

**Territorial Strategy under
(Interreg VI-A) IPA Bulgaria North Macedonia Programme 2021 -2027**

TABLE
of the comments received during Public consultations on
the GUIDE FOR APPLICATION WITH CONCEPT NOTES (Call 1)

No	Name / Institution	Comment	Answer
1	Vasko Zlatkovski	<p>We have some uncertainties with some of the descriptions in the text as follows:</p> <p>“1. Page 18, BC 1 Staff costs – these are costs related to remuneration of people involved in the management of the project implementation, i.e. members of the project team (normally, these are manager, coordinator, accountant, assistant, etc.) as well as in its implementation. For more information, please see Art. 39 of the Interreg Regulation. For project management and implementation purposes, staff costs shall be reimbursed either as a flat rate or on the basis of real costs - either option is of up to 20 % of the eligible costs under BC 4, BC 5 and BC 6 of the project budget. Each project partner should choose one of the two provided options. Expenditures made on the basis of real costs are proved with relevant supporting documents. Before being reimbursed, these costs are subject to verification”.</p> <p>(1) The text explaining BC 1 Staff cost, suggests Art.39 of the Interreg Regulation to be followed. But it doesn't direct to which one (Regulation), for there are several ones, no matter in Chapter 1 – Introduction, there is a description on which regulations are in concern.</p> <p>(2) Following, there is a description of expenditures eligible for reimbursement related to staff cost that will be engaged in project management and implementation of activities. However, there is a dilemma since it is unclear whether 20% flat rate of the eligible costs under BC 4, BC 5 and BC 6 of the project budget are for project management purposes only, or this percentage (20%) refers on the total amount of fund that is needed for implementation expenses as well?</p>	<p>(1) As you have correctly pointed out, Chapter 1 in the Guidelines for Applicants lists all EU Regulations with their entire names, by giving at the same time their short names (e.g. Interreg Regulation), which should be consulted when developing the concept notes. The given text, in relation to the Staff costs, refers to the exact regulation (Interreg Regulation). We will hyperlink the Regulation to facilitate its access. There is no point to write the long name of the respective regulation across the Guidelines for Applicants when it is presented with its short name at the beginning of the document.</p> <p>(2) The given text has been revised in the following way to clear out the indicated ambiguity: <i>“For project management and implementation purposes, staff costs shall be reimbursed either as a flat rate or on the basis of real costs. Irrespectively of the selected option, the maximum rate of the staff costs is up to 20 % of the eligible costs under BC 4, BC 5 and BC 6 of the entire project budget.”</i></p> <p>(3) The given text has been revised in the following way to clear out the indicated ambiguity: <i>“BC 3 Travel and accommodation costs – this budget category covers costs related to travel and</i></p>

		<p>We understand that 20% of the eligible costs under BC 4, BC 5 and BC 6 of the project budget are for project management purposes and additional 20% of the eligible costs under BC 4, BC 5 and BC 6 of the project budget should be eligible for implementation activities as well, therefore we propose the text in concern to be amended as follows (suggested changes highlighted in yellow):</p> <p>“BC 1 Staff costs – these are costs related to remuneration of people involved in the management of the project implementation, i.e. members of the project team (normally, these are manager, coordinator, accountant, assistant, etc.) as well as in its implementation (staff employed by a respective beneficiary). For more information, please see Article 39 of the Regulation (EU) 2021/1059, and point (a) of Article 53(1), Article 55, and Article 94 of the Regulation (EU) 2021/1060. The costs for reimbursement related to project management and implementation purposes shall be reimbursed either as a flat rate or on the basis of real costs. Each expenditure is of up to 20 % of the eligible costs under BC 4, BC 5 and BC 6 of the project budget. Each project partner should choose one of the two provided options. Expenditures made on the basis of real costs are proved with relevant supporting documents. Before being reimbursed, these costs are subject to verification.”</p>	<p><i>accommodation of the project staff only, i.e. those who are involved in the management and the implementation of the project. All eligible types of travel and accommodation costs are set out in Art. 41 of the Interreg Regulation. These costs will be reimbursed as a flat rate up to 5 % of the staff costs.”</i></p> <p>Again, we will hyperlink the Regulation to facilitate its access.</p> <p>(4) The application process will go through the Joint Electronic Monitoring System (JeMS), whose platform is one for all Interreg programmes. When the official Call is launched, we will provide the exact link of the system, which is customized to the (INTERREG VI-A) IPA Bulgaria North Macedonia Programme 2021-2027. All interested persons should make individual (it is personal, not institutional) registration in JeMS and work in the system with their accounts. No submission of documents is required during the registration.</p>
2	Vasko Zlatkovski	<p>(3). ” - BC 3 Travel and accommodation costs – this budget category covers costs related to travel and accommodation of the project staff only. All eligible types of travel and accommodation costs are set out in Art. 41 of the Interreg Regulation. These costs will be reimbursed as a flat rate up to 5 % of the staff costs.”</p> <p>Similarly, to the previous case, staff involved in project implementation (not participating in project management) will have necessity to travel and be accommodated in CB region for conducting training activities. We find necessary to clearly identify that expenditure as additional one to the already existing one. Additionally, we suggest clear identification of EU Regulations. Hence, we propose the existing version to be amended as follows:</p> <p>- BC 3 Travel and accommodation costs – this budget category covers costs related to travel and accommodation of the project staff and staff that participate in implementation activities only. All eligible types of travel and accommodation costs are set out in Art. 41 of the Regulation</p>	<p>(5) The provided time for applicants’ questions and answers during the application process is longer than the proposed 20 days prior to the deadline for application. From an applicant perspective, there is no point to limit the time for questions. It is of OU interest to answer questions shortly after their receipt. The text on p. 24 in the GfA sets out the eligible period for questions and answers.</p>

		<p>(EU) 2021/1059. These costs will be reimbursed as a flat rate up to 5 % of the staff costs for each of the staff group in concern.</p> <p>4. Chapter 5 – Application process - The application process will go through the Joint Electronic Monitoring System (JeMS). Please identify which one? JeMS Central Europe, or there is going to be new one, only for this CB Region? Since it is going to be a new procedure (new platform), information on how to access the platform and completion of institutional registration procedure is needed. Are we going to need registration at all, which docs will be required during registration (Statute, Balance statements...if any), if the registration will be on personal level or institutions will create own registration with dedicated users?</p> <p>5. The period for answering any questions just 5 days prior the deadline is too short. What can an applicant do to adjust the application form with only 5 days to the deadline?</p> <p>We suggest the following time frame (amended parts highlighted in yellow): “Applicants may submit questions in writing in regard to their application up to 30 calendar days before the deadline for submission of tenders. The JS will reply no later than 20 calendar days prior to the deadline for the submission of concept notes.</p>	
3	Bulgarian Association of European Program Consultants	<p>1. In regards to the condition „All project partners need to be registered and to operate in the programme area for at least 3 years prior to the application“ we propose to extend the requirement also for branches of the eligible applicants registered in the eligible program territory, whereas the registration period to be reduced for both partners and their branches from 3 to 1 year. The reasons for this proposal are that newly registered organizations will be also given the opportunity to participate in the program in order to gain experience and expand the opportunities for partnership and cooperation. In order to ensure good project management, organizations that have been registered less than 3 years ago can participate in the project not as a lead partner.</p>	<p>1. The rationale behind the 3-year experience as a condition for project participation steps upon the need for the Strategy Board to identify project ideas that contribute the most to the Territorial Strategy (TS) and its indicators. Supporting newly registered organizations to accumulate experience of their interest is not a component of the Integrated territorial development approach (central to Call 1), nor is it an objective/indicator of the TS. From a general perspective, it is a very good consideration, but the need to assist the institutional growth of new organizations goes beyond the scope and objectives of Interreg where territorial cohesion plays central role.</p>

		<p>2. We propose to reduce the minimum grant to 300 000 Euro in order to allow the chance to fund more project proposals. Roughly speaking, with a budget of nearly 8 million euros, a maximum of 10-12 project proposals will be financed at these thresholds. If the minimum grant is reduced to EUR 300,000, more than 20 projects could actually be funded.</p>	<p>2. Funding more project proposals is not a purpose of any Interreg programme. What matters is the degree of contribution of each proposal to the objectives of the Territorial Strategy (TS) and the Programme. The project budget range is set in a way to guarantee the achievement of TS and Programme indicators. Any shift from this budget range would jeopardise that.</p>
		<p>3. We propose that the de minimis regime be applied only in the event that economic activities are carried out. Otherwise, the possibility of forming a partnership is severely limited, especially given the fact that a €500,00 project will require a minimum of 3 partners, and a €1 million project will require 5 partners if this regime remains. Most of the potential beneficiaries already have de minimis accruals from previous BFP provision schemes, which is also an additional obstacle to participate in a partnership under the programme. Moreover, the requirement on page 9 of the draft guidelines "Although, applicants under the present Call for concept notes will not be checked for de minimis eligibility, they must be aware that activities of economic character could be financed only under the de minimis rule." contradicts the condition for all partners to apply the de minimis regime, regardless of whether or not they perform economic activity</p>	<p>3. The application of the de minimis regime under the present call does not differ from its application under any other EU funded programme, because its implementation provisions are defined in the EU regulation framework 2021-2027.</p>
		<p>4. We propose the percentage for the investment component of the projects to be reduced from 70% to 60% in order to allocate more funding to the development of human resources in the tourism sector, as well as for integrated tourists services, which are of great importance for the achievement of programme objectives.</p>	<p>Practically speaking, the reduction of the investment rate would not redirect free funds to specific policy areas. The amount of funds are firmly linked with the targets of the TS and the Programme indicators. Therefore, please refer to comment 2 and its answer. It is equally applicable here, as well. However, there is a room for minor reduction of the investment rate, but it needs different justification to do that.</p>
		<p>5. In regards to the condition on page 15 of the draft Guidelines „Only the owner of the respective property rights, or the legal body that has acquired the management rights of that particular property, is entitled to contract the implementation of those activities, i.e. it should be a project partner“ we suggest that the same does not apply when the state has provided a given site to a municipality for management. In this case, a municipality should be allowed to apply for investments under it</p>	<p>5. The proposal cannot be accepted, because it contradicts with art. 65 (1) (b) of the REGULATION (EU) 2021/1060 of 24 June 2021 and jeopardizes the implementation of the durability principle set out under the same article. Therefore, only the owner of the respective property rights, or the legal body that has already acquired the management rights of that</p>

		with an established right of construction or otherwise according to the regulations of the Territorial Planning Law.	particular property, is entitled to contract the implementation of the project-related construction works.
		6. In regards to the condition on page 17 of the draft Guidelines „At the stage of application with full project proposal the partners should present all legally required documents for implementation of the envisaged investment activity“ it is not clear what project readiness is expected at the next stage - conceptual design, working design with a construction permit, etc., given the fact that the implementation should be assigned by the beneficiaries. Below in the guidelines, it is explicitly stated that the environmental procedures will be requested, but we believe that the readiness /objective maturity/ according to the TSA should also be clearly defined in the guidelines.	6. When it comes to project readiness, the Guidelines for Applicants with concept notes do not predetermine eligibility conditions for the submission of full project proposals. There will be no such conditions, because otherwise they would lead to unequal treatment of invited applicants when submitting full project proposals. For consistency purposes, we apply identical evaluation approach under the two application processes (concepts note and full project proposals) when applicants will have the opportunity to apply regardless of the degree of maturity of their concept notes and the achieved project readiness of the full project proposals.
		7. We believe that the qualitative criteria for strategic evaluation of project concepts are too subjective and there are no quantitative and clear evaluation indicators (covered final beneficiaries and target groups, etc.) and if the same are laid down in a public procurement procedure, then it will be sanctioned with a financial correction, for example: a. the project idea leads to a positive change (in terms of target groups and territorial developments) in the addressed type of intervention , e.g. expected solutions are adequate, feasible and sustainable, the scope of idea is broader than the usual local benefit only to the respective organisation or locality concerned – there are no definitions/examples for adequate, applicable and sustainable solutions; b. The proposed partnership is sufficiently relevant , e.g. all partner organisations have proven experience and competence (incl. legal rights to act in the proposed way) in the addressed intervention field/s (condition 1). The proposed partnership is balanced and reflects the addressed issue in terms of target groups, sectors, territory (condition 2). Partner organizations complement each other	7. Please, do not mix selection criteria of Interreg project proposals with selection criteria of tendering procedures under Public Procurement Law. Both types of criteria pursue different objectives and follow different assessment methodologies and considerations. We would like to emphasize that all selection criteria conforming the quality assessment matrix of Call 1 are common Interreg selection criteria which applicants of all Interreg programmes need to meet. This a programme horizontal principle aimed at ensuring equal programme access to all interested organizations.

		<p>(condition 3) – it is not clear how competence and experience are verified.</p> <p>In this regard, we propose to include quantitative criteria, such as for the experience of the beneficiaries, or for the upgrade of already implemented previous projects under this and other programs, or for the implementation of good practices within this or other programs, etc.</p>	
	Bulgarian Association of European Program Consultants	8. We believe that the period for providing explanations to the potential participants in the procedure of 10 working days is too long, given the indicative period for presenting project concepts, and we propose that it is shorten to 5 working days.	8. The proposal cannot be accepted because the Strategy Board and the Operational Unit will need more time to initiate joint working procedure to review each case.
	Violina Tsoleva Association SAVREMIE	If a concept note selects non-mandatory indicator/s will that bring a competitive advantage to the project idea?	<p>In conformation for the need to consider Territorial Strategy indicators as components of the identification process of the concept notes, we propose the following text to be included in the Guidelines for Applicants:</p> <p><i>'For ranking purposes, when two or more concept notes are scored equally at or above the threshold of 50 points, the project idea who includes the two pairs of ERDF indicators will be ranked first. That approach will be also considered when there is a large number of equally scored concept notes at or above the threshold (e.g. when they exceed two times the Call's budget). If, however, the project ideas which have included the two pairs of ERDF indicators are not enough to support the ranking of the remaining equally scored concept notes, the latter will be ranked according to the obtained score on the criteria 'Maturity of the project idea', i.e. project ideas with higher score on the Maturity criteria will be ranked first.'</i></p>