



IPA II CBC PROGRAMME

BULGARIA – THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

CCI2014TC16I5CB006

GUIDELINES FOR APPLICANTS

Call for Proposals No: 2014TC16I5CB006-2015-1

Deadline for submission of project proposals:

Glossary of terms

| | |
|-----------------------------------|---|
| Applicant | Any legal entity meeting the eligible criteria which submits an application to be financed by the programme |
| Beneficiary | An applicant whose application has been approved for financing |
| Lead Partner / Beneficiary | All the beneficiaries for an operation shall designate one of them as the Lead Partner/Beneficiary, who shall assume responsibility for ensuring implementation of the entire operation. |
| Eligible expenditure | Expenditures made by a Beneficiary, related to implementation of the operations financed through the programme, which could be financed from the Instrument for Pre-accession Assistance (IPA), as well as from the state budget and/or own Beneficiary contribution |
| Eligible area/region | The border area of Bulgaria comprises the districts of Blagoevgrad and Kyustendil. The border area of the former Yugoslav Republic of Macedonia comprises the North-East, the East and the South-East NUTS III statistical regions. |
| Managing Authority | The structure responsible for managing the programme is Directorate General "Territorial Cooperation Management", within Ministry of Regional Development and Public Works in Bulgaria. |
| National Authority | The counterpart of the Managing Authority in the partner state - Ministry of Local Self-Government |
| Priority Axis | One of the priorities of the Programme's strategy corresponding to a thematic priority set out in the Annex III of Regulation (EU) No 231/2014 (IPA II Regulation). It consists of one or more specific objectives and description of acts to be supported, and their expected contribution to the specific objectives. |
| Partner | Any applicant involved in a project |
| Operation | A project, contract, action or group of projects selected by the Joint Monitoring Committee that contribute to the objectives of the Programme and the priority axis to which it relates |
| Investment project | Projects that have a predominant investment character with only a minor part of accompanying soft activities |
| "Soft measures" project | Projects that are mainly oriented at preparing studies, establishing networks, providing trainings, developing concepts, providing services for certain target groups, raising awareness on specific themes, etc. These projects may only have a minor investment part that is needed for delivering the soft measures in an effective way. Soft measures also include people-to-people type of actions, e.g. small scale initiatives among civil society institutions that aim at increasing direct contacts and cooperation across the border among the people and their associations in the region |
| Subsidy contract | A written agreement between the MA and Lead beneficiary laying down the detailed conditions for proper implementation of the selected operation |

Glossary of Acronyms

| | |
|----------------|--|
| AA | Audit Authority |
| AF | Application Form |
| CA | Certifying Authority |
| CBC | Cross-Border Cooperation |
| EC | European Commission |
| ERDF | European Regional Development Fund |
| EU | European Union |
| ETC | European Territorial Cooperation |
| DG | Directorate General |
| GD | Government Decision |
| ICT | Information and Communication Technology |
| IPA | Instrument for Pre-accession assistance |
| IT | Information Technology |
| JMC | Joint Monitoring Committee |
| JS | Joint Secretariat |
| LP | Lead Partner |
| MA | Managing Authority |
| MIS | Management Information System |
| 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 |
| PRAG | Practical Guide to Contract Procedures for EU 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 |

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Legal basis

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

- Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-Accession Assistance (IPA II) – IPA II Regulation;
- Commission Implementing Regulation (EU) No 447/2014 of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession Assistance (IPA II) - IPA II Implementing Regulation;
- Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal;
- Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation programmes;
- Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006;
- Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action;
- Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002;
- Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union;
- IPA II Cross-border Cooperation Programme Bulgaria – the former Yugoslav Republic of Macedonia 2014-2020, approved by the European Commission on by Decision No C with programme reference number CCI 2014TC16I5CB006.

National legislation

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

⚠ WARNING!!!

Please bear in mind at all stages that this is a **different Programme** from the previous Bulgaria - the former Yugoslav Republic of Macedonia IPA Cross-border Programme 2007-2013.

Therefore please **read carefully these Guidelines** in order to avoid confusion!

1 General Information

These Guidelines for Applicants aim to provide practical information for project applicants to the Bulgaria – the former Yugoslav Republic of Macedonia IPA Cross-border Cooperation Programme 2014-2020.

It is the most practical level of information needed for the successful submission of a project proposal under this programme. These Guidelines provide information on how to fill in the application form, budget and other related forms, on the application procedure, the project selection criteria, the decision procedure and other practical advices.

⚠ IMPORTANT

The present version of the document is only relevant in connection to the **First Call for Proposals under the IPA II CBC Programme 2014-2020**.

The document is subject to changes without prior notice - modifications will be communicated via the Programme website. Before finalising your project proposal, please visit the website..... once more for any eventual changes.

1.1 Overview of the IPA II CBC Programme 2014-2020

This programme is financed by the European Union through the Instrument for Pre-accession Assistance (IPA II) and co-financed by Bulgaria and the former Yugoslav Republic of Macedonia through contributions from state budgets 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 (Decision No.). It sets out the general framework of intervention of IPA II in the Programme cross-border area.

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

Managing Authority (MA) - Directorate General "Territorial Cooperation Management" at the Ministry of Regional Development and Public Works of the Republic of Bulgaria is designated to perform the functions of single Managing Authority - responsible for managing and implementing the IPA II Cross-border Cooperation Programme Bulgaria – the former Yugoslav Republic of Macedonia in accordance with the principles of sound financial management and the provisions of Article 125 of Regulation (EU) No 1303/2013.

National Authority (NA) - The Ministry of Local Self-Government of the former Yugoslav Republic of Macedonia cooperates with the Managing Authority in joint programming, management and implementation of the programme.

Joint Monitoring Committee (JMC) is composed of representatives of MA, NA, European Commission and the National IPA Coordinator (NIPAC), as well as other relevant national authorities and stakeholders, including civil society and private sector organisations. The composition of the JMC will respect the principles of partnership and multi-level governance. JMC shall carry out its functions in accordance with the provisions of Article 38 of IPA II Implementing Regulation and Articles 49 and 110 of Regulation (EU) No 1303/2013.

Joint Secretariat (JS) is a common structure assisting the MA, NA and the JMC in carrying out their respective functions and providing relevant information on the programme to the potential beneficiaries. The main office of JS is based in **Kyustendil** (Bulgaria) and branch office - in **Strumitsa** (the former Yugoslav Republic of Macedonia).

The programming document and application package are **available on the following web sites:**

- www.ipa-cbc-007.eu
- www.mrrb.government.bg
- www.mls.gov.mk.

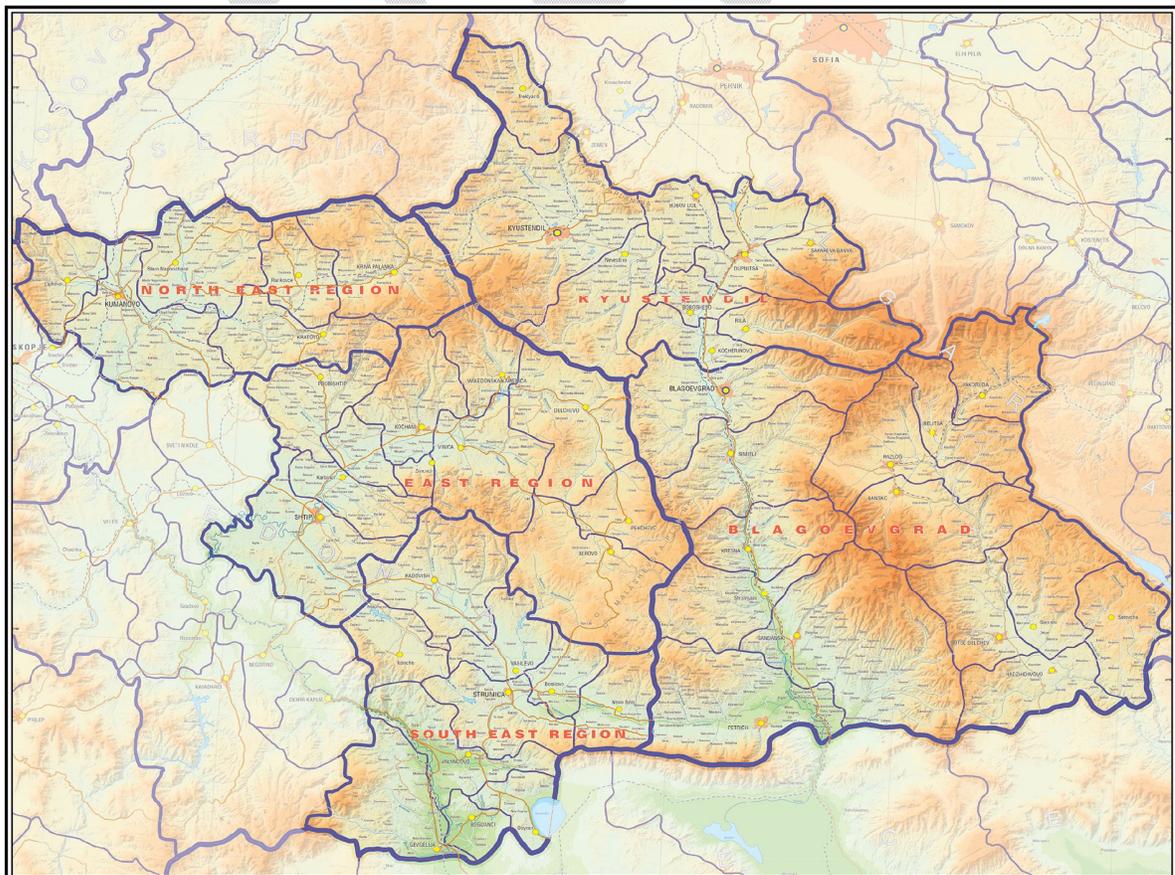
1.1.1 Eligible cross-border area

The border area includes on Bulgarian side two NUTS III districts - **Blagoevgrad and Kyustendil** (52,5% of the CBC programme area), comprising of 23 municipalities, 462 settlements and a population of 452 973 people (46.2% of the total programme area population, 6,2% of the country population):

- District of **Blagoevgrad: 14 municipalities** – Bansko, Belitca, Blagoevgrad, Gotce Delchev, Garmen, Kresna, Petrich, Razlog, Sandanski, Satovcha, Simittli, Strumiani, Hadjidimovo, Yakoruda;
- District of **Kyustendil: 9 municipalities** – Bobovdol, Boboshevo, Dupnitsa, Kocherinovo, Kyustendil, Nevestino, Rila, Sapareva Banya, Trekliano.

The border area of the former Yugoslav Republic of Macedonia comprises the **North-East, the East and the South-East** NUTS III statistical regions (47,5% of the programme area, 33,4% of the country area), consisting of 27 municipalities, 597 settlements and a population of 527 402 people (53,8% of the total programme area population, 25.6 % of the country population):

- **North-East region: 6 municipalities** - Kratovo, Kriva Palanka, Rankovce, Kumanovo, Lipkovo and Staro Nagoricane;
- **South-East region: 10 municipalities** - Valandovo, Gevgelija, Bogdanci, Dojran, Radovis, Konce, Strumica, Bosilovo, Vasilevo and Novo Selo;
- **East region: 11 municipalities** - Berovo, Pehcevo, Vinica, Kocani, Cesinovo - Oblesevo, Zrnovci, Probistip, Stip, Karbinci, Delcevo and Makedonska Kamenica.



1.1.2 Programme strategy, priorities and objectives

The Programme strategy and the selection of priorities is based on the relevance of the topic regarding CBC, the identified potentials of the Programme area, the main needs and challenges that are impacting sustainable and socio-economic development of the region as well as budget constraints and lessons learnt from previous periods. The selected thematic priorities encompass subject matters and types of interventions of common interest, benefiting a broad spectrum of institutions and organisations located on both sides of the border and also having good potential for benefitting youth, women and vulnerable groups.

The overall objective of the IPA CBC Programme Bulgaria – the former Yugoslav Republic of Macedonia 2014 – 2020 is

“to intensify cross-border cooperation between the people and institutions of the region in order to jointly address common challenges and exploit untapped potentials”

The Programme had been prepared in compliance with three out of eight Thematic Priorities (TP) set in Annex III of Regulation (EU) N°231/2014 (the IPA II regulation):

- Thematic Priority (b): Protecting the environment, promoting climate change adaptation and mitigation, risk prevention and management;
- Thematic Priority (d): Encouraging tourism and cultural and natural heritage;
- Thematic Priority (g): Enhancing competitiveness, business environment and the development of small and medium-sized enterprises, trade and investment.

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:Environment;**
- **Priority Axis 2:Tourism;**
- **Priority Axis 3:Competitiveness;**
- **Priority axis 4: Technical Assistance.**

♣ IMPORTANT

Only the **first three Priority Axes** finance projects submitted by applicants, while the fourth one is dedicated to ensuring the proper functioning of the programme management and implementation bodies.

The priority axes are broken down to the specific objectives (SO) as follows:

Priority Axis 1: Environment

- *Specific objective 1.1 Environmental protection and sustainable use of the common natural resources of the CBC area*
- *Specific objective 1.2 Prevention and mitigation of consequences of natural and man-caused disasters of cross-border dimension and impact*

Priority axis 2: Tourism

- *Specific objective 2.1 Enhancing the tourism potential of the region through cooperation initiatives in better preservation and sustainable utilization of natural and cultural heritage*
- *Specific objective 2.2 Raising the competitiveness of the CBC region's tourist offer*
- *Specific objective 2.3. Promoting cooperation among regional actors in the area of sustainable tourism*

Priority axis 3: Competitiveness

- *Specific objective 3.1. Improving the competitiveness of regional businesses*

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

1.2 Financial Allocation of the Call for Proposals

The overall programme budget for period 2014-2020 is EUR 19.461.687 of which an EU contribution of EUR 16.542.434. Financial allocation (EU and partnering countries' co-financing) of the priority axes is as follows:

- 1) Priority axis 1 - EUR **6 811 592** (35%);
- 2) Priority axis 2 - EUR **7 784 676** (40%);
- 3) Priority axis 3 - EUR **2 919 253** (15%);
- 4) Priority axis 4 – EUR **1 946 169** (10%)

The total **amount allocated for this call for proposals** (including financial allocation for the 2015, 2016, 2017) for the three priority axes is broken down as follows:

| Priority Axis | Community Funding | National funding* | Total funding (EUR) |
|------------------------|--------------------------|--------------------------|----------------------------|
| | (a) | (b) | (a)+(b) |
| Priority Axis 1 | 2 393 377 | 422 361 | 2 815 738 |
| Priority Axis 2 | 2 735 288 | 482 698 | 3 217 986 |
| Priority Axis 3 | 1 025 733 | 181 012 | 1 206 745 |
| Total | 6 154 398 | 1 086 071 | 7 240 469 |

The EU will finance 85% of the eligible expenditures and the state budgets of the two participating countries shall provide 15% co-financing.

⚡ IMPORTANT

*The national co-financing for the Programme **(15%)** is ensured by participating countries **proportionately to the allocation of funds between the partners from each country.**

Voluntary own co-financing by the partners is allowed.

The Managing Authority reserves the right not to allocate all financial resources in case of fewer projects applied or projects with insufficient quality as well as to propose to JMC the financial allocation for this Call for Proposals to be increased in case of a large number of high quality project proposals.

1.3 Programme indicators

With a view to summarizing selected information about the development of the Programme, result indicators were elaborated, in order to measure the level of achievement of the intended positive change in the cooperation fields between the two partnering countries, namely for the cross-border region, sector, the supported participants in result of the implementation of the Programme.

Output indicators measure the achievement of the quantitative targets of the Programme. When preparing their Application Form, the applicants should provide quantification of those programme's indicators that are relevant to the project outputs.

When filling the quantities in the specific sections of the Application Form, the Applicants have to strictly follow the programme units for each indicator.

Each project must contribute to the achieving of the programme output indicators. The choice of appropriate project output indicator/s and justification on the way the project contributes to the Programme results is important for the project and its approval by the Joint Monitoring Committee.

1.4 State Aid

"State aid" is any aid, granted by the State or through state or municipal resources, or on behalf of state or municipal resources, directly or through other persons, in any form whatsoever, which distorts or threatens to distort competition by favoring certain undertakings or the production or the trade of certain goods, or the delivery of certain services, in so far as it affects trade between Member States.

Any entity engaged in an economic activity, that is, an activity consisting in offering goods or services on a given market, regardless of its legal status and the way in which it is financed, is considered an undertaking, by the meaning of the State aid regulations. With regard to this, public bodies are not excluded by definition, but the proposed activities are to be checked for profit generation. Commercial and profit-making activities are not eligible under this Call for Proposal.

1.5 Revenue Generating Projects

In case the project generates revenue, in accordance with Article 65.8 from Regulation 1303 the total eligible expenditures of the operations selected from the present call for proposals shall be reduced by the net revenue of the operation directly generated during its implementation.

Net revenue of the operation means cash in-flows directly paid by users for the goods or services provided by the operation, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payments for services less any operating costs and replacement costs of short-life equipment incurred during the corresponding period. Where not all the investment cost is eligible for co-financing, the net revenue shall be allocated pro rata to the eligible and non-eligible parts of the investment cost.

For the purposes of the net revenue calculation, any payment received by the beneficiary arising from contractual penalties as a result of a breach of contract between the beneficiary and a third party or third parties or that has occurred as a result of the withdrawal of an offer by a third party chosen under public procurement rules (the 'deposit') shall not be considered as revenue and shall not be deducted from the eligible expenditure of the operation.

⚡ **IMPORTANT**

During project implementation phase each beneficiary under **project, which generates revenue, should keep detailed, timely, adequate and traceable information concerning the generated revenues.**

2 Rules of the call for proposals

2.1. Cross-border impact

The IPA II CBC Programme Bulgaria-Former Yugoslav Republic of Macedonia shall support operations, which deliver direct **cross-border impact and benefits** for the project partners / target groups / project area / programme area. The project should clearly demonstrate the importance of the cross-border approach to the topic addressed.

Cooperation criteria

Direct cross-border impact is understood in terms of respecting the following cooperation criteria as they are defined 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 sides of the border. The 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 distributed between partners according to the activities to be carried out. There is only one project bank account for the EU contribution (held by the Lead Partner). The Lead Partner is responsible for administration and distribution of funds and for reporting on their use.

⚡ **IMPORTANT**

The project partners from the two participating countries have to cooperate **obligatory in joint development and joint implementation**. In addition, the project **has to comply with at least one** of the following partnership principles as well: joint staffing or joint financing.

2.2 Horizontal themes

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

- a) **Sustainable development** – specific actions to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations;
- b) **Equal opportunities and non-discrimination** – specific actions to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the Programme and, in particular, in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination, and in particular, the requirements of ensuring accessibility for persons with disabilities;
- c) **Equality between men and women** - promotion of equality between men and women and, where appropriate, the arrangements to ensure the integration of the gender perspective at programme and operation level.

The observance of the horizontal themes shall be taken into account during project evaluation.

For more information regarding the Programme commitment towards observing the horizontal themes, please consult the official version of the Programme, available at <http://www.ipa-cbc-007.eu/>.

2.3 Applicable law and public procurement

For the award of service, supply and works contracts by beneficiaries, the procurement procedures shall follow the provisions of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012 and of Chapter 3 of Title II of Part Two of Delegated Regulation (EU) No 1268/2012 which apply in the whole programme area in both countries.

Respecting the procurement provisions of the above regulations, beneficiaries under this Call for Proposals must refer to and use the guidelines and templates of the "Procurement and Grants for European Union External Actions – a Practical Guide" document (PRAG): <http://ec.europa.eu/europeaid/prag/>.

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

- When sub-contracting the activities in order to achieve the project objectives, including activities for project preparation, the contracting must be done by a transparent tendering procedure, following the above rules.
- The project or any sub-contracting procedures 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.

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.

2.4 Communication and Visibility

The information and publicity measures for the interventions of the IPA II funds are aimed at publicizing the actions of the European Union, increasing transparency and creating a uniform image of the interventions throughout participating countries. In all actions (projects, programmes) communication activities should be properly planned. Communication should focus on the achievements and impact of the project actions.

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

More detailed practical guidelines (including templates) concerning the basic information and publicity measures are provided by the European Commission in the Communication and Visibility Manual for EU External Actions, published on the following EU website:

<https://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions>.

2.5 Eligibility Criteria

In order to be eligible for funding under the programme, a project should meet three types of criteria:

- eligibility of applicants (see section 2.5.1)
- eligibility of actions (see section 2.5.2)
- eligibility of expenditures (see section 2.5.3)

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

2.5.1 Eligibility of applicants (Lead Partner and Partners)

⚠ IMPORTANT

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**.

2.5.1.1. All partners involved should fulfil the following criteria

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

and

- **be established or have their headquarters within the eligible cross border region between Bulgaria and the former Yugoslav Republic of Macedonia;**
Exception is made for national/regional public authorities whose area of competence, established by legal acts, extends to the eligible area of the programme or structures of central public authorities located in the eligible cross border region which cannot be registered as legal entities – in this case the central authority is a project partner;

and

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

and

- belong to one of eligible type of beneficiaries under each priority axis and type of measures as specified below:

For **Priority axis 1 Environment:**

| Types of beneficiaries | Investment measures | Soft measures |
|--|----------------------------|----------------------|
| Local and regional authorities and their associations | YES | YES |
| Regional structures of central public authorities (including protected areas administration and those dealing with emergency situations and nature / environment protection) | YES | YES |
| Regional and sectoral development agencies, non-government organisations | NO | YES |
| Research, education and training institutions | YES | YES |
| Social institutions | YES | YES |
| Any association of the above | NO | YES |

For **Priority axis 2 Tourism:**

| Types of beneficiaries | Investment measures | Soft measures |
|---|----------------------------|----------------------|
| Local and regional authorities and their associations | YES | YES |
| Regional structures of central public authorities (including protected areas administration and those dealing with tourism development) | YES | YES |
| Regional and sector development agencies | NO | YES |
| Civil society / non-government organisations | NO | YES |
| Regional touristic associations / NGOs in the field of tourism | NO | YES |
| Business support structures - chamber of commerce, business association, business cluster and others | NO | YES |
| Education and training institutions / centres | YES | YES |
| Cultural institutes (museum, library, art gallery, community centre, and others) | YES | YES |
| Euroregions | NO | YES |
| Any association of the above | NO | YES |

For **Priority axis 3 Competitiveness:**

| Types of Beneficiaries | Soft Measures |
|--|----------------------|
| Local and regional authorities (and their associations) | YES |
| Regional structures of central public authorities (including regional offices of employment agency; structures dealing with economic development and others) | YES |
| Business support structures – chamber of commerce, business association, business cluster and others | YES |
| Regional and sector development agencies, non-government organisations | YES |
| Research, education and training institutions / centres | YES |
| Euroregions | YES |
| Associations of the above | YES |

⚠ IMPORTANT

Local and regional branches of organizations whose **headquarters are registered outside the eligible border region** between Bulgaria and the former Yugoslav Republic of Macedonia **are not eligible under current Call for Proposals with exception of regional structures of central public authorities located in the eligible cross-border area** (including protected areas administration and those dealing with emergency situations, nature/environment protection and tourism development etc.) that cannot be registered as legal entities.

Political parties/organizations and trade companies are not eligible applicants under the programme.

⚠ IMPORTANT

Lead partner must be registered within the eligible border region between Bulgaria and the former Yugoslav Republic of Macedonia **at least 12 months before the deadline for submission of project proposals under current Call for Proposals.**

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 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.

All project partners should sign a "**Declaration of eligibility and commitment**" (part of the AF) including all categories listed above.

In case of potential conflict of interest with the Joint Structures of the Programme (Managing

Authority, National Authority, Certifying Authority, Audit Authority, Joint Monitoring Committee and Joint Secretariat), the beneficiary must immediately inform the Managing Authority.

2.5.1.1 Lead partner principle

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

The Lead Partner is responsible for:

- laying down the arrangements for its relations with the other partners participating in the operation in an agreement comprising, inter alia, provisions guaranteeing the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
- ensuring the implementation of the entire operation;
- transferring the relevant budget amount to the partners participating in the operation according to the partnership agreement and verified costs;
- ensuring that the expenditure presented by the partners participating in the operation has been paid for the purpose of implementing the operation and corresponds to the activities agreed between the partners participating in the operation;
- verifying that the expenditure presented by partners participating in the operation has been validated by the controllers;
- collecting and checking the information from the project partners and submitting reports on progress of the project to the JS;
- signing the subsidy contract for the operation with MA;
- informing MA/JS 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 A2**) as well.

2.5.1.2 Partnership principles

All partners must sign a **Partnership agreement** that stipulates their rights and duties. The partnership agreement should be annexed to the application form. A template of the document is included in the Application package (Annex A2), indicating the minimum standards of the Partnership Agreement. The concrete agreement for the project can be further extended and/or clarified by the project partners.

⚡ IMPORTANT

The maximum number of partners in a project will be **five (5), including the Lead Partner!**

All project partners must:

- be able to demonstrate their capacity to manage their share of activities of the project for which the grant is requested (see Application Form (AF), part 1);
- ensure temporary availability of funds from their own/third party sources until they are reimbursed by the programme;
- covering all non-eligible expenditure and additional expenditures, either declared in the application form or identified as such by the programme authorities during the evaluation and implementation of projects;
- follow the value of their own contributions (if applicable) and the list of eligible expenditures when completing the budget of the project (AF – part 3 to the present Guidelines);
- have stable and sufficient sources of finance to ensure the continuity of the operation of their organizations after the end of the project and, if necessary, to play a part in financing it.

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

All project partners shall annex 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**

Under current call for proposals an institution/organization may **submit only two (2) project proposals: one (1) project proposal as Lead Partner and one (1) project proposal as Project Partner or 2 project proposals as Project Partner.**

In case the above requirement had not been respected, all proposals submitted by the applicant will be eliminated on administrative stage.

2.5.2. Eligibility of Actions

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

Under this call for proposals, two types of projects shall be financed:

- **Soft projects** that are mainly oriented at preparing studies, establishing networks, providing trainings, developing concepts, providing services for certain target groups, raising awareness on specific themes, etc.
- **Investments projects** that have works component or that grant more than half of their total eligible budget for the purchase of equipment. The foreseen expenditures for the works component (construction, reconstruction, rehabilitation, renovation, etc) should form **at least 70%** of the total eligible cost of the entire project.

Projects duration and budget limits:

| Priority axis | Specific objective | Type of measure | Project Grant Amount (€) | Project Duration (months) |
|---|---|-----------------|--------------------------|---------------------------|
| Priority Axis 1 Environment | 1.1 Environmental protection and sustainable use of the common natural resources of the CBC area | Soft | 50 000-120 000 | 8-15 |
| | | Investment | 100 000-300 000 | 12-24 |
| | 1.2 Prevention and mitigation of consequences of natural and man-caused disasters of cross-border dimension and impact | Soft | 50 000-120 000 | 8-15 |
| | | Investment | 100 000- 400 000 | 12-24 |
| Priority Axis 2 Tourism | 2.1 Enhancing the tourism potential of the region through cooperation initiatives in better preservation and sustainable utilization of natural and cultural heritage | Investment | 100 000-500 000 | 12-24 |
| | 2.2 Raising the competitiveness of the CBC region's tourist offer | Soft | 50 000-120 000 | 8-15 |
| | 2.3 Promoting cooperation among regional actors in the area of sustainable tourism | Soft | 50 000-120 000 | 8-15 |
| Priority Axis 3 Competitiveness | 3.1 Improving the competitiveness of regional businesses | Soft | 50 000-120 000 | 8-15 |

⚡ IMPORTANT

Allocation of the budget between **"investment"** and **"soft" projects** will be respectively **80%:20%** from the total amount of **the Priority Axis 1 Environment and Priority Axis 2 Tourism**. The Managing Authority reserves the right to propose to JMC re-allocation of funds case of fewer projects applied or projects with insufficient quality.

Duration:

For **"soft"** projects the duration of the project should **not exceed 15 months** from the starting date of the project.

For **"Investment"** projects the duration of the project should **not exceed 24 months** from the starting date of the project.

Location:

In order to be eligible for financing all project activities must take place within the **eligible cross-border area of Bulgaria and the former Yugoslav Republic of Macedonia** (see section 1.1.1).

⚡ IMPORTANT

Pursuant to Article 44(2) of Commission Implementing Regulation (EU) No 447/2014 of 2 May 2014 and Section 5, point 5.4 of the Programme document, the Programme shall finance **operations located outside the eligible cross-border area up to the limit of 20 %** of the support from the Union at Programme level.

The activities outside border area **must be related to participation/organization of events, seminars, business trips, promotion campaign etc.** and should be **budgeted in BL3 and BL4 in the budget of the respective partner.**

In accordance with the above and following the provisions of the Programme it is possible **up to 20 % of the respective beneficiary's budget** to be spent for the activities implemented **outside of the programme eligible area**. The beneficiary should provide a detailed justification proving that those activities are necessary for achieving of the specific project objective. The activities and related costs should be indicated in the application form. The limitation of 20 % also should be respect in the implementation phase of the project – spending, reporting and verification. When calculating the amount of expenditures for the activities which will be implemented outside of the programme eligible area, applicants must keep in mind that:

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

The project must be in line with the indicative actions from the specific objective under each priority axis as stipulated in the Bulgaria – the former Yugoslav Republic of Macedonia IPA II Cross-border Cooperation Programme and described below:

⚡ IMPORTANT

One project proposal must cover **only one Specific objective** under respective Priority axis. Combination of activities from **different Specific objectives** is forbidden and will lead to direct elimination.

Priority Axis 1 – ENVIRONMENT***Specific Objective 1.1 Environmental protection and sustainable use of the common natural resources of the CBC area***

The following indicative activities are eligible:

For investment measures:

Environmental friendly small-scale investments:

- Joint environmental friendly initiatives and investments in small infrastructure, equipment and technologies for air, water and soil pollution control/monitoring and rehabilitation of rivers, contaminated lands, brown fields, etc.;
- Small scale investments in recycling, waste collection, waste separation, remediation of illegal dumping sites and improving public hygiene;
- Small scale investments for improving the management of Natura 2000 and nature protected sites;
- Small scale investments in Renewable Energy Sources (RES) and energy efficiency in public infrastructure;
- Joint initiatives towards the protection and restoration of ecosystems and endangered / protected species;
- Joint coordinated actions for restoration of the natural processes and characteristics of river habitats;
- Air pollution control / monitoring activities as cleaner domestic combustion installations, fuel switching abatement technologies;

For soft measures:

Joint initiatives and cooperation, exchange of experience, know-how and capacity building activities:

- Joint initiatives, networks and partnerships for promoting nature protection, energy efficiency and sustainable use of natural resources among local population, including young people, marginalized communities and other vulnerable groups;
- Joint approaches, studies, plans, common databases focusing on protecting landscape and biodiversity;
- Development and implementation of management plans for the protected areas, existing and potential Natura 2000 sites;
- Cooperation, exchange of experiences and knowledge between institutions in the field of nature protection and pollution prevention;
- Cooperation between public authorities and NGOs in the field of safe and sustainable low-carbon economy across borders;
- Awareness raising and training initiatives on all levels (individual persons, organizations, businesses, public administration, schools) on issues related to environmental and nature protection, reducing and recycling waste, etc.;
- Awareness raising initiatives related to the possibilities to mainstream air quality in agriculture (e.g. in livestock keeping, handling of manure, using fertiliser, burning of biomass and agricultural waste).

Specific Objective 1.2 Prevention and mitigation of consequences of natural and man-caused disasters of cross-border dimension and impact

The following indicative activities are eligible:

For investment measures:**Early warning systems, equipment and assets, small-scale investments:**

- Small scale investments for consolidation of river beds, reconstruction or construction of dikes, prevention of landslides, construction of hydro technical facilities (weirs) for flood prevention, etc.;
- Small scale investments for risk prevention and response to natural and environmental hazards and the consequences of climate change, such as:
 - supply of specialized fire-fighting equipment,
 - supply of specialized equipment for control of floods and for search and rescue interventions,
- Support of small-scale interventions / investments as restoration of flood plains and wetlands, afforestation, re-meandering, sanitation of river banks; building flood defence (dikes, canals etc.); removal of river sediments; forestation of non-permanent or vulnerable land; cuttings for emergency situations; etc.

The natural flood risk management approach (green infrastructure) will be considered as preferable to grey infrastructure projects (e.g. canals, dykes) for flood prevention and protection as it is a better environmental option (or as complementary to minimize grey infrastructure and its impacts).

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

For soft measures:**Joint initiatives, strategies, awareness raising, exchange of experience:**

- Joint approaches for promoting risk prevention awareness, adaptation and mitigation (e.g. risk mapping of accident risk spots, hazard and risk assessment and evaluation methods, joint databases, joint plans and methodologies, joint risk assessment strategies; early warning and disaster management systems);
- Preparation of technical documentation, feasibility studies and detailed designs for consolidation of river beds, for construction of dikes or prevention of landslides; Joint activities for improving cooperation and capacity for disaster management;
- Joint initiatives addressing water quality and management;
- Exchange of experience and good practices (study visits, round-tables, conferences, trainings) for public authorities and other concerned target groups on management of environmental emergencies;
- Awareness-raising campaigns in the field of risk prevention and management for all population groups (including young people and marginalised groups), the negative effects of climate change and possible mitigation measures;
- Conducting joint theoretical-tactical practices and field trainings for emergency situation management for local population (with special focus on young people);
- Specific actions in the field of education, information-sharing, training for local population and etc;

Priority Axis 2 – TOURISM**Specific Objective 2.1 Enhancing the tourism potential of the region through cooperation initiatives in better preservation and sustainable utilization of natural and cultural heritage**

The following indicative activities are eligible:

For investment measures:**Small-scale investments, ICT and GIS platforms, info-centres, touristic transport schemes:**

- Restoration and maintenance of touristic sites of historical and cultural importance, including conservation and protection of tangible and intangible natural, historical and cultural heritage;
- Improvement of accessibility to natural, cultural and historical touristic sites through rehabilitation of access roads, building of new and/or reconstructing or upgrading of existing cycling routes and walking paths (including the accompanying elaborating a common standard for road signs and information tables, as well as a joint travel guides etc.);
- Building of new and/or rehabilitation and upgrading of tourist attractions, info-centres, kiosks to guide potential visitors, etc.
- Public utilities upgrade (electricity, water-supply, sewage, etc.) related to touristic sites;
- Development of facilities for access to or in the tourist sites for disabled people;

Specific Objective 2.2 Raising the competitiveness of the CBC region's tourist Offer

The following indicative activities are eligible:

For soft measures:**Joint researches, joint tourism product and services development and promotion, training and consultancy:**

- Elaboration and implementation of joint thematic routes and thematic tourism clusters (that are based on the region's unique natural and cultural heritage);
- Development of new / alternative / sustainable tourism products and services;
- Joint actions, tools and initiatives for the promotion of the cross-border tourist products (e.g. joint participation in tourism trade fairs, exhibitions and other promotional events, joint advertising campaigns, etc.);
- Joint elaboration and implementation of plans for development of tourism activities, new tourist destinations and experience;
- Joint initiatives to improve the service quality in tourism (exchange of experience and good practices, trainings, study tours, etc.);
- Support to start-up initiatives for exploiting local assets to create new tourism products and services (incl. for women and marginalized groups);
- Development of cross-border transport schemes to touristic sites;

Specific Objective 2.3 Promoting cooperation among regional actors in the area of sustainable tourism

The following indicative activities are eligible:

For soft measures:

Joint promotional events, awareness raising and networking:

- Creating / developing / strengthening of joint networks for exchange of good practices in sustainable tourism management;
- Developing / implementing joint policies, strategies, training and capacity building events for the valorization of the cultural and natural heritage through its restoration and promotion for sustainable economic uses;
- Organization of joint cultural events for the promotion of the region 's cultural identity in the field of music, theater, art and etc;
- Creating networks for addressing youth initiatives in the border area, incl. the participation of kids and young people in initiatives in the area of cultural, social, science and physical activities (music, philosophy, sports, regional exploration);
- Awareness raising campaigns on all levels (individual persons, organizations, businesses, public administration, schools, universities) on issues related to sustainable utilization and promotion of the region 's intangible cultural and natural heritage;

Priority Axis 3 – COMPETITIVENESS

Specific Objective 3.1 Improving the competitiveness of regional businesses

Only **soft measure** activities are eligible under this priority axis:

Actions for enhancing the competitiveness of companies:

- Support to joint start-up and self-employment initiatives (especially for young people, women);
- Support to (creation of) social enterprises and social entrepreneurship;
- Joint approaches and promotion, development and implementation of innovations in businesses;
- Exchange of experience in innovation tools and products and joint actions for stimulating the growth of innovative/higher added-value industries (e.g. bio-farming, environmental technologies, ICTs, energy saving, pharmaceutical, electronic, etc.);

Actions for intensifying the cooperation among businesses:

- Support for the development of cross-border business clusters;
- Promoting and implementing joint business development training, cooperation, exchange of experience and capacity building schemes;
- Joint initiatives for export promotion; organization and participation of cross-border fairs, exhibitions, trade missions; joint participation in fairs in third countries;
- Exchange of experience and good practices for boosting the economic development of the region for investment promotion;
- Cooperation between business, research and development and educational / training institutions in the field of technology transfer, innovative approaches / tools and the promotion of knowledge-based economy;
- Creating networks for enhancing the employment potential of young people, women and vulnerable/marginalized groups;

⚡ IMPORTANT

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

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

All envisaged works activities have to be supported with approved/certified detailed works design(where applicable according to the relevant legislation of the country (Bulgaria or the former Yugoslav Republic of Macedonia), **where the works activities will be implemented. In case of construction works, for which the relevant legislation do not require approval of a work design, the applicants have to present a statement by the relevant institutions for exception of the rule for design's approval.**

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.

When the relevant legislation does not require positive environmental impact assessment, the applicants have to present a statement by the relevant institutions for exception of the rule for environmental impact assessment.

In case of small scale investments projects in the context of RES and river management, compliance with the Water Framework Directive (WFD) and Floods Directive is required (if applicable) and Appropriate Assessment pursuant to Article 6.3 of the Habitats Directive are duly carried out as early as possible.

In case of projects that modify the hydro-morphological characteristics of a water body causing deterioration of the status, an appropriate analysis as required by Art. 4.7 of WFD shall be carried out as early as possible in the planning process (if applicable).

In case of investment projects addressing flood and fire protection interventions all appropriate environmental assessments pursuant to Article 6.3 of the Habitats Directive are required to be carried out as early as possible (if applicable).

In case of infrastructure projects, a risk assessments (project's vulnerability to disaster risks including longer-term expected effects from climate change) is required (if applicable).

In case of projects related to air pollution, their objectives should be in line with the objectives of Clean Air Package of 18 December 2013.

In case of infrastructural activities land acquisition has to be finalized and respective documents to be presented (if applicable).

All supplies have to be supported by detailed technical specification, relevant unit prices and total price.

All prices concerning investment activities have to be in Euro.

Ineligible Activities:

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

- Activities concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;

- Activities concerned only or mainly with individual scholarships for studies or training courses or research actions;
- Activities without a real cross-border impact;
- Activities with provisions for financing the usual management activities of the local organizations;
- Activities that started before the applicants have signed a contract for awarding grants except project preparation activities;
- Activities linked to political parties;
- Charitable donations;
- Activities financed by other Community Programmes;
- One-off actions such as conferences, round tables, seminars or similar events. These actions can only be funded if they form part of a wider project. For this purpose, preparatory activities for a conference and the publication of proceedings do not in themselves constitute such a wider project;
- Actions for which the Partner is already receiving funding e.g. from the Governmental budget, other Community programmes or other funds;
- Commercial activities;
- Actions which are ideologically biased;
- Sub-granting activities (i.e. the use of the grant to make further grants (financial or in-kind) or loans to other organisations or individuals such as for those who are establishing their businesses);
- Actions that include provisions to finance the core activities currently carried out by the applicant or (if any) his partners;
- Actions supporting establishment or activities of private or public enterprises, and profit-earning activities;
- Tourist packages activities such as "safari" and "off-road" runs are not eligible because they lead to significant damage to environment and biodiversity.

2.5.3 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 based on supporting documents with some exceptions for which the flat rate should be applied. The eligibility of expenditure applies to EU and national contribution as well as beneficiaries' own contribution. The expenditures are generally eligible if they comply with the principles of sound financial management and with the relevant rules for public procurement

Recommendations to award a grant are always subject to the condition that the checking process which precedes the signing of the contract does not reveal problems requiring changes to the budget (for instance arithmetical errors, inaccuracies or unrealistic costs and other ineligible costs). The checks may give rise to requests for clarification and may lead the

Managing Authority to impose modifications or reductions to address such mistakes or inaccuracies. The amount of the grant and the percentage of the EU co-financing as a result of these corrections must not be increased.

⚠ IMPORTANT

Expenditures for investment activities (**works or supply**) should form **at least 70% of total eligible project costs under "Investment" projects.**

In case expenditures for **supply** are envisaged for **non-investment ("soft") projects**, such expenditures **must not exceed 50 % of total eligible project costs.**

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

Requirements for eligible costs:

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;
- have been stipulated in the project budget;
- have actually been incurred by the beneficiaries or their partners during the implementing period for the activities defined in the application form;
- be recorded in the partners' accounts and tax documents, be identifiable and verifiable, and be backed up by supporting documents;
- be verified by controllers and certified as eligible;
- be in line with the provisions of the subsidy contract, European and national legislation;
- have not been subject to financing from any other public funds;
- be effectuated until the end of project. In accordance with Article 43(1) of the Implementing Regulation (EU) No 447/2014 the starting date for the eligibility of expenditure for project preparation for the Bulgarian partners is the starting date of the programme period, namely January 1, 2014. For the partners from the former Yugoslav Republic of Macedonia the starting date for the eligibility of expenditure for project preparation is the date of the submission of the Programme to EC, namely September 22, 2014. The ending date for eligibility of expenditures for project preparation is the date of submission of the project proposal to the MA and this condition applies to all applicants, both Bulgarian and Macedonian. The starting date for the eligibility of other expenditure is the date following the date of signing of the contract between MA and Lead Partner;
- expenditures must be made according to the:
 - Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II);
 - Commission Implementing Regulation (EU) No 447/2014 of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II);
 - Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation programmes;
 - Procurement and Grants for European Union External Actions – a Practical Guide document (PRAG);

- IPA II Cross-border Programme Bulgaria – former Yugoslav Republic of Macedonia 2014-2020;
- Specific guideline, instructions and manuals issued by the programme bodies.

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

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

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

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

Contracting of employees of the partner organizations as external experts, e.g. as freelancers.

IMPORTANT In-kind contribution is not eligible expenditure!

List of eligible expenditures

BUDGET LINES:

- BUDGET LINE 1: Staff costs
- BUDGET LINE 2: Office and Administrative costs
- BUDGET LINE 3: Travel and Accommodation costs
- BUDGET LINE 4: External expertise and service costs
- BUDGET LINE 5: Equipment and Works
- BUDGET LINE 6: Project preparation

The total sum of the maximum rates of the budget lines listed below exceeds 100 %. In a project with real expenditures the amount should be 100 %. The minimum rate in Budget line 5 for investment projects is obligatory and may be ground for

rejection of the project proposal. For other Budget lines, the below mentioned thresholds are strongly recommended and will be observed during the evaluation of the project proposals.

Direct and indirect expenditures (costs)

Direct expenditures are all expenditures that can be attributed directly to the project - expenditures for travel and accommodation, external expertise and services, equipment and works (budget lines 3, 4 and 5). Indirect expenditures are the costs that cannot be assigned directly to the project activities but are necessary for their implementation – expenditures for staff, office and administrative expenditures (budget lines 1 and 2). Project preparation expenditures (budget line 6) are carried out before the project implementation period.

Eligible expenditures for VAT

The expenditures for VAT are eligible if they are non-recoverable from other sources under national VAT legislation. Before filling the application form each beneficiary should clarify its VAT status for each activity and determine the VAT as recoverable or non-recoverable from other sources. In case the VAT is non-recoverable from other sources it is eligible for financing by the programme and should be included by the potential beneficiary in the respective unit rates.

⚡ IMPORTANT

The amount of eligible VAT (non-recoverable from other sources) should be included in the unit rates of the budget. The eligibility of expenditures for VAT should be proved by the beneficiary at the reporting stage and is subject of verification by the MA. The beneficiaries who partially recover VAT have to provide the first level controllers with the proof of the percentage of non-recoverable VAT. VAT paid abroad is eligible expenditure in case it is not recoverable by any means from other sources.

Guidelines for Bulgarian beneficiaries concerning the eligibility of expenditures for VAT is given by Bulgarian minister of finance with letter No. NF-5/28.07.2014.

BUDGET LINE 1: STAFF COSTS

Including remuneration of staff involved in the project implementation.

Staff costs shall be reimbursed by the Managing Authority to the beneficiaries as a flat rate of maximum 15% of the direct costs for "Soft" projects. For "Investment" projects the flat rate shall not exceed 10% of direct costs. The flat rate percentage should be indicate in the budget by the project partner and will remain the same for the entire project implementation period! In the verification process the beneficiaries do not need to present any supporting documents that the expenditures has been incurred and paid. The proper appointment of the project team is on the responsibility of the beneficiaries themselves.

Description

The members of the project staff for example are project manager, coordinator, accountant and assistant. Staff costs must relate to activities which the partner organization would not carry out if the project was not undertaken. The members of the project staff perform periodically repetitive actions related to the organization, coordination, management and reporting of the activities and results related to the project during the project period. The employee could work full-time or part-time for the project. The salaries will be specified as gross amount and should be considered accordingly.

The staff costs include:

- Salary payments fixed in the employment/work contract, an appointment decision (in the case of natural persons working for the partner organization under a contract other than an employment/work contact), or by law.
- Any other costs directly linked to the salary such as employment taxes and social security including pensions as long as they are fixed in the employment document and they are in accordance with the legislation and standard practices in the country and/or organization.

The appointment of the staff by the beneficiaries has to be made in accordance with European and national legislation.

In the beginning of the project implementation each beneficiary will be requested to present:

- ✓ a declaration that in the project implementation period he will keep up the necessary and qualified project staff for successful implementation of the project activities;
- ✓ a nomination of project team members – internal order, a letter, etc.

BUDGET LINE 2: OFFICE AND ADMINISTRATIVE COSTS

Office and administrative costs shall be reimbursed by the Managing Authority to the beneficiaries as a flat rate of maximum 15% of staff costs. In the verification process the beneficiaries do not need to present any supporting documents that the expenditures have been incurred and paid. The spending and proper documentation of these expenditures is on the responsibility of the respective beneficiary.

The expenditures on office and administration costs cover operating and administrative expenditures of the partner organization that support delivery and implementation of project activities.

| Description | |
|---------------------------------|---|
| Rent of office Overheads | Expenses covering rent of office for the purpose of the project Expenses covering electricity, heating, water, telephone costs, internet, and other utilities. |
| Consumables | Expenses covering paper, pens, CDs, folders, toners for the needs of the office |
| Bank taxes | Bank charges for opening and administering the account(s) where the implementation of the project requires a separate account to be opened (only for the Lead beneficiary); Bank Charges for transnational financial transactions (for all beneficiaries). |
| Maintenance costs | Postal services, maintenance, cleaning, security, insurances, business cards, coffee/biscuits for small project meetings |

⚠ IMPORTANT

The maximum threshold for budget line 2 is obligatory and will be ground for rejection of the project proposal.

Example for calculation of the amount of BL 1 "Staff costs" and BL 2 "Office and administrative costs" for project partner:

Investment project:

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

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

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

- Max. amount of **BL 1 "Staff costs"** = $(BL\ 3 + BL\ 4 + BL\ 5) * 10/100 =$
 $= (5\ 000 + 50\ 000 + 180\ 000) * 10/100 = 23\ 500$ Euro

- Max. amount of **BL 2 "Office and administrative costs"** =
 $= BL\ 1 * 15/100 = 23\ 500 * 15/100 = 3\ 525$ Euro

Soft project:

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

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

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

- Max. amount of **BL 1 "Staff costs"** = $(BL\ 3 + BL\ 4 + BL\ 5) * 15/100 =$
 $= (3\ 000 + 55\ 000 + 25\ 000) * 15/100 = 12\ 450$ Euro

- Max. amount of **BL 2 "Office and administrative costs"** = $BL\ 1 * 15/100 =$
 $= 12\ 450 * 15/100 = 1\ 867,50$ Euro.

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

BUDGET LINE 3: TRAVEL AND ACCOMMODATION COSTS

This budget line will cover the expenses for project staff members from both countries in 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.) ;
- business trips related to the project activities.

| Sub-line | Eligible expenditures |
|--------------|--|
| Travel costs | <p>Travel costs will usually cover expenses for:</p> <ul style="list-style-type: none"> • train tickets; • bus tickets, • airline tickets; • rent of vehicle for the operation; • car travels (expenditure for fuel/kilometre, green cards, motor way taxes, vignettes, parking fees, etc.); • medical insurances; <p>📌 IMPORTANT Total number of kilometres should be determined in the project proposal in compliance with the project scope. The expenditure for fuel of personal vehicle, vehicle of the organization or rent vehicle is budgeted in kilometers (maximum 0,21 euro per kilometer). In the sub-line shall be budgeted expenses for fuel of vehicle used for events.</p> |

| | |
|------------------|---|
| Daily allowances | Daily allowances In the eligible border region - € 20; Outside the eligible area daily allowances are € 35. Daily allowances are eligible only for project team members. |
| Accommodation | Accommodation costs In the eligible border region of the two partnering countries the accommodation costs are up to € 50; Outside the eligible area the accommodation costs are up to € 130. |

BUDGET LINE 4: EXTERNAL EXPERTISE AND SERVICE COSTS

Costs for organisation of meetings, seminars, press conferences, awareness campaigns, trainings, consultancy, studies, designs, etc.

| Sub-line | Eligible expenditures |
|---|--|
| Rent of hall for events | Expenses for rent of hall – for meetings, trainings, conferences, etc. (proposed unit rate – per hour, per day); |
| Rent of audio/video equipment for events | Expenses for rent of equipment (proposed unit rate – per hour, per day), including: <ul style="list-style-type: none"> translation equipment; audio equipment; video equipment; other equipment related to the event. |
| Rent of vehicle for event | Expenses for rent of vehicle for participants in the events. Proposed unit rate – per kilometer |
| Catering for events. | Expenses for coffee breaks, refreshments, dinners and lunches for participants in the events. Proposed unit rate – per participant; ⚡ IMPORTANT Expenditures for alcoholic beverages and cigarettes are not eligible. The costs are only eligible if stated clearly and easily visible on the invitation/agenda. |
| Accommodations for participants in the events | In the eligible border region of the two partnering countries the accommodation costs are up to € 50; Outside the eligible area the accommodation costs are up to € 130. Proposed unit rate – per participant. |
| Preparation of materials for events | Expenses for preparation of materials for the participants in the events (invitations, agenda, presentations etc.). Proposed unit rate – per participant |
| Consumables for events | Expenses for consumables for the participants in the events, as paper, files, folders, cases, CDs, etc. Proposed unit rate – per participant. |
| Purchases of advertising materials | Expenses only for purchase of advertising materials as pens, key chains, CDs, USBs, hats, bags, note books, folders etc. Proposed unit rate – per item. |

| | |
|--|---|
| Elaboration, design, translation of advertising materials. | 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, leaflets (informing about the project's implementation and results); • manuals and guidelines (related to the project); • design of project's logo; • design and printing of advertising items with the logo of the project or with the logo of the programme (pens, key chains, CDs, USBs, hats, bags, note books, folders). |
| Publications in mass-media | Expenses for publications in press and broadcasting in mass-media (radio, TV). Proposed unit rate – per publication. |
| Consultancy, studies, designs, website development, etc. | Expenses for feasibility studies, surveys, technical expertise, legal advice, elaboration of works design/specialized software/web-pages, etc. For expenditures planned as a lump sum, justification for calculation of the amount should be presented in a separate documents signed by the respective partner. |
| Interpreters, lecturers, trainers, etc. | Expenses for interpreters, lecturers, trainers. Proposed unit rate – per day, per hour. |
| Other | Any other specific project expenses which cannot be classified and included in any other budget lines/sub-lines. |

IMPORTANT

In each budget sub-line the expenses shall be budgeted as per event and per participants in accordance with the description of the project activities.

BUDGET LINE 5: EQUIPMENT AND WORKS

The budget line represents the investment part of the project and **covers the expenses for supplies and works.**

In case of **"investment" projects** the amount of the eligible expenses of this budget line should be **at minimum 70 % of total eligible project costs.** This threshold is obligatory for "investment" projects.

In case of **"soft" projects** the amount of eligible expenses of this budget line should be maximum **50% of total eligible project costs.** This threshold is obligatory for "soft" projects.

| Sub-line | Eligible expenditures |
|--------------------------------|--|
| Small scale investments | <p>Expenses for land preparation – any works aimed at making the land suitable for the purpose of the project (removal of unnecessary materials and vegetation, drainage etc.);</p> <p>Main investment (construction, reconstruction, rehabilitation, widening and modernization of the building(s)/site(s) and the related installations).</p> <p>Connection to utilities: power connection, water supply and sewage connection, gas connection etc.</p> <p>Site organization: places for workers and equipment, waste removal, fences etc.</p> <p>Expenses for land rehabilitation after completion of works and/or environment protection activities;</p> <p>Expenditure for supervision (if necessary) – in compliance with the relevant national legislation.</p> |
| Supply* | Expenditure for purchase of IT equipment and office furniture; Expenditure necessary to bring the equipment to working condition; |

| | |
|--|--|
| | <p>Expenditure for software; PCs, laptops or other relevant equipment 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 EU - funded projects.</p> <p>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).</p> <p>Expenditure for purchase of laboratory equipment, machines measuring instruments, etc.</p> |
|--|--|

*** 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 6: PROJECT PREPARATION

The budget line covers the expenses for project preparation (meetings between partners, consultancy, studies, translation of documents, taxes and other charges arising from preparation of project proposal).

| Budget line | Eligible expenditures |
|----------------------------|--|
| Project preparation | <p>‡ IMPORTANT</p> <p>The cost for project preparation will be reimbursed only to those applicants awarded subsidy contracts. Otherwise this cost is not recoverable. The starting date for eligibility of project preparation expenditures for the Bulgarian beneficiaries is the starting date of the programme period, namely January 1, 2014. For the beneficiaries from the former Yugoslav Republic of Macedonia the starting date for the eligibility of expenses for project preparation is the date of the submission of the Programme (September 22, 2014) to the EC.</p> <p>The project preparation expenditures should be carried out before or on the date of submission of the project proposals at the latest. It means that all supporting documents as invoices, acceptance protocols, lists, etc., should be issued before or on the date of submission of the project proposal to the Managing authority at the latest. The expenses for project preparation should be requested for reimbursement and verified only in the first request for reimbursement of the respective project partner and in accordance with the guidelines from the Managing Authority.</p> <p>In case of sub-contracting, procurement rules should be applied (see point 2.3).</p> <p>‡ IMPORTANT At the stage of preparation of the budget the project preparation expenditures should be maximum 5 % of</p> |

| |
|--|
| direct project costs (BL 3+BL4+BL 5). |
|--|

⚡ IMPORTANT

In addition to the above detailed instructions on how to complete the project budget is given below of these Guidelines for applicants in p. 3.1.2, Application Form Part III.

The budget for the project should be prepared using the monthly accounting exchange rate of the Commission. You can find the EU currency exchange rates at: <http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=countries&Language=en>.

3 How to apply for funding

The financing under IPA II CBC Programme is available to potential beneficiaries through a competitive process.

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

3.1.1 How to get the Application Package

The Application Package contains the Application Form and Annexes. These are the official forms that should be submitted when applying for financial support under the programme. The Guidelines for Applicants, 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.ipa-cbc-007.eu
- Managing Authority's website: www.mrrb.government.bg
- National Authority's website: www.mls.gov.mk

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

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

Fax: +359 78 55 11 85

E-mail: jtsipakyustendil@gmail.com

Questions that may be relevant to other applicants, together with their answers, will be published on the internet site: www.ipa-cbc-007.eu.

3.1.2 How to fill in the Application Form and its Annexes

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

- ✓ *Make sure you fill in the Application Form and Annexes (see below) on computer, correctly and completely and add all related documents.*
- ✓ *Applications and Annexes must be submitted using the forms included in the Applicant's Pack under current Call.*
- ✓ *The application and Annexes must be filled in in English.*
- ✓ *The supporting documents issued by national/local authorities or other bodies shall be attached.*
- ✓ *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).*

- ✓ *The Application Form (Part I, II and III) should be fully identical in paper and electronic version.*

Modifying the standard Application form / Annexes or using old templates will result in the rejection of your application.

APPLICATION FORM (AF)

APPLICATION FORM - COVER

On the cover page of the Application form you should fill in the name of the project, the Lead Partner institution and the name of its legal representative (in English). The legal representative should put as well his/hers signature and the stamp of the organization.

The sections on the top of the cover page are filled in by the Managing Authority.

Project registration

When received at the JS/branch office (Kyustendil or Strumica), your Application will receive a registration number. This number, together with the exact date and time of arrival of the Application will be put on the outer sealed package by representatives of the JS/branch office.

The application form and Annexes should be submitted on paper **one (1) original** and **one (1) electronic version** (CD or DVD) within the deadline set in the call for proposals.

Project number will be filled in by the Chairperson of the Assessment Working Group (AWG) at the opening session.

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.

CHECK LIST

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

APPLICATION FORM - PART I

Please fill the information below for every project partner starting with No 1 for Lead partner/PP1.

1. Identity

1.1. Detailed information

State the official and full name of the organisation both in English and native language.

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

The "Type of organization" field should be filled in with the type of organization.

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

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

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

1.2. Partner profile

State the past experience (**over past 5 years**) in territorial co-operation actions.

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

This section intends to reveal the experience of the organization in projects management/implementation. Please select and describe three projects, which you consider relevant, implemented successfully by your organization.

Here the Project partners must provide detailed information about most relevant successfully implemented projects (**maximum 3 (three)** projects per project partner).

2. Financial data

2.1. Detailed information

State national registration code of the organisation and VAT registration (if applicable),

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 for the current year and the past 3 years.

APPLICATION FORM - PART II

1. Project identity

1.1. Project title

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

State the number and name of the Priority and Specific objective and type of project the proposal (Refer to [item 1.6.2. Eligibility of actions](#) of these Guidelines).

State the project duration **in months** (Refer to [item 1.6.2. Eligibility of actions](#)).

1.2. Cooperation criteria

In order to prove the cross-border impact of the project you must explain which of the following criteria are fulfilled (**minimum three**): obligatory Joint development and Joint implementation.

In addition, you should choose one of the following criteria as well: Joint staffing or Joint financing (please refer to section 2 Rules of the Call for Proposals, 2.1 Cooperation criteria).

In the column Justification, you should explain how the project meets the selected cooperation criteria.

Your proposal must respect at least Joint Development and Joint Implementation and, additionally, one of the other two cooperation criteria: Joint Financing or Joint Staffing. Please give here brief justification on how the selected criteria will be respected. Avoid answering the question with a simple, one-sentence answer - for example "The project proposal was developed by all project partners". You are advised to be more convincing by describing what has been the exact role of each partner organization in the project development. The same recommendation refers to the other cooperation criteria as well.

1.3. Cross border impact and benefits of the project

The projects partners should describe what will be the impact and the benefits for the cross-border area by the project.

2. Financial information – Project budget (EUR)

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 for each project partner**.

2.2. Breakdown of eligible expenditure (EUR)

The information about eligible expenditures planned will be filled automatically after filling the Budget tables of the Application form – Part III - Table 2 for each project partner.

3. Project description

3.1. Background and demand for the project proposal

Project partners should provide a clear description of:

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

3.2. Consistency with the programme specific objectives

The projects partners should explain how the project's own objectives comply with and contribute to the achievement of the selected Programme Specific objective.

3.3. Consistency with programme overall objective

All projects under IPA II Bulgaria – the former Yugoslav Republic of Macedonia Cross Border Programme must contribute to the achievement of the overall aim set out in the Programme.

Project partners should explain clearly how their project will contribute to the achievement of the overall aim of the programme through implementation of specific activities in accordance with the defined Priority axes and Specific objectives..

3.4. Description of the target groups, beneficiaries (estimated number)

The project partners should provide clear description of the target groups, direct and final beneficiaries and their estimated number (in total for all partners).

- "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

Please, do not overestimate the numbers and try to be as realistic as possible. (For example, a project proposal with quite narrow specific overall aim and limited actions is not expected to reach hundreds or thousands of people. Nonetheless, that does not make the less significant than a project with wider overall aim and large number of activities).

3.5. Project activities - description and methods of implementation

Project partners should fill in the activities planned to achieve the objectives of the project. . Try to organize the activities by types and to present their interconnection. For each activity fill in the exact location (NUTS III region) of its execution. The total number of the planned activities is up to you and depends on the nature of the project. Please note that activities are limited to 15.

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

NOTE

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

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

- Organization of a seminar/ workshop/ training/ conference etc.:
 - ✓ Title of the seminar;
 - ✓ Purpose of the seminar;
 - ✓ Location;
 - ✓ Estimated number, background and nationality of participants;
 - ✓ Duration;
 - ✓ Necessary equipment (rent of hall, sound systems, etc.) and logistics (transportation) for the conduction of the seminar;
 - ✓ Involvement of external experts (lecturers, trainers, interpreters, consultants, etc.) – if applicable;
 - ✓ Provision for catering and/or accommodation of the participants – if applicable;
 - ✓ Necessary (information) materials and consumables for the event;
 - ✓ Responsible partner for the overall organization and reporting of the event.
- Supply of materials/ equipment etc.:
 - ✓ Description (including technical specification) of the materials / equipment to be supplied;
 - ✓ Exact quantities;
 - ✓ Purpose of the supplies (including link with other project activities);
 - ✓ Provision for design – if applicable.
- Consultancy/ studies/ analyses/ researches etc.:
 - ✓ Title;
 - ✓ Purpose of the study/ analysis (including link with other project activities);
 - ✓ Expected human input in implementation of the activity (for example, number and type of experts involved and duration of their involvement);
 - ✓ Type of the expected product (hard copy, electronic version, number of pages etc.).

3.6. Project activities outside the eligible border area (if applicable)

The project partners should provide detailed information regarding the activity/ies that will be implemented outside the eligible area of the Programme. The activities outside border area must be related mainly to participation/organization of events (seminars, trainings, business trips etc.) and budgeted only in BL3 and BL4 in the budget of the respective partner. Therefore you are expected to describe the type of activity, place, involved actors, outputs and justification how activity/ies will benefit the programme area.

3.7. Communication and visibility

According to the EC Regulations and the Programme, the project partners must promote their projects and the added value of the Community funds. The communication activities should promote the fact that the project financing is provided from the European Union (under the IPA II) and ensure the adequate presentation of the project and the European cooperation.

3.7.1. Communication strategy

Although a special activity for promotion of the project might be planned (in section 3.5), different measures for publicity and communication could appear in the other project activities. Therefore you are expected to summarize here all such activities (including exact numbers and types of activities/ products).

3.7.2. Communication tools

In the table you should filled information for the chosen communication tools/materials contributing to the implementation of the strategy

3.8. Duration and action plan

All activities described in section 3.5 will automatically be filled in the table. You have to add in which trimester they are going to be implemented.

Please consider carefully the time in case certain activity will be subject to sub-contracting through procurement procedure.

4. Management of the project and reporting

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

The following information should be provided:

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

The Lead Partner and the project partners should sign a Partnership Agreement, which clearly defines the roles and responsibilities of each partner. A template for the Partnership Agreement is included in the application package, indicating the minimum standards of the Partnership Agreement. The concrete agreement for the project could be extended and more detailed

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

IMPORTANT

Submission of CVs of the project team members **is not necessary!**

5. Monitoring of the project

5.1. Expected outputs

Output indicators allow measuring the achievement of the quantitative targets of the Programme. When preparing their Application Form, you should specify to the achievement of which Programme output indicator(s) your project proposal will contribute. You should fill in exact numbers which correspond to the project activities and outputs.

Note that you may select from only these Output indicators referred to the chosen Specific objective of your project (the other fields will be locked for editing).

In the "Justification" field you need to describe the related activities and sources for verification of the pointed quantified values.

5.2. Multiplier effect

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

5.3. Sustainability

The applicants should explain how they intend to maintain the sustainability of the project results after the end of the project. It should be described how the activities will be continued, in which way and who will be the responsible partner.

This part should include aspects of ownerships; necessary follow-up actions and resources for maintenance of the outputs delivered under the project; built-in strategies; etc. The Lead Partner and project partners should ensure the sustainability of the project results not less than five years after completion of the implementation period in terms for investment support projects and not less than 2 years after completion of the implementation period in terms for soft measures projects.

6. Project coherence with

6.1. Other strategies

The Project partners should describe how the project proposal fits the larger European Union strategies concerning the Programme (please see the Programme document, Section 1, for a list of relevant policy frameworks and strategies) as well as the potential synergy of the project with other initiatives/ programmes/ strategies at national level.

6.2. Other projects

The Project partners should provide information if the project proposal is part of a bigger project or connected to another project(s) by indicating in which way.

6.3 Horizontal themes

Explain how your project will contribute towards the promotion of the three horizontal themes – sustainable development, equal opportunities and equality between men and women (section "2.2 Horizontal themes" of these Guidelines)

APPLICATION FORM - PART III

Table 1 – TOTAL BUDGET PER PROJECT PARTNERS

Table 1 – Names of project partners starting with PP1 (Lead partner), country code and total financial contribution will be automatically filled after you finish the AF part III.

Table 2 – DETAILED BREAKDOWN OF BUDGET LINES PER PARTNER (PP1, PP2, 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 that each of them will be responsible for during the project implementation. The figures in the column "Unit rate" should include the eligible VAT. Before filling the application form each project partner should clarify its VAT status for each activity and determine the VAT as recoverable or non-recoverable from other sources. In case the VAT is non-recoverable from other sources it is eligible for financing by the programme and should be included by the partner in the respective unit rates.

At the beginning, the project partners should fill the direct expenditures (budget lines 3, 4, 5) and project preparation costs (budget line 6). After that the project partners should indicate the percentage of the flat rate for budget line 1 "Staff costs", taking into account a type of the project (soft or investment) and the maximum possible percentage (15 % or 10%). The amount for staff costs will be calculated automatically. The project partners should indicate the percentage of the flat rate for budget line 2 "Office and administrative costs" taking into account that the maximum possible percentage is 15 % from the amount of budget line 1 "Staff costs". The amount for office and administrative costs will be calculated automatically.

In accordance with the provisions of the Programme and in connection with p. 2.5.2.2 "Activities location" it is possible up to 20 % of the amount of the respective beneficiary's budget to be spent for the activities implemented outside of the programme eligible area. These costs shall be eligible only if they are included in the partner's budget as "expenditures outside the eligible area". If the project partner envisages carrying out some of the activities outside of the eligible programme area, the costs necessary for implementation of these activities should be indicated in the partner's budget, table 2, column "expenditures outside of the eligible area". The expenditures which will be spent outside the eligible area should reflect and should be in close connection with implementation of those activities. The activities outside border area must be related to participation/organization of events, seminars, trainings, business trips, promotion campaign etc. and should be budgeted only in BL3 and BL4 in the budget of the respective partner.

When calculating the amount of expenditures for the activities which will be implemented outside of the programme eligible area, Applicants must keep in mind that:

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

⚡ IMPORTANT

It is very important for proper evaluation, implementation and reporting of the project every project partners to fill Table 2 carefully, precisely and logically to the project activities. **The use of the right units (hour, day, month, kilometers, etc.) and number of units in the budgeting process avoid future problems in reporting and more important, in reimbursement of expenditure.** For example: two days seminar does not always mean three accommodations and four daily allowances.

Table 2 – DETAILED BREAKDOWN OF BUDGET LINES – TOTAL will be automatically filled and will provide a detailed summary of the project costs per Budget lines and Sub-lines.

Table 3 – SUMMARY BREAKDOWN OF BUDGET LINES

Table 3 will be filled automatically providing a summary of the project costs only per BLs.

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 is generated automatically.

Table 5 – PROJECT SOURCES/PARTNERS' CONTRIBUTION

In Table 5 the sources of national co-financing should be inserted – **15 % state co-financing** is provided and if applicable (not obligatory) **own contribution** and/or other sources.

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

NEW!!!

Please note that the **following Annexes are included in the Application form:**

PARTNERSHIP AND COFINANCING STATEMENT is automatically filled in (amount of own contribution, name of institution, name and position of the legal representative). Every project partner should print, sign, stamp and dated the declaration. On paper version this document should be provided in a number corresponding to the project partners.

DECLARATION OF ELIGIBILITY AND COMMITMENT is automatically filled in (name of institution, name and position of the legal representative, name of the project, registration code etc.). Every project partner should print, sign, stamp and dated the declaration. On paper version this document should be provided in a number corresponding to the project partners.

PROJECT SUMMARY is part of the Application form and **should be filled in English, Macedonian and Bulgarian**. In case of inconsistency between the three versions, the English version shall prevail.

The Managing Authority reserves the right to propose to the JMC reduction of the project costs

4 Annexes

4.1 Annexes (A)

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

A1. CHECKLIST OF SUBMITTED DOCUMENTS

A2. PARTNERSHIP AGREEMENT - signed, dated and stamped by all partners – in original

A3. STATE AID DE MINIMIS DECLARATION – signed, dated, stamped and provided by **each Bulgarian partner – in original** (Macedonian partners should follow the national regulations)

NOTE

In case the Application form and Annexes are not signed by the legal representative of the Lead Partner/Partners - an Authorization document (letter of attorney, administrative order etc.) from the legal representative of the partner should be presented in original or notary certified copy.

4.2 Annexes (B)

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

For "soft" measure projects:

B1. Documentary evidence on the most recent legal status of all partners issued not later than 6 months prior to the submission deadline of the current call (in original or notary certified copy);

- The document on the recent legal status should indicate also the date of establishment of the organization, the place of establishment (registration) and scope of territory competence (if applicable), and it should prove the eligibility of the organization in accordance to all criteria stated above in section 2.5.1. In case the issued document does not justify all of the above circumstances, other documents could be provided, like the act of establishment or certificates from superior authorities (Ministries, Agencies, District governments, Inspectorates).
- In case such a document is not applicable (for example – schools, municipalities, regional administrations, universities etc.), an establishment act should be submitted by the candidate (in cases where the establishment act is a large document or contains information that is not relevant to the candidate, partners may submit only the cover page of the document and the page with the relevant information concerning the institution).

B2. Decision of Applicant's governing body (Local Council/Board of Directors or any similar body) regarding project development and implementation (in original or true copy signed by the partner); The decision for project development and implementation has to be provided in all cases, no matter whether sole or collective managing authority takes the decisions in the organization.

In the cases where the executive authority is different from the collective managing body (i.e. Mayor and Municipal Council), the decision has to be taken by the second one.

Power of Attorney (if applicable) from the legal representatives of the project partners, in case the application form and/or the annexed declarations are not signed by the legal representatives of the Lead Partner/project partners – in original only.

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

B4. In case of Supply of equipment:

- **Technical specifications** of the tangible assets (if applicable)

For investment projects:

B1. Documentary and other evidence on the most recent legal status of all partners (issued not later than 6 months prior to the submission deadline of the current call) (in original or notary certified copy) – see the explanation above.

B2. Decision of Applicant's governing body (Local Council/Board of Directors or any similar body) regarding project development and implementation, including statement that the assets are given for free right of use for the purpose of the project for at least **5 years after the end of the project** (in original or true copy signed by the partner);

B3 In case of Works activities:

- **B3.1. Document certifying the right of property/concession** on the land and/or building (Ownership act or certificate for ownership of the tangible assets, which will be subject of works activities) (in original or notary certified copy);
- **B3.2.** In case of investment activities passing through private territories: **notary certified declaration of consent by owner/s** and notary certified copy of the ownership act;

- **B3.3.** In case of investment activities within **territories with special status** (National parks, environmental and architectural reserves, cultural monuments, protected areas and territories, areas included in Nature 2000, etc.) relevant documentation (permits, approvals, certificates, statements, etc.) required by the respective national applicable law and issued in the original language and translated into English – original or notary certified copy
- **B3.4. Positive Environmental Impact Assessment** positive opinion from the relevant body), required by the national legislation and issued in the original language and translated into English – original or officially certified copy (notary certified).

Or

- **Statement issued by the relevant body clearly stated that Environmental Impact Assessment is not necessary**, issued in the original language and translated into English – original or officially certified copy
- **B3.5. Approved Detailed works design issued not later than 2 years prior to the deadline of the current call** – (if applicable according to the relevant legislation) original or officially certified copy.

The following documents should be presented in original (signed and stamped) and translated in English: **Explanatory note** and **Bill of Quantities**.

- ✓ In case of construction works, for which the relevant legislation does not require approval of a works design, the applicants have to present a statement by the relevant institutions for exception of the rule for design's approval, issued in the original language and present situating drawings, supported with the following documents, translated in English: Explanatory note and detailed Bill of Quantities.
- ✓ In case of works activities for protection of cultural and historical heritage, the detailed works design for conservation/restoration/construction should be approved by the relevant national institutions responsible for conservation of the cultural and historical heritage, prior to submission of the project proposal.
- ✓ All construction activities should be supported by detailed **Bill of Quantities** – signed and stamped. All items in the Bill of Quantities have to be specified in details and all unit prices and total price have to be pointed out. The amount of Bill of Quantities can be incorporated in Budget line 5 of the Application Form if it contains all the attributes described above. If the amount in Bill of Quantities is presented in local currency, it must contain a separate column showing all unit rates and total prices in Euro (the conversion of the national currency into Euro should be made according to the exchange rate published on the web site of the EC for the month, during which the document is prepared: <http://ec.europa.eu/budget/inforeuro/index.cfm?language=en>)

In case the application is approved for funding, on the pre-contracting stage upon request the Lead Partner has to present to the Managing authority **the Construction permit** (if applicable according to the relevant legislation).

⚡ IMPORTANT

Please note that missing of approved works design issued not later than 2 years prior to the submission deadline of the current call (when applicable) is a reason for direct elimination without possibility for additional supplementations

- **B3.6. Latest photos** of the site as on the back of the photograph the name of the applicant, the exact place /location of the object and a date should be indicated.

B4. In case of Supply of equipment:

- **Technical specifications** of the tangible assets (if applicable)

NOTE

Please note that **trades and models must not be indicated** in Technical specifications!

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

IMPORTANT

Unless stated differently, all supporting documents must be presented either in original (when it is possible) or in the form of copies, certified **"True copy"** by the legal representative or an authorized person from the Lead partner and/or the respective project partner.

Furthermore, all supporting documents should be submitted in the original language and **translated in English** as well. The translation is not required to be made by a certified translator/agency but have to be certified as **"True copy"** by the legal representative or an authorized person from the Lead partner and/or the respective project partner. The translated version will prevail for the purposes of the application assessment.

4.3 Annexes (C)

The following Annex is provided only for information:

C. Subsidy contract - The annexed contract is indicative

For information the following Annexes to be provided on the pre-contracting stage upon request

- Copies of the partners' Certificate for registration or national registration code and VAT registration (if applicable) (true copy certified by the partner).
- 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 or plan for rescheduling of the debts if existing (notary certified).
- Declaration from all partners that they are familiar with the definition for irregularity and fraud according to a template.

5 Where and how to send the application

5.1. Where to submit the Application:

The Application form, its annexes and supporting documents (the Application) must be received in a sealed package 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 Joint Secretariat- main/branch office at one of the following addresses:

Postal address, Address for hand delivery or by courier service:

JS Kyustendil
Republic of Bulgaria
2500, Kyustendil,
7 Marin Drinov Str.

Branch JS
2400 Municipality of Strumitsa
NN Blagoi Mucheto Str.
(town park), 2 floor

IMPORTANT

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

5.2. How to submit the Application:

The Application must be received by one of the Joint Secretariat offices (main/branch) before the deadline announced in Section 5 of the Guidelines. Any Applications 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.

- The Application Form and Annexes must be submitted using the forms included in the Applicants' Package. Modifying the standard Application form or Annexes will result in the rejection of the Application.
- The Application Form 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 into English (as described in Section 4.2).
- The Application Form must be filled in electronically. Hand-written applications will be rejected.
- The Application form should be bound (together with its Annexes) in A4 format in the way that pages could not be taken away from the whole set. All pages should be numbered in the lower right corner (with consequent numbers starting from the cover page of the Application Form until the last page of the last annex).

The Application should be submitted packed in archival cardboard box/es for the respective paper format. The outer package must bear the following:

The outer envelope must bear the:

- **Programme: IPA II CBC Bulgaria –Former Yugoslav Republic of Macedonia Programme**
 - **Call for Proposal number:**
 - **Full name and address of the applicant:.....**
- NOT TO BE OPENED BEFORE THE OPENING SESSION!**

IMPORTANT

The Application form together with Annexes and supporting documents should be presented in **one (1) original marked "Original"** in a sealed envelope and **one (1) electronic format (CD, DVD or USB)**.

All supporting documents should be scanned and recorded with file names, corresponding to respective documents per partner and archived in following electronic folders: **Application form, Annexes A and Annexes B**.

Instructions for presentation of the electronic documents in CD/DVD/USB:

| CD/ DVD/ USB | Directories, subdirectories and files | Explanations |
|---|--|--|
|  | AF_ipacbcgmk.xls | The application form in Excel at the level of the main directory of the CD or DVD disk |
|  | Annexes_ A | |
| |  Annex_A1 | |
| |  Annex_A.1_Checklist of submitted | This should be a scanned document |

| | | | | |
|--|---|---|---|--|
| | | | documents_en.pdf | |
| | |  | Annex_A2 | |
| | |  | Annex_A.2_Partnership agreement.pdf | This should be a scanned document |
| | |  | Annex_A3 | |
| | |  | Annex_A3_State Aid De Minimis Declaration.pdf | This should be a scanned document-for all BG partners. |
| |  |  | Annexes_B | |
| | |  | Annex_B1 | |
| | |  | B1_PP1_bg/mk.pdf | The legal status of PP1 in original language – scanned |
| | |  |pdf | And so on for all partners |
| | |  | Annex_B2 | |
| | |  | B2_PP1_bg/mk.pdf | The Decision of Local Council/Board of Directors of PP1- scanned in original language and English translation. |
| | |  |pdf | And so on for all partners |
| |  |  | Annexes_B3 | Only in case of investment activities |
| | |  | Annex_B3.1 | |
| | |  | B3.1_PP1_Ownership_bg/mk.pdf | Ownership act or certificate for municipal or state ownership of PP1 in original language – scanned original and English translation. |
| | |  |pdf | And so on for all partners |
| | |  | Annex_B3.2 | |
| | |  | B3.2_PP1_bg/mk.pdf | The Consent of the owners (in original language) in case of passing through private territories for PP1 – scanned original and English translation |
| | |  |pdf | And so on for all partners |
| | |  | Annex_B3.3 | |
| | |  | B3.3_PP1_bg/mk.pdf | In case of investment activities within territories with special status: relevant documentation (in original language) required by the respective national legislation for PP1 (original or notary certified copy) – scanned and English translation |
| | |  |pdf | And so on for all partners |
| | |  | Annex_B3.4 | |
| | |  | B3.4_PP1_bg/mk.pdf | Positive Environment Impact Assessment or statement that it is not necessary for PP1 in original language – scanned and English translation |
| | |  |pdf | And so on for all partners |

| | | | | |
|--|--|---|--------------------|--|
| | |  | Annex_B3.5 | |
| | |  | B3.5_PP1_bg/mk.pdf | Approved/certified detailed works design of PP1 – scanned In case of construction works, for which the relevant legislation does not require approval of a works design - copy of letter issued by the relevant institutions for exception of the rule for design's approval, supported with present situation drawings – scanned and English translation |
| | |  |pdf | And so on for all partners |
| | |  | B3.5_PP1_bg/mk.pdf | Explanatory note from the Approved detailed works design of PP1 in English – editable text document, not a scanned one |
| | |  | B3.5_PP1_bg/mk.xls | Detailed Bill of Quantities from the Approved detailed works design and/or Estimated Bill of Quantities for the supplies of PP1 in English and in EUR – editable text document, not a scanned one |
| | | | ... | And so on for all partners |
| | |  | Annex_B3.6 | |
| | |  | ...pdf or jpeg | Latest photos of the site/s subject of investment activities |
| | |  | Annex_B4 | |
| | |  | B4_PP1_bg/mk.pdf | Detailed technical specification for supplies of PP1 in English – scanned original |
| | |  |pdf | And so on for all partners |

For technical and architectural plans where their scan is impossible, electronic version should be provided.

The electronic format must contain exactly the same proposal as the paper version!

6 Deadline for receipt of applications

⚡ IMPORTANT

The deadline for the receipt of applications is**2015, 4 p.m. local time**

Any application registered **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.

7 Assessment and Selection of Applications

The financing under the current Programme shall be made available to potential beneficiaries through a competitive process. The project evaluation and selection criteria prepared by the Managing Authority together with the National Authority and the Joint Secretariat are approved by the Joint Monitoring Committee(JMC).

The assessment procedure is divided in three steps – opening, administrative compliance and eligibility check and technical and quality assessment. The first two steps of the evaluation are executed by the Contracting Authority through Assessment Working Group. The technical and quality assessment is executed by external assessors. Each project proposal is assessed independently by two assessors – one from Bulgarian side and one from the side of the former Yugoslav Republic of Macedonia.

The results of each assessment step will be summarized in the form of reports by the AWG and presented to the JMC for approval. Based on the received technical scores, proposals will be ranked in descending order for each Priority Axis and the JMC shall select projects for financing until exhaustion of the funding available under each Priority Axis for this Call for Proposals. Simultaneously, JMC will approve the list with the rejected proposals (proposals, which either did not cover the administrative and eligibility criteria or have received less than 65 points at the technical and quality assessment) and may also decide on creating reserves lists for project proposals, which have passed the administrative and eligibility criteria and have received more than 65 points at the technical and quality assessment, but for which funding under the present Call for Proposals is unavailable.

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 Partners 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.

All project proposals submitted by applicants will be assessed according to the following steps and criteria:

STEP 1: OPENING SESSION

The following will be assessed on the opening stage:

- The deadline has been respected. If the deadline has not been respected the proposal will be not opened and automatically will be rejected. The Application form, together with Annexes and supporting documents, is presented in separate binder marked as "Original" in a sealed envelope.

STEP 2: ADMINISTRATIVE COMPLIANCE AND ELIGIBILITY CHECK

The project proposal must satisfy all the criteria mentioned in the Table for administrative compliance and eligibility check to continue at further stage of technical and quality assessment.

- In case one "No" is checked for the Administrative Compliance criteria, the assessment of the Application Form will stop at this stage and the project will be proposed for rejection.

NOTE

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. **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.**

ADMINISTRATIVE COMPLIANCE and ELIGIBILITY CHECK

| ADMINISTRATIVE PART (to be filled by Assessment Working Group) | |
|--|--|
| Project No | |
| Lead Partner | |
| Partner/s | |
| Project title | |

| | No | CRITERIA FOR ADMINISTRATIVE COMPLIANCE | YES | NO | N/A Comment |
|---|----|--|------------|-----------|-------------|
| <i>Identification details of the project proposal</i> | 1 | The identification details are clearly stated outside of the sealed package. | | | |
| | 2 | One (1) original hard-copy paper version and one (1) electronic version of the Application form and annexes are provided in sealed package | | | |
| <i>The Application Form and its annexes are according to the templates and filled-in in English</i> | 3 | The Application Form is duly completed in compliance with the template of the current call for proposals. Cover page of the AF is signed and stamped and all sections are typed in English | | | |
| | 4 | Project summary in 3 (three) languages English, Bulgarian and Macedonian- (part of the AF). | | | |
| | 5 | Partnership agreement signed and stamped by all partners (Annex A2) | | | |
| | 6 | Declaration of eligibility and commitment signed and stamped by each project partner (part of the AF) | | | |
| | 7 | Partnership and co-financing statements signed and stamped and dated by each partner(part one the AF) | | | |
| | 8 | State Aid De Minimis Declaration- signed and stamped and dated by each Bulgarian partner (Annex A3) | | | |
| | 9 | Authorization document from the legal representatives of partners (if applicable) in case the application form and declarations are not signed by the legal representatives of the Lead Partner/partners – original or notary certified copy. | | | |
| | | SUPPORTING DOCUMENTS FOR SOFT MEASURE PROJECTS | YES | NO | |
| <i>The integrity the AF for soft projects</i> | 10 | Documentary and other evidence on the most recent legal status of all partners (issued not later than 6 months prior to the submission deadline of the current call) - in original or notary certified copy | | | |
| | 11 | Decision of Applicant's governing body (Local Council/Board of Directors or any similar body) regarding project development and implementation (in original or true copy | | | |

| | | | | | |
|--|------|--|---|-----------|--|
| | | signed by the partner) | | | |
| | 12 | In case of Supply of equipment: Technical specification is provided | | | |
| | | SUPPORTING DOCUMENTS FOR INVESTMENT PROJECTS | YES | NO | |
| <i>The integrity of the AF for Investment projects</i> | 13 | Documentary and other evidence on the most recent legal status of all partners (issued not later than 6 months prior to the submission deadline of the current call (in original or notary certified copy) | | | |
| | 14 | Decision of Applicant's governing body (Local Council/Board of Directors or any similar body) regarding project development and implementation including statement that the assets are given for free right of use for the project for at least 5 years after the end of the project (in original or true copy signed by the partner) | | | |
| | 15 | In case of Works activities: | | | |
| | 15.1 | Document certifying the right of property/concession on the land and/or building (Ownership act or certificate for ownership of the tangible assets, which will be subject of works activities) original or notary certified copy; | | | |
| | 15.2 | In case of investment activities passing through private territories: notary certified declaration of consent by owner/s and notary certified copy of the ownership act | | | |
| | 15.3 | In case of investment activities within territories with special status relevant documentation required by the respective national legislation is/are presented (notary certified copy). | | | |
| | 15.4 | Copy of positive Environmental Impact Assessment or Copy of letter issued by the relevant body clearly stating that Environmental Impact Assessment is not necessary (notary certified copy) | | | |
| | 15.5 | Approved detailed works design issued not later than 2 year prior to the deadline of the current call including Explanatory note and Bill of Quantities (if applicable) | | | |
| | 15.6 | Latest photos of the site with filled name of applicant, date and the exact location of the object on the back. | | | |
| | | 16 | In case of Supply of equipment : Technical specification is provided | | |
| | | COMMENTS | YES | NO | |
| | | Project proposal satisfies all criteria for administrative compliance | | | |
| In case one "No" is checked for the Administrative Compliance criteria above, the assessment | | | | | |

of the Application Form will stop at this stage and the project will be proposed for rejection.

| Criteria | ELIGIBILITY sub-criteria | YES | NO | N/A Comment |
|---|--|-----|----|----------------|
| <i>The Partners hip is eligible</i> | At least one partner from each side of the cross border region is involved. | | | |
| | Project partner/s participate in one (1) project proposal as Lead Partner and/or in one (1) project proposal as Partner | | | |
| <i>All Applicants are eligible</i> | Lead partner is registered at least 12 months before the deadline for submission of project proposals under current Call for Proposals | | | |
| | All partners are eligible organizations/public bodies/ public equivalents/ non-profit organizations, registered in the eligible area | | | |
| | All partners are eligible type of organisation applying for the respective specific objective/type of project as defined in the Guidelines for Applicants | | | |
| Project fulfils minimum requirements for eligibility of actions | The project proposal covers only one specific objective and is in line with indicative activities stipulated in the Guidelines for Applicants. | | | |
| | The project activities are located in the eligible area or in case not located in the eligible area duly justifications are provided in the Application Form (AF 3.5. and 3.6.) | | | |
| | At least 3 of the cooperation criteria are clearly fulfilled (mandatory cooperation in joint development and implementation of the project + one by choice from join staffing or financing) | | | |
| | The implementation period is within the limits of project duration indicated in the Guidelines for Applicants | | | |
| Financial admissibility | The value of the financial support requested is in line with the limit indicated for the specific objective in the Guidelines for Applicants. | | | |
| | The budget of activities to be carried out outside the programme area (if the case) is not over the 20% limit set in the Guidelines for Applicants. | | | |
| | For investment projects - The minimum rate of 70 % for investment in Budget line 5 is observed. For soft projects – The maximum rate of 50 % for supply in Budget line 5 is observed. | | | |
| | The maximum rate for Staff costs in Budget line 1 for each partner is observed (for the respective type of project) | | | |
| | The maximum rate for Office and administrative costs in Budget line 2 for each partner is observed (for the respective type of project). | | | |
| | The maximum rate for Project preparation costs is observed. | | | |

In case one "No" is checked, the assessment of the Application Form will stop at this stage and the project will be proposed for rejection.

| | | | |
|------|--|------------|-----------|
| | | | |
| | Project proposal satisfies all criteria for eligibility compliance | YES | NO |
| Date | Assessor's name and signature: | | |

STEP 3: TECHNICAL AND QUALITY ASSESSMENT STAGE

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

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

- 1) Management capacity;
- 2) Project's context and consistency with the Programme and other strategies;
- 3) Methodology;
- 4) Budget.

The first three sections give maximum 80 points and the last one – maximum 20 points. The maximum overall score of a project proposal is 100 points.

| TECHNICAL AND QUALITY EVALUATION PART (to be filled by external assessors) | |
|---|--|
| Project No | |
| Lead Partner | |
| Partner/s | |
| Project title | |

| SECTION I: MANAGEMENT CAPACITY | | | | |
|---------------------------------------|--|----------|-------------------|------------------|
| No | SELECTION CRITERIA | | Max. score | Reference |
| 1. | Partnership relevant to the proposed project | | 5 | Part I p.1.2. |
| | <i>The partnership is relevant to the proposed project in view of partners' profiles</i> | 5 points | | |
| | <i>The partnership is partially relevant to the proposed project in view of partners' profiles, but the partners complement each other</i> | 3 points | | |
| | <i>One of the partners is not relevant to the proposed project in view of its profile</i> | 2 points | | |
| | <i>The project partnership is not relevant to the proposed project in view of partners' profiles</i> | 0 points | | |
| 2. | The partners are experienced in project management in cross border or other EU financed projects | | 5 | Part I p.1.3. |
| | <i>All project partner/s have previously implemented at least one ETC project</i> | 5 points | | |
| | <i>All project partner have previously implemented at least one EU funded project</i> | 3 points | | |
| | <i>At least one of the partners implemented at least one project financed by EU funds before</i> | 1 points | | |
| | <i>None of the partners has experience</i> | 0 point | | |

| 3. | The project partners have the necessary experience in the field addressed by the project | 5 | Part I p.1.2. p.1.3. |
|--|---|------------|---------------------------------------|
| | <i>All project partners have implemented projects/ actions in the field addressed by the project</i> | 5 points | |
| | <i>At least one of the project partners has implemented projects/ actions in the field addressed by the project</i> | 3 points | |
| | <i>None of the project partners has implemented projects/ actions in the field addressed by the project</i> | 0 points | |
| 4. | Staff, technical capacity and financial stability of the project partners | 5 | Part I p.2.2. |
| | <i>All partners have permanent staff, good technical capacity and financial stability</i> | 5 points | |
| | <i>Some partners have permanent staff, good technical capacity and financial stability</i> | 3 points | |
| | <i>None of the project partners has permanent staff, good technical capacity and financial stability</i> | 0 point | |
| SUBTOTAL | | 20 | |
| SECTION II: PROJECT'S CONTEXT AND CONSISTENCY WITH THE PROGRAMME AND OTHER STRATEGIES | | | |
| No | SELECTION CRITERIA | Max. score | Reference |
| 5. | The project contributes to the achievement of the specific objective addressed and output indicators | 5 | Part II p.3.2. p.5.1. |
| | <i>The project contributes to the achievement of the specific objective and more than one output indicator (the pointed quantities are well justified).</i> | 5 points | |
| | <i>The project contributes to the achievement of the specific objective and one output indicator (the pointed quantities are well justified).</i> | 3 points | |
| | <i>The contribution to the achievement of both the specific objective and output indicator/s is vague/ not well described.</i> | 1 point | |
| 6. | The project is relevant to the particular needs and constraints of the border region | 5 | Part II p.1.3. p.3.1. p.3.2. |
| | <i>The envisaged activities in terms of needs of the border region are very well described and well justified: they are timely and appropriate</i> | 5 points | |
| | <i>The envisaged activities in terms of needs of the border region are described and partially justified</i> | 3 points | |
| | <i>Insufficiently described and not well justified activities in terms of needs of the border region</i> | 0 point | |
| 7 | The target groups, direct and final beneficiaries are relevant to the project activities, clearly defined and quantified | 5 | Part II p.3.4. |
| | <i>Relevant, clearly defined and realistically quantified target groups, direct and final beneficiaries</i> | 5 points | |
| | <i>Relevant and clearly defined, but not realistically quantified target groups, direct and final beneficiaries</i> | 3 points | |
| | <i>Unclearly defined and/or not realistically quantified target groups, direct and final beneficiaries (lack</i> | 1 points | |

| | <i>of relevant description and lack of quantification)</i> | | |
|---------------------------------|---|------------|---|
| 8 | Coherence of the project with European Union strategies concerning territorial cooperation and other programmes/ initiatives/ strategies at national/ regional level | 4 | Part II p.6.1. |
| | <i>The project demonstrates clear coherence with European Union strategies concerning territorial cooperation and with other national/ regional strategy(ies)</i> | 4 points | |
| | <i>The project demonstrates coherence with European Union strategies concerning territorial cooperation programmes/ initiatives/ strategies or with national/ regional level strategy (ies) only.</i> | 2 points | |
| | <i>The project does not demonstrate coherence with European Union strategies concerning territorial cooperation and with other programmes/ initiatives/ strategies at national/ regional level.</i> | 0 point | |
| 9 | The project makes positive contribution to the Programme horizontal principles: sustainable development, equal opportunities and non-discrimination, equality between men and women | 5 | Part II p.6.3. |
| | <i>The project is coherent with all 3 horizontal principles</i> | 5 points | |
| | <i>The project is coherent with 2 of the horizontal principles</i> | 3 points | |
| | <i>The project is coherent with only 1 of the horizontal principles</i> | 1 points | |
| | <i>No coherence with the horizontal principles</i> | 0 points | |
| 10 | The project is part of a bigger project or connected to another project | 1 | Part II p. 6.2. |
| | Yes | 1 points | |
| | No | 0 points | |
| SUBTOTAL | | 25 | |
| SECTION III: METHODOLOGY | | | |
| No | SELECTION CRITERIA | Max. score | Reference |
| 11 | The project activities proposed are appropriate and the logic consistency objective-activity-result is kept | 10 | Part II p.3.2. p.3.3. p.3.5. p.5.1. |
| | <i>Full consistency between objective, activities & outputs. Proposed activities correspond directly to the needs</i> | 10 points | |
| | <i>Well described consistency between objective, activities & outputs, but some details are missing.</i> | 8 points | |
| | <i>Not very well described consistency between objective, activities & outputs.</i> | 5 points | |
| | <i>Activities too theoretical and hard to estimate the achievement of project outputs</i> | 2 points | |
| | <i>No consistency between activities and project outputs (project is proposed for rejection)</i> | 0 point | |
| 12 | Sustainability of expected results/outputs after end of the project and capacity of beneficiary to implement it | 7 | Part II p.3.5. |

| | <i>The project's main results/ outputs are expected to provide significant and long-term contribution to solving the targeted challenges</i> | 7 points | | p.5.1. p.5.3. |
|---------------------------|--|----------|------------|---------------------------------|
| | <i>The project's main results/ outputs are expected to have positive effect to solving the targeted challenges, but in short term</i> | 4 points | | |
| | <i>Some project activities are expected to have positive effect but sustainability remains unclear</i> | 2 points | | |
| | <i>The project's main results/ outputs have no potential for long-lasting sustainability</i> | 0 point | | |
| 13 | Communication and visibility activities | | 5 | Part II p.3.7.1. p.3.7.2. |
| | <i>The project envisages communication and visibility activities/tools to wide audience (regional and national level)</i> | 5 points | | |
| | <i>The project envisages some communication and visibility activities/tools, but to restricted audience (local community)</i> | 3 points | | |
| | <i>The project does not envisage communication and visibility activities</i> | 0 point | | |
| 14 | Action plan and distribution of partners' responsibility | | 5 | Part II p.3.5. p.3.8. |
| | <i>The action plan is realistic and responsibilities are distributed evenly between all partners</i> | 5 points | | |
| | <i>The action plan is not well connected to the partners' responsibilities, but still has potential to be kept</i> | 3 points | | |
| | <i>The action plan is not realistic and distribution of responsibilities between all project partners is unbalanced,</i> | 1 point | | |
| 15 | Cross-border impact and benefits of the project | | 5 | Part II p.1.3. |
| | <i>The cross-border impact refers to the specific area, covered by the project (NUTS III regions and equivalents)</i> | 5 points | | |
| | <i>The cross-border impact refers to the project partners only</i> | 2 points | | |
| | <i>Unclear cross-border impact</i> | 1 points | | |
| 16 | Multiplier effect of the project | | | |
| | <i>The project has clear and justified potential for further development.</i> | 3 points | 3 | Part II p.5.2. |
| | <i>The project has no clear potential for further development, some ideas exist however.</i> | 1 points | | |
| | <i>The project does not possess potential for further development.</i> | 0 points | | |
| | SUBTOTAL | | 35 | |
| SECTION IV: BUDGET | | | | |
| No | SELECTION CRITERIA | | Max. score | Reference |
| 17 | Is the proposed budget directly connected and reflected in the project activities | | 5 | Part III Table 2 |
| | <i>All estimated costs fully correspond to the proposed activities and are necessary for the implementation of the project.</i> | 5 points | | |

| | | | | |
|-------------------------|--|------------------------------|------------|--------------------------------|
| | <i>Project expenses exceed the expected benefits for the target area and the target groups. Some costs are not relevant to the activities proposed.</i> | 2 points | | |
| | <i>Costs envisaged are totally inconsistent with project activities.</i> | 1 point | | |
| 18 | The costs are estimated based on real market prices | | 5 | Part III Table 2 |
| | <i>All costs are estimated based on market prices.</i> | 5 points | | |
| | <i>Estimated costs are based on real market prices, but partial reductions (up to 10 % of the total project budget) of item prices will optimize cost effectiveness.</i> | 4 points | | |
| | <i>Some costs are not based on market prices. Partial reductions (from 10 % to 25% of the total project budget) of item prices will optimize cost effectiveness.</i> | 3 points | | |
| | <i>A lot of costs are not based on market prices. A significant reduction of item prices (more than 25 % of the total project budget) is necessary.</i> | 2 points | | |
| | <i>Most costs are not based on market prices. Budget needs full re-design in this aspect.</i> | 1 point | | |
| 19 | The breakdown between the budget lines is in line with the type of intervention and rules for each budget line are respected | | 5 | Part III Table 2 Table 3 |
| | <i>The breakdown between the budget lines is in line with the intervention logic and the specific rules for each budget line are respected</i> | 5 points | | |
| | <i>The breakdown between the budget lines and the specific rules for each budget line are partially respected</i> | 3 points | | |
| | <i>The breakdown between the budget lines and the specific rules for each budget line are not respected</i> | 1 point | | |
| 20 | Budget breakdown between partners | | 5 | Part III Table 1 Table 4 |
| | <i>Even budget breakdown between partners</i> | 5 points | | |
| | <i>Balanced budget breakdown between partners (in case partner's/country's budget exceeds the budget of another partner/country from 25 to 50 %)</i> | 4 points | | |
| | <i>Unbalanced budget breakdown between partners (in case partner's/country's budget exceeds the budget of another partner/country from 50 to 80 %)</i> | 2 points | | |
| | <i>Unfair budget breakdown between partners (in case partner's/country's budget exceeds the budget of another partner/country more than 80 %).</i> | 1 point | | |
| | SUBTOTAL | | 20 | |
| | TOTAL | | 100 | |
| COMMENTS | | | | |
| Recommendation | | | | |
| Assessor's name: | | Assessor's signature: | | Date of evaluation: |

⚡ IMPORTANT

Only projects with score of **65 and above** at the technical and quality evaluation stage will be proposed for financing.

Taking into account the good Administrative Practices, the Assessment Working Group (AWG) can exclude an applicant at any stage of the 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. These lists will be presented to the Joint Monitoring Committee for final decision.

Following the JMC decision, every Lead partner will be informed with an official letter about approval/inclusion on a reserve list/rejection of their project proposal. Applicants who disagree with the selection result may appeal to the Managing Authority within 10 calendar days from receipt of the rejection letter. The sole subject of the complaint shall not be to obtain a second evaluation for no reason other than the complainant disagreement with the final award decision. MA will reply within maximum 90 days of receipt of the complaint.

8 Complaint procedure

Upon receipt of the letter from the MA about the decision of the JMC on the approval/placement on the reserves list/rejection of the respective project proposal, in case of disagreement with the outcome each Lead partner may issue a complaint towards the decision of the JMC.

In order to initiate a complaint, the Lead partner must officially request from the MA the Administrative compliance and eligibility check and/or the Quality / technical assessment grids not later than 5 working days after it has been officially notified about the results of the project selection process.

After carefully examining the received grids, the application of the selection criteria and the reasons for rejection of the proposal and/or the reasoning behind the technical scores, the Lead partner may officially lodge a complaint. The complaint should be submitted to MA not later than 3 working days after it has been officially received the assessment grids.

Failure to comply with any of the two deadlines specified above shall automatically result in rejection of the complaint without any further consideration.

Lodging a complain without the prior request of the Administrative compliance and eligibility check and/or the Quality / technical assessment grids shall also result in rejection of the complaint without any further consideration.

The complaint can only be lodged in cases the Lead partner claims that:

- 1) The rejection of the proposal on administrative compliance and eligibility check is not in line with either the specific requirements and the selection criteria outlined in these Guidelines, or the relevant information and the supporting documents provided by the Applicant;
- 2) The scores received by the proposal on quality / technical assessment are not in line with either the selection criteria outlined in these Guidelines, or the relevant information and the supporting documents provided by the Applicant.

The complaint must clearly state the name and address of the Lead partner, the reference number of the project proposal in question, clearly described reasons for the complaint, including listing of all elements of the assessment which are being complaint in regards to points 1 and 2 above, the signature of the legal representative and the Lead partner and any other supporting documents the Lead partner may feel relevant. However, all the supporting documentation shall be provided for the sole purpose of supporting the complaint and may not in any case alter the quality or content of the assessed application.

The complaint shall be dealt with by an internal Complaint Panel, comprising of members of the Managing Authority, the National Authority and the Joint Secretariat. The Complaint Panel shall examine the reasons for the complaint, the supporting documentation and shall review the initial assessment of the project proposal.

Upon conclusion of its work, the Panel shall issue a report on the findings of the review of the documentation and shall adopt a final statement, which could either be:

- 1) Confirmation of the initial assessment of the proposal and the grounds for the administrative and eligibility rejection and/or the received technical scores, or
- 2) Rebuttal of the rejection on Administrative and eligibility compliance check and performance of a quality / technical assessment or
- 3) Revision of the quality / technical assessment scores received during the initial evaluation.

The report of the Complaint Panel shall be presented to the JMC for consideration and approval, and the decision taken shall be final, binding to all parties and not subject of any further complaint proceedings within the Programme based on the same grounds. In case performance of quality / technical assessment or revision of the quality / technical assessment scores received during the initial evaluation (points 2 and 3 above) are approved, the project proposal's new technical score shall be taken into consideration when adapting the ranking lists. The whole complaint procedure – from the official receipt of the complaint by the MA to the official communication of the final JMC decision to the Lead partner shall take a maximum of 90 calendar days.

9 Contracting

The Lead Partner of an approved operation shall sign an IPA **Contract** for the total IPA funds with the Managing Authority.

Before signing the contract, the Managing Authority, in cooperation with the National Authority, will have the right to carry out negotiations for budget revision (if necessary).

Before signing this contract, the Managing Authority will up-date the contract details and set in the annexes the specific and explicit binding elements to be respected by the final beneficiary.

After signing the IPA Contract, the Lead Partner is responsible for implementing the EU co-financed operation.

Draft contract is presented in **Annex C to these Guidelines for applicants**