT**

Where such documents are not in English, a translation into English of the relevant parts of these documents, proving the partners' eligibility, must be attached and will prevail for the purpose of analysing the application.

3.3 Annex (C)

The following Annex is provided for information:

C. Subsidy contract - The contract annexed is only indicative

📌 **IMPORTANT**

All copies should be certified "True copy" by the legal representative of the respective partner or of the Lead partner.

4 Where and how to send the application

Each application form should be bound (together with its annexes) in the way that pages could not be taken away from a whole set. The cover page of the Application Form should be visible, where <Project Title>, <Name of the Lead Partner>, <Signature and Stamp of Lead Partner> should be written by the applicant. A full electronic version of the Application Form and its annexes must be also enclosed on a CD or DVD (all supporting documents should be scanned or electronic version should be provided).

Applications must be received in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) at the address below:

Postal address, Address for hand delivery or by courier service

Main JTS

Republic of Bulgaria

1202 Sofia

Ministry of Regional Development and Public Works

17-19 Kiril and Metodii str.

Floor 2, Room 2.1

The outer envelope must bear the:

- **Call for Proposal number: 2007CB16IPO006 – 2009 – 1 and**
- **the full name and address of the applicant**

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected.

Applications (application form and annexes) shall be submitted in one original and 1 copy, bound in A4 format.

The complete application form must also be supplied in electronic format (CD or DVD). The electronic format must contain exactly the same proposal as the paper version enclosed.

5 Deadline for receipt of applications

📌 IMPORTANT

The deadline for the receipt of applications is 30 November 2009, 4 pm.

Any application delivered after the deadline will automatically be rejected, even if the postmark indicates a date preceding the deadline or if the delay is due to the courier service.

6 Evaluation and Selection of Applications

The project evaluation and selection criteria prepared by the Managing Authority together with the National Authority and the Joint Technical Secretariat are approved by the Joint Monitoring Committee.

The assessment process will be organised and secretarially supported by JTS. The results of all assessment steps will be summarised in the form of a report and presented to the JMC for a decision.

The JMC will decide on the approval of projects and the amount of programme's financial contribution to each operation. Following that, each Lead Partner will be informed with an official letter, signed by the MA on behalf of JMC, about approval/rejection of their project. For the approved projects this letter will also provide information on the next steps.

Contracts with the Lead Partner of the approved projects will be prepared on the standard template. Implementation of the projects may start only after the contracts are signed by both - the MA and the Lead Partner.

6.1 STEP 1: OPENING SESSION AND ADMINISTRATIVE CHECK

The following will be assessed:

- The deadline has been respected. If the deadline has not been respected the proposal will automatically be rejected.
- The project proposal satisfies all the criteria mentioned in the Table for administrative compliant check. If any of the requested information is missing or is incorrect, the proposal may be rejected on that sole basis and the proposal will not be evaluated further.

📌 IMPORTANT

Additional clarification concerning administrative compliance of the project proposals could be requested. Please have in mind that additional information/clarification must not be requested when improvement of proposal is possible.

ADMINISTRATIVE COMPLIANCE CHECK

ADMINISTRATIVE PART (to be filled by JTS)

Registration No	
Project No	
Lead Partner	
Partner/s	
Project title	

No	CRITERIA FOR ADMINISTRATIVE COMPLIANCE	YES	NO
1.	The Project proposal has been delivered within the deadline		
2.	The identification details are clearly stated on the outside of the sealed package		
3.	All parts of the Application Form and supporting documents are submitted in one original and one printed copy		
4.	An electronic version of the Application Form has been provided		
5.	Project summary is submitted in 3 (three) languages English, Bulgarian and Serbian.		
6.	The Application Form is duly completed in compliance with the template		
7.	All sections of the Application Form are typed in English		
8.	CVs of the project team are presented in English (Annex 2)		
9.	Partnership agreement of all partners is presented (Annex 3)		
10.	Declaration of eligibility signed by Lead partner is presented (Annex 4)		
11.	Sworn statement signed by Lead partner and all partners is presented (Annex 5)		
12.	Partnership and co-financing statement signed and stamped by every partner		
13.	Declaration of Commitment signed and stamped by every partner (Annex 6)		
No	SUPPORTING DOCUMENTS	YES	NO
14.	Documentary and other evidence (in original or certified copy) on the most recent legal status of all partners is provided (issued not later than 6 months prior the date of application (notary certified)		
15.	Copy of the partners' accounts - Annual Balance Sheet and Profit and Loss Accounts for 2007 and 2008 /if completed/ (certified by the partner that is a true copy).		
16.	Copies of the partners' national registration code and VAT registration (if applicable) (certified by the partner that is a true copy).		
17.	Copies of the partners' certificate issued by the relevant body for lack		

	of obligations (taxes and social security duties) issued not later than 6 months prior the date of application or plan for rescheduling of the debts if existing (notary certified).		
18.	Decision of Local Council (Municipal Council)/Board of Directors or any similar body regarding the project development and implementation		
19.	Legalized mandates of delegation from the legal representatives of partners (in case the application form and annexed declarations are not signed by the legal representatives of the Lead Partner/partners) – original and English translation is/are presented		
No	SUPPORTING DOCUMENTS CONCERNING INVESTMENT ACTIVITIES	YES	NO
20.	In case investment activities will be performed on public property		
20.1.	Ownership act or certificate for public ownership of the tangible assets, which will be subject of works activities (notary certified copy).		
20.2.	Agreement with the owner, clearly stating that the assets are given for free right of use for the purpose of the project at least for 5 years after end of the project. (notary certified copy)		
21.	In case of investment activities required passing through private territories the consent of the owners must be obtained and presented in a due legal form and copy of the ownership act (notary certified copy)		
22.	In case of investment activities within territories with special status relevant documentation required by the respective national applicable law is/are presented		
23.	Copy of letter issued by the relevant body clearly stated that Environmental Impact Assessment is not necessary (notary certified copy) or Copy of positive Environmental Impact Assessment (positive opinion from the relevant body), required by the national legislation (notary certified copy).		
24.	Approved Detailed works design (if applicable according to the relevant legislation).		
25.	Latest photographs of the site		
COMMENTS		YES	NO
Project proposal satisfies all criteria for administrative compliance			
Assessor's name:	Assessor's signature:	Date of evaluation:	

🔔 IMPORTANT Only proposals that satisfy all the criteria mentioned in the administrative compliance checklist will be evaluated on eligibility stage.

6.2 STEP 2: ELIGIBILITY CHECK

The eligibility check is a part of evaluation of the project proposal, based on the criteria for eligibility as follows:

ELIGIBILITY COMPLIANCE CHECK

ADMINISTRATIVE PART (to be filled by JTS)

Registration No	
Project No	
Lead Partner	
Partner/s	
Project title	

No	ELIGIBILITY CRITERIA	YES	NO
1.	At least one partner from each side of the cross border region is involved		
2.	Lead partner is registered in the eligible border region at least 12 months before the deadline for submission of project proposals under current Call for Proposals		
3.	All partners are eligible organizations (public bodies/ public equivalents/ non-profit organizations)		
4.	The implementation period is in the limits of project duration per area of intervention indicated in the Applicant's Guide		
5.	The value of the financial support requested is in line with the limits indicated in the Applicant's Guide		
6.	The co-financing rates for EU and national funds are within the limits indicated in the Applicant's Guide		
7.	At least one of the following conditions is covered: Joint development, Joint implementation, Joint staffing, Joint financing		
8.	Serbian partners have declared that they have stable and sufficient sources of finance and can ensure their own contribution in minimum amount of 15% of the respective share of the partner. (<i>signed Partnership and Co-financing Statement</i>)		
9.	All partners should have the capacity to ensure temporary availability of funds until reimbursement of claims is made from the Programme (<i>signed Annex 6 - Declaration of Commitment</i>)		
COMMENTS		YES	NO
Project proposal satisfies all criteria for eligibility compliance			
Assessor's name:	Assessor's signature:	Date of evaluation:	

📌 IMPORTANT Only proposals that satisfy all the criteria mentioned in the eligibility compliance checklist will be evaluated on technical and quality evaluation stage.

6.3 STEP 3: TECHNICAL AND QUALITY EVALUATION STAGE

An evaluation of the quality of the proposals, including the proposed budget, and the capacity of the applicant and his partners, will be carried out in accordance with the evaluation criteria set out in the Evaluation Grid included below.

TECHNICAL AND QUALITY EVALUATION

TECHNICAL AND QUALITY EVALUATION PART (to be filled by Assessors)

Registration No	
Project No	
Lead Partner	
Partner/s	
Project title	

Management capacity				
No	SELECTION CRITERIA		Max. score	Reference
1.	The partners are experienced in project management in similar or other EU financed projects		5	Part I p.1.3.
	All partners implemented 3 or more projects	5 points		
	All partners implemented at least 1 project	4 points		
	Some partners implemented projects	2-3 points		
	None of the partners has experience	1point		
2.	The project team proposed has the capacity to manage the project		5	Part II p.6.1., p.6.2. & CVs of the proposed project team
	The whole project team has experience in project management	5 points		
	Some of the project team have experience	2-4 points		
	None of the project team has experience	1 point		
3.	Participation of partners in project management team		5	Part II p.6.1. & p.6.2.
	Balanced participation of all partners	5 points		
	Unbalanced participation but all partners	3-4 points		
	In case of several partners - no participation of some of them	2 point		
	In case of 2 partners – one does not participate	1 point		
4.	Staff, technical capacity and financial stability of the project partners		5	Part I p.2.2.
	All partners have permanent staff, good technical capacity and financial stability	5 points		
	Some partners have permanent staff, good technical capacity and financial stability	2-4 points		
	Newly established organizations/ no stability of all partners	1 point		
SUBTOTAL			20	
Consistency with the Programme and other documents and strategies				
No	SELECTION CRITERIA		Max. score	Reference
5.	The project is relevant to the overall and relevant specific objective of the programme		5	Part II p.3.1.
	Relevant to the overall and specific objectives of the programme	5 points		
	Partial relevance to the overall and specific	2-4 points		

	objectives of the programme			
	No relevance to the overall and specific objectives of the programme	1 point		
6.	The project is relevant to the objectives of one of the priority axes and one of the spheres of intervention		5	Part II p.3.2.
	Clear relevance	5 points		
	Partial relevance	2-4 points		
	No relevance	1 point		
7.	Clearly defined and strategically chosen are the target groups		5	Part II p.3.4.
	Clearly defined and quantified target groups	5 points		
	Vague description of target groups	2-4 points		
	Not defined target groups	1 point		
8.	The project fulfils one or several of the cooperation criteria: joint development, joint implementation, joint staffing, joint financing		5	Part II p.1.2. Passing
	Covering all 4 of the above criteria	5 points		
	Covering 3 of the above criteria	3-4 points		
	Covering 2 of the above criteria	2 points		
	Covering 1 of the above criteria	1 point		
9.	Coherence of the project with other programmes and/or strategies		5	Part II p.5.1. & p.5.2.
	Clearly demonstrated coherence	4-5 points		
	Unclear or vague coherence	2-3 points		
	No coherence demonstrated	1 point		
10.	The project contains elements of value added providing coherence with the following horizontal themes: equal opportunities, environmental impacts, innovative elements		5	Part II p.5.3. Passing
	Coherence with 3 of the above horizontal themes	5 points		
	Coherence with 2 of the above horizontal themes	3 points		
	Coherence with 1 of the above horizontal themes	2 points		
	No value added	1 point		
SUBTOTAL			30	
METHODOLOGY				
No	SELECTION CRITERIA		Max. score	Reference
11.	The project activities proposed are appropriate and consistent with the objectives and expected results		5	Part II p.3.3 & p.3.5.
	Consistency between objective, activities & results	5 points		
	Not very well justified activities	2-4 points		
	Low level of consistency	1 point		
12.	Cross-border impact of the project		10	Part II p.1.3. Passing
	Strong cross-border impact	10 points		
	Weak cross-border impact	4-6 points		
	Unclear/doubtful cross-border impact	2-3 points		
	No cross-border impact	1 point		
13.	Action plan and partners' responsibilities		5	Part II p.3.6.
	Clear and feasible action plan and partners' responsibilities	5 points		
	Some activities not well justified/some responsibilities unclear	2-4 points		
	Unclear action plan and partners' responsibilities	1 point		
14.	Level of involvement and participation of project partners in activities		5	Part II p.3.5.
	Balanced participation of all partners	5 points		

	Unbalanced distribution of activities between project partners	3-4 points		
	In case of several partners - not all of them involved in project activities	2 point		
	In case of 2 partners – one is not involved in project activities	1 point		
15.	Output and result indicators		5	Part II p.4.1. & p.4.2.
	Quantified & relevant to the activities indicators are provided	5 points		
	Some indicators are provided	2-4 points		
	No or irrelevant indicators are provided	1 point		
16.	Potential multiplier effects of the project and sustainability of expected results after EU funding ends		5	Part II p.4.3. & p.4.4.
	Possibilities for replication & well sustainability	5 points		
	Doubtful multiplier effect and sustainability	2-4 points		
	No possible multiplier effect or sustainability	1 point		
SUBTOTAL			35	
BUDGET				
No	SELECTION CRITERIA		Max. score	Reference
17.	Estimated expenditures are necessary for the implementation of the project		5	Part III Passing
	All estimated costs are necessary for the implementation of the project	5 points		
	Some costs are not relevant to the activities proposed	2-4 points		
	Most estimated costs are not strictly necessary for the implementation of the project	1 point		
18.	Budget lines' maximum rates		5	Part III Table 2
	All BLs' maximum rates are taken into consideration	5 points		
	Some BLs' maximum rates are not taken into consideration	2-4 points		
	BLs' maximum rates are not taken into consideration	1 point		
19.	Budget breakdown between partners		5	Part III Table 4
	Balanced budget breakdown between partners	5 points		
	One or several partners have budget 2-3 times less than any other of the partners	2-4 points		
	One or several partners have budget 5 times less than any other of the partners	1 point		
SUBTOTAL			15	
TOTAL			100	
COMMENTS				
Recommendation				
Assessor's name:		Assessor's signature:		Date of evaluation:

📌 **IMPORTANT**

- Only projects with score of 65 and above will be proposed for financing
- If a criterion is not applicable for a definite type of project an average score is given

Note on Section 1. Management capacity

If the total average score is less than 10 points for section 1, the project proposal will not be proposed for financing.

Note on Section 2. Consistency with the programme and other documents and strategies

If the total average score is less than 20 points for section 2, the project proposal will not be proposed for financing.

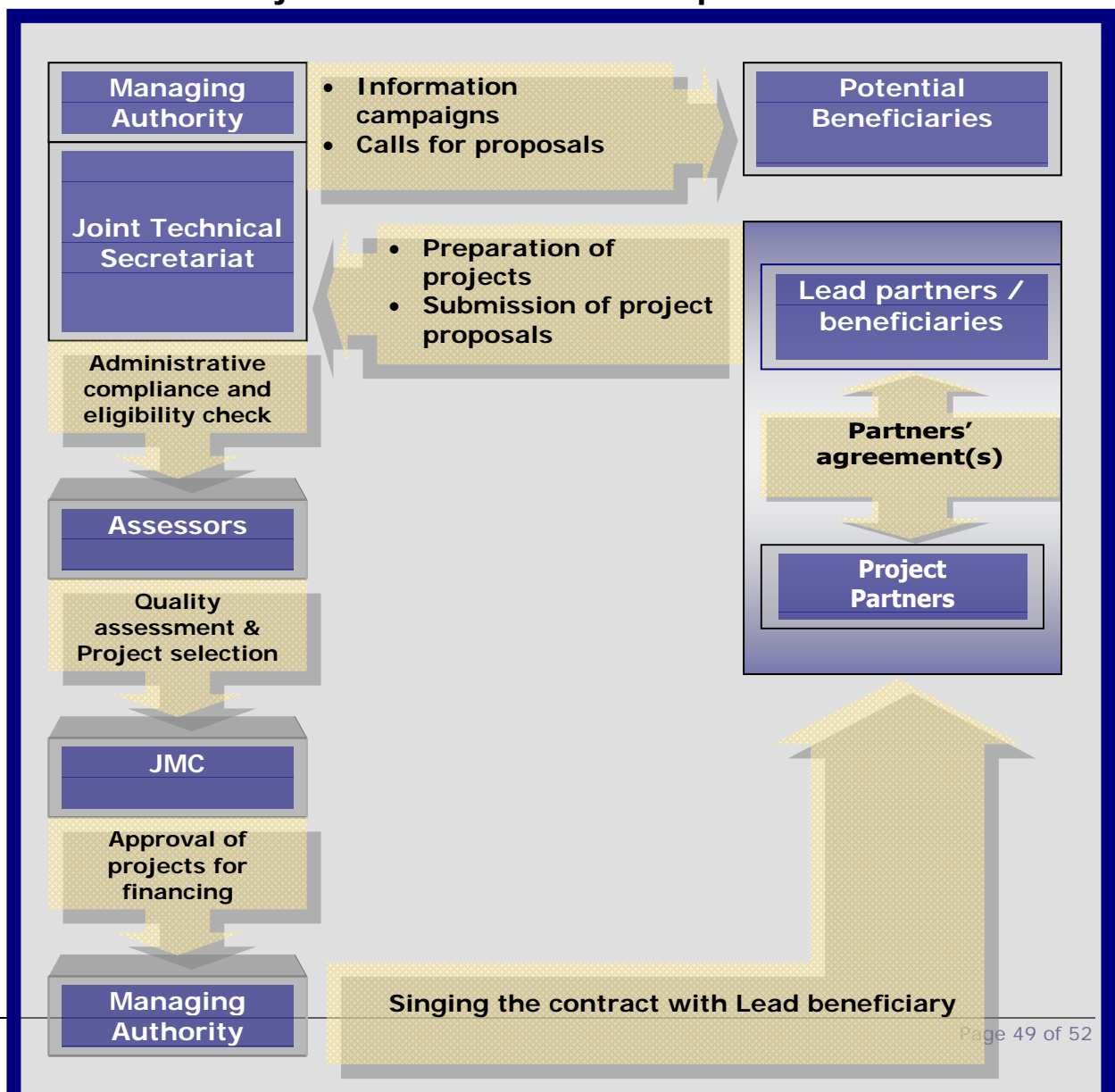
📌 IMPORTANT

Taking into account the good Administrative Practices, the Assessment Working Group can exclude an applicant at any stage of the Call for proposals evaluation process whenever it is obvious that the latter does not meet the eligibility criteria

Provisional selection

Following the evaluation, a table listing the proposals ranked according to their score and within the available financial envelope will be established as well as a reserve list following the same criteria.

Project evaluation and selection procedure



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	Expenditures made by a Beneficiary, related to the operations financed through the programme, which could be financed from the structural instruments, as well as from the state budget and/or own Beneficiary contribution
Eligible area/region	The border area of Bulgaria comprises the districts of Vidin, Montana, Sofia, Pernik, Kyustendil and Sofia-city district. The border area of Serbia comprises the districts of Bor, Pirot, Jablanica, Zaječar, Nišava, 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 operational programme. is DG "Programming of Regional Development" , within Ministry of Regional Development and Public Works in Bulgaria.
National Authority	The counterpart of the Managing Authority in the partner state - the Sector for Programming, Management of EU funds and Development Assistance at the Ministry of Finance of Republic of Serbia
Priority Axis	A strategic priority within the operational programme, including a group of interconnected key areas of intervention and operations with measurable 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
BG	Republic of Bulgaria
CA	Certifying Authority
CARDS	Community assistance for Reconstruction, Development and Stabilisation
CBC	Cross-Border Cooperation
CBA	Cost Benefit Analysis
EC	European Commission
ERDF	European Regional Development Fund
EU	European Union
DG	Directorate General
GD	Government Decision
ICT	Information and Communication Technology
IPA	Instrument for pre accession
IT	Information Technology
JMC	Joint Monitoring Committee
JTS	Joint Technical Secretariat
LP	Lead Partner
MA	Managing Authority
MF	Ministry of Finance
MIS	Management Information System
MoU	Memorandum of Understanding
MS	Member State
NA	National Authority
NGO	Non Governmental Organization
NUTS	Nomenclature of Territorial Units for Statistics
OP	Operational Programme
OPRD	Operational Programme Regional Development
PC	Personal Computer
PHARE CBC	PHARE (P oland H ungary A id for R econstruction of the E conomy) Programme for Cross-Border Cooperation

PP	Project Partner
PRAG	Practical Guide for Contract Procedures financed from the general budget of the European Communities in the context of external actions
RDA	Regional Development Agency
R&D	Research and Development
SEA	Strategic Environmental Assessment
SMEs	Small and Medium sized Enterprises
SOP	Sectoral Operational Programme
SWOT	Strengths, Weakness, Opportunities, Threats
TA	Technical Assistance
VAT	Value Added Tax