



Call for submission of project proposals

Open Call № 3

“Climate”

under

Outcome 4: “Increased ability of local communities to reduce emissions and adapt to changing climate”

of the

Programme: Environment Protection and Climate Change

Deadline for project proposals submission: 7th October 2020 5:00 p.m. Bulgarian time.

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I. Main terms and abbreviations

1. Main abbreviations

The Programme:	Environment Protection and Climate Change Programme
FMC	Financial Mechanism Committee
MoEW	Ministry of Environment and Water
NFP	National Focal Point, CCU [Central Coordination Unit] Directorate to ACM [Administration of the Council of Ministers]
EEA FM	Financial Mechanism of the European Economic Area 2014-2021
FMO	Financial Mechanism Office
PO	Programme Operator
DPP	Donor Programme Partner
Regulation	Regulation on the Implementation of the EEA Financial Mechanism 2014-2021
EUMIS 2020	Information System for Management and Monitoring of EU Funds 2020
PC	Project contract
ACEA	Administrative Compliance and Eligibility Assessment
TFA	Technical and Financial Assessment
SC	Selection Committee
MCS	Management and Control System
NGO	Non-governmental Organization
EPCC	Environment Protection and Climate Change Programme
CEA	Classification of economic activities
QES	Qualified electronic signature



2. Main terms

“Activity” - Action taken or work performed through which inputs, such as funds, technical assistance and other types of resources (e.g. human resources, time), are mobilised to produce specific outputs;

“Amendment” - A document amending or supplementing the terms of a contract for the implementation of a project;

“Contractor designated by the Project promoter” - Executives of project activities assigned to them by the granted project promoters. The Project promoter 's contractors are not partners and the terms and procedure for their determination are set out in the Public Procurement Act and its implementing regulations, as well as the Call for Proposals and Decree of the Council of Ministers 118/2014;

“Donor States”: the Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway;

“Donor Programme Partner”: a public donor entity designated by the Financial Mechanism Committee to advise on the preparation and/or implementation of a programme and/or to participate in the implementation of a programme;

“Eligible costs”: costs that may be accepted as authorized for a project within the meaning of Art. 8.2 "General principles on eligibility of expenditures", Art. 8.3 "Eligible direct costs in a project", Art. 8.5 "Indirect cost in projects" and Art. 8.6 "Purchase of real estate and land" of the Regulation on the implementation of the European Economic Area Financial Mechanism 2014-2021;

“Financial Mechanism Committee” (hereinafter referred to as FMC): Committee set up by the Standing Committee of the European Free Trade Association States to manage the European Economic Area Financial Mechanism 2014-2021;

“Financial Mechanism Office” (FMO): an organization assisting the Financial Mechanism Committee in managing the EEA FM 2014-2021. FMO, which is administratively a part of the European Free Trade Association, is responsible for the day-to-day implementation of the EEA FM 2014-2021 on behalf of the Committee and serves as a contact point;

“Grant” - Funds provided by the European Economic Area Financial Mechanism (EEA FM), including the corresponding national co-financing, through the Programme Operator for the implementation of an approved project aimed at achieving certain objectives and results;

“Indicator” - Quantitative or qualitative measurement unit that specifies what is to be measured in terms of a specific scale or value. It should always be expressed in neutral terms: it should indicate the direction or change nor embed a target.;

“Ineligible costs”: costs that cannot be accepted as authorized under the project and cannot be included in a payment request within the meaning of Art. 8.7 "Excluded costs" of



the Regulation on the Implementation of the European Economic Area Financial Mechanism 2014-2021;

"Irregularity": An irregularity shall mean an infringement of the legal framework of the EEA Financial Mechanism 2014-2021 referred to in Article 1.5; any provision of European Union law; or any provision of the national law of the Beneficiary State, which affects or prejudices any stage of the implementation of the EEA Financial Mechanism 2014-2021 in the Beneficiary State, in particular, but not limited to, the implementation and/or the budget of any programme, project or other activities financed by the EEA Financial Mechanism 2014-2021;

"Monitoring": The observation of programme and project implementation in order to ensure that agreed procedures are followed, to verify progress towards agreed outcomes and outputs and to identify potential problems in a timely manner so as to allow for corrective action. It is conducted by data collection and analysis;

"National Focal Point": a national public entity (Central Coordination Unit Directorate at the Administration of the Council of Ministers of the Republic of Bulgaria) designated by the Beneficiary State to have the overall responsibility for reaching the objectives of the European Economic Area Financial Mechanism 2014-2021 and implementing the Memorandum of Understanding;

"Non-governmental organization" (NGO): a non-profit voluntary organisation established as a legal entity, having a non-commercial purpose, independent of local, regional and central government, public entities, political parties and commercial organisations. Religious institutions and political parties are not considered non-governmental organizations;

"Outputs": Outputs are the products, capital goods and services delivered by a programme to the direct target group. Outputs are easy to attribute directly to the resources used and the activities performed. They are usually within the greatest control of the implementing organisation;

"Outcomes": Outcomes are the (short and medium-term) effects of an intervention's outputs on the intermediaries or end beneficiaries. Outcomes are rarely under the direct control of a programme/project.

"Programme": A coherent set of measures to be implemented through i.a. projects supported by the European Economic Area Financial Mechanism 2014-2021 aimed at achieving agreed objectives and results;

"Programme Agreement": agreement between the Financial Mechanism Committee (FMC) and the National Focal Point (NFP) governing the implementation of a specific Programme;

"Programme area": a thematic area within a priority sector with specific objectives and measurable specific results;



"Programme implementation Agreement": agreement between the Programme Operator (PO) and the National Focal Point (NFP) governing the implementation of a specific Programme;

"Programme operator": a public or private entity, commercial or non-commercial, as well as non-governmental organizations responsible for the preparation and implementation of the Programme;

"Project": A set of interrelated and complementary activities with a preliminary determined objective(s), necessary resources and a time frame for implementation, leading to the achievement of specific quantifiable results;

"Project Partnership agreement" - In case of partnership project, the project promoter shall enter into a partnership agreement with the project partner(s), in line with the requirements set out in Article 7.7 of the Regulations;

"Project contract": A contract concluded between a Head of a Programme Operator or a person authorized by him/her and a project promoter to provide and spend a grant for the execution of an approved project

"Project Promoter": A natural or legal person having the responsibility for the initiation, preparation and implementation of a project (Article 1.6 x) from the Regulation);

"Project Partner": a natural or legal person actively involved in, and effectively contributing to, the implementation of a project. It shares with the Project Promoter a common economic or social goal which is to be realised through the implementation of that project. (Article 1.6 w) from the Regulation);

"Project proposal": a grant proposal for a project funded by the EEA FM 2014-2021, including an Application form and other supporting and requisite documents;

"Programme Implementation Agreement: An agreement between the Programme Operator (PO) and the National Focal Point (NFP) governing the implementation of the specific Programme;

"Stakeholders" in a project or programme may be local community members or civil society organisations who may benefit from the results. They may also be local public authorities. (According to Results Guideline)

"De minimis State Aid" - Aid which does not distort or threaten the competition or has minor effect on it because of its minimum size as defined in Regulation 1407/2013.

"Beneficiary States" - Bulgaria, Croatia, Czech Republic, Cyprus, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.



II. Background

This Call for proposals is under the Environmental Protection and Climate Change Programme, financed (85%) by the European Economic Area Financial Mechanism (EEA FM) and co-financed (15%) by the Bulgarian State. General information on EEA FM is available on www.eea.grants.org, www.eeagrants.bg.

The Programme is implemented on the basis of the Memorandum of Understanding on the implementation of the EEA Financial Mechanism 2014-2021, which sets out the areas of action of the Programme and a Programme Agreement between the Financial Mechanism Committee and the National Focal Point, signed on 10.04.2018.

Pursuant to an agreement signed on 10.07.2018 for the implementation of the Programme with the National Focal Point, the Ministry of Environment and Water of the Republic of Bulgaria was designated as a Programme Operator responsible for the implementation and the achievement of the objectives set.

The Programme aims to improve the environmental status of ecosystems and to reduce the impact of pollution and other human activities and to contribute to the overall objectives of the European Economic Area Financial Mechanism 2014-2021 and in particular the reduction of economic and social differences in the European Economic Area countries and strengthening the bilateral relations between the Donor States and Bulgaria.

The Environmental Protection and Climate Change Programme contributes to two Programme areas:

- Programme area 11 - Environment and ecosystems;
- Programme area 13 - Mitigation and adaptation to climate change.

The total budget of the Environmental Protection and Climate Change Programme is EUR 15,294, 118.

The projects selected under this Call shall contribute to Outcome 4 of the Programme: “Increased ability of local communities to reduce emissions and adapt to changing climate”.

The Call will fund projects of municipalities for the implementation of the activities under their strategic plans. Activities will focus on reducing or limiting greenhouse gas emissions and strengthening the resilience of local communities to climate change and will contribute to the implementation of a National Climate Change Adaptation Strategy. Projects for the implementation of innovative measures, technologies to help mitigate and adapt to climate change in the transport, waste, construction, energy and water sectors are expected.

Bulgaria's Third National Action Plan on Climate Change for the period 2013-2020 (NAPCC) provides specific measures to reduce greenhouse gas emissions in all sectors. It underlines



the importance of measures in the energy sector, which has the largest share of total greenhouse gas emissions in the country transport and waste management measures, which are mainly implemented at municipal level. The NAPCC explicitly examines the administrative capacity needed for the implementation of the planned measures, as well as the leading role of national competent institutions - ministries and the roles and functions of municipalities at local level. Climate change activities in almost all sectors have a local dimension - either because of their connection to plans and programs adopted at municipal level or because they are implemented through local projects. For example, the primary responsibility for energy management and energy efficiency planning at the municipal level lies with local authorities under the Energy Efficiency Act. Landfill management, as part of municipal waste management strategies and programs, is a major responsibility of municipalities. According to EU's 7th Environment Action Programme, there is a particular need to consider initiatives that support urban innovation and best practice. More than 20 Bulgarian municipalities are part of the Covenant of Mayors - a key initiative of local and regional authorities in the fight against climate change and the development of a more sustainable future for our cities. Most of the 265 municipalities have plans for sustainable energy development or for energy efficiency. All 265 municipalities in Bulgaria have strategic development plans that, to varying degrees, focus on aspects of sustainable development, including mitigating and adapting to the adverse effects of climate change. It is crucial to improve the capacity of municipalities to review and evaluate the effectiveness of their strategic plans and measures that have already been taken, and to facilitate their efforts to identify gaps in climate action. They must follow best practices in the planning and implementation of innovative projects and technologies in Donor States and other leading European countries.

1. *Deadline for project proposals submission and working language:*

To be eligible, Application forms must be submitted no later than two months from the date of publication of the Call, namely 7th October 2020 at 5:00 p.m. via the EUMIS 2020 system.

The working language of the Programme is English. The Application form and the project budget should be submitted in Bulgarian and in English together with a declaration by the Applicant's representative that the information in both languages is identical. In case of discrepancies between the forms in Bulgarian and English, the one in English shall prevail.

2. *Name of the Programme*

Environment Protection and Climate Change



Програмен оператор: Министерство на околната среда и водите
Programme operator: Ministry of Environment and Water

3. Name of the Programme area

Programme area 13 – Minigation and adaptation to climate change

4. Name of the Procedure

“Climate”

4.1. Open Call – “Increased ability of local communities to reduce emissions and adapt to changing climate”

5. Territory of implementation of the project

Activities should be carried out on the territory of the Republic of Bulgaria, as well as on the territory of the Donor States (Iceland, the Principality of Liechtenstein and the Kingdom of Norway), in case of partnership with an organization from any of these countries under the project.

6. Purpose of the Call and stakeholders

The purpose of the Call is to increase the capacity of local municipalities to evaluate their strategic plans and programs in terms of planned and implemented actions, resulting in the reduction of greenhouse gas emissions and adaptation to the adverse effects of climate change. As a result, it will facilitate the planning and implementation of new strategic steps to put in place good practices to prevent or minimize the damage they may cause.

The Call targets the following stakeholders: **municipalities**.

All 265 municipalities in Bulgaria have strategic development plans that, to varying degrees, focus on aspects of sustainable development, risks and vulnerabilities from climate change and adaptation. Large part of the activities related to climate change are implemented through plans and programs adopted at municipal level or implemented through local projects. In terms of the use of outputs, the secondary target group are different categories of end users of administrative and social activities, economic services and the local population.

7. Demarcation with similar projects/Programmes

The project proposals under this procedure should contribute to the implementation of the National Action Plan on Climate Change for the period 2013-2020, by supplementing and building on the measures and activities envisaged therein with planning of measures for mitigation and adaptation to climate change, according to the National Climate Change Adaptation Strategy and the Action Plan to it. At the same time, they should not overlap activities under the following procedures:

- BG16M1OP002-5.002 under Operational Programme "Environment" (OPE) - "Elaboration/Update of municipal plans for ambient air quality " for the municipalities of Burgas, Veliko Tarnovo, Vidin, Gorna Oryahovitsa, Lovech, Pleven, Rousse, Sliven, Smolyan, Sofia, Stara Zagora, Haskovo, which is in the process of



implementation. The purpose of this procedure is to elaborate / update municipal plans under Art. 27 of the Ambient Air Quality Act to reduce the levels of pollutants and to achieve the established air quality limit values in municipalities with excessive levels of the pollutants (fine particulate matter (PM10), nitrogen oxides (NOx), etc.) and to plan measures adequate to local conditions for improvement of air quality by achieving the determined limit values of the air quality;

- BG16M1OP002-5.005 under OPE - Elaboration/Update of municipal plans for ambient air quality - 2, for which there is currently a deadline for collecting project proposals for the municipalities whose project proposals have not been received within the specified period under procedure BG16M1OP002-5.002.

The expected result of the implementation of the procedure BG16M1OP002 under OPE is, through the elaboration/update, to prepare quality programs addressing the main sources of air pollution on the territory of the municipality. The procedure will have an indirect contribution to the achievement of the specific objective under Priority Axis 5 " Reducing ambient air pollution by lowering the quantities of PM10 and NOx " of OPE 2014-2020, by providing a basis to support the selection of measures appropriate to local conditions to improve ambient air quality.

- BG16M1OP002-4.005 "Implementation of studies and assessments for the development of the second Flood Risk Management Plan(FRMP) for the period 2022-2027" for project № BG16M1OP002-4.005-0001-C01 " FRMP - second cycle 2022-2027 " under OPE.

The Water Management Directorate in the Ministry of Environment and Water is a beneficiary for receiving a grant under Priority Axis 4 " Flood and Landslides Risk Prevention and Management " of the Operational Programme "Environment" 2014-2020. The aim of the project is to plan flood risk management for the second cycle of implementation of the EU Floods Directive, taking into account the impact of climate change for the four basin management areas, by developing Flood Risk Management Plans for the period 2022-2027. , incl. programs of measures with the participation of stakeholders.

BGENVIRONMENT-4.001 – Predefined Project №3 "Implementing innovative measures to mitigate and adapt to climate change in municipalities in Bulgaria"



8. Expected results

All projects must contribute to the achievement of the Environment Protection and Climate Change Programme outcome "Increased ability of local communities to reduce emissions and adapt to climate change".

The projects selected under this Call shall contribute to meeting the target values for the following indicators of the Programme:

Program me Objective	Expected programme results	Indicators	Unit of Measurement	Source of verification	Frequency of reporting	Base line value	Target value
		Number of municipal staff who self-report increased competence in climate change mitigation and adaptation planning	Number	Survey results	Annually	0	50
		Share of population living in areas with enhanced capacity to reduce emissions and prepare for extreme weather events	Percentage	National statistics	Annually	0	TBD
	Improved capacity for planning, monitoring and implementation	Number of professional staff trained (gender disaggregated)	Number	Project promoter's records Attendance	Semi annually	0	100



	on of climate change mitigation and adaptation measures			sheets			
	Measures for climate change mitigation and adaptation on municipal level implemented	Number of municipalities which have implemented climate change mitigation or adaptation measures	Number	Project promoter's records	Semi annually	0	10

Additionally, the projects with a Donor state partner shall contribute to meeting the target values for indicators on bilateral cooperation. Participation in the survey administered by the FMO is mandatory for all successful Project Promoters.

Objective	Outcome	Indicator	Source of verification	Target value
Bilateral cooperation	Enhanced collaboration between Beneficiary and Donor State organisations involved in the	Level of satisfaction with the partnership (disaggregated by Beneficiary State, Donor State), if applicable	Results of a survey administered by the FMO	4,5*
		Level of trust between cooperating organisations in Beneficiary States and Donor States (disaggregated by Beneficiary State, Donor State), if applicable	Results of a survey administered by the FMO	4,5*
		Share of cooperating organisations that apply the knowledge acquired from bilateral partnership (disaggregated by Beneficiary State, Donor	Results of a survey administered by the FMO	50%



	programme	State), if applicable		
		Number of projects involving cooperation with a donor project partner (if applicable)	Copy of contracts, concluded, Partnership agreements	10

*The value is at least 4,5 on 1-7 scale and increase of the base value. The scale is determined in the Guleliness on key indicators.

9. Eligible Applicants

Under this Call, eligible Applicants are municipalities in the territory of the Republic of Bulgaria.

Applicants may apply individually or in partnership. The application is made by submitting an Application form (by the applicant) on behalf of all partners.

One municipality may be a Project promoter within only one project and/ or partner in not more than two projects under this Call.

Ineligible (even if meeting the above criteria) shall be any Applicant/partner(s) who:

1. Was convicted by an enforced judgement (unless rehabilitated) for:

- (a) a crime against the financial, tax or insurance system, including money laundering, under Art. 253 - Art. 260 of the Bulgarian Penal Code or similar foreign legislation;
- (b) a bribery under Art. 301 - Art. 307 of the Bulgarian Penal Code or similar foreign legislation;
- (c) participation in an organized criminal group under Art. 321 and Art. 321a of the Bulgarian Penal Code or similar foreign legislation;
- (d) an offence against property under Art. 194 - Art. 217 of the Bulgarian Penal Code or similar foreign legislation;
- (e) an offence against the economy under Art. 219 - Art. 252 of the Bulgarian Penal Code or similar foreign legislation;
- (f) a crime under Art. 108a of the Bulgarian Penal Code or similar foreign legislation;

2. Has declared bankruptcy



3. Is in liquidation proceedings or in any analogous situation arising from a similar procedure under national laws and regulations.

4. Has exceeded the *de minimis* threshold for de minimis state aid granted by his/her state under the relevant legislation of that state.

Other irregularities or obstructions may also lead to the rejection of an Applicant. These include *inter alia*:

4.1. Obligations to the state or to a municipality within the meaning of item 1 of art. 162 (2) of the Bulgarian Tax Insurance Procedure Code or any amount to be recovered under different project due to an irregularity.

4.2. Any other proven breach of good governance, as defined in Regulation (EU, Euratom) 2018/1046 and/or the applicable law in the Applicant's Country

Important! Each Applicant may submit only one project proposal under this Call. In case an Applicant has submitted more than one project proposal, only the first project proposal submitted will be admitted for evaluation.

Important! If the Applicant has submitted more than one version of a project proposal, the latest version submitted within the deadline for receiving the project proposals will be evaluated and the previous ones will be considered as withdrawn.

If a participant is a partner in more than 2 (two) projects, only the first two of his project proposals submitted by the deadline for receiving the project proposals will be eligible for evaluation.

10. Eligible Partners

The eligible partners under the Call are those in accordance with Art. 7.2.2 of the EEA Regulation and the Implementation Agreement for the Environment and Climate Change Programme.

Eligible partners are any public or private entities, commercial or non-commercial, as well as non-governmental organisations established as a legal person either in the Republic of Bulgaria or the Donor States, the Beneficiary States, or a country outside the European Economic Area that has a common border with the Republic of Bulgaria, or any international organisation or body or agency thereof, actively involved in, and effectively contributing to the implementation of the project, and effectively contribute to it.

Eligible partnerships include any combination of eligible partners meeting the above requirements.

The Application form must contain a detailed description of the project and budget, as well as the role of the partners and the budget for the implementation of the partners' activities, including information on the distribution of aid to the Applicant and partners. The requirements for the partners and their responsibilities in the implementation of the Project activities are regulated at the Application stage by Letter of intent or Partnership agreement and at the contracting stage through a Partnership Agreement between the



Project promoter and the Partners. The Agreement should comply with Art. 7.7 of the EEA Regulation (to describe the role of partners in the project proposal as well as the budget allocation). A Partnership Agreement (following a template) shall be concluded in English language with a translation into Bulgarian if one of the partners is from a Donor state and must be provided to the Programme Operator before signing the project contract. The Programme Operator confirms that the Partner Agreement complies with the above mentioned Article of the Regulation.

Applicants must not be in a situation of Conflict of Interest.

There is no limit to the maximum number of partners, but this number must comply with the the project objectives, planned outcomes, activities and budget. Partners should not be added mechanically to the partnership in violation of the principles of joint implementation and co-financing without providing real added value to the project.

Regarding the eligibility of costs incurred by a project partner, the same limitations apply as these, applicable to the costs incurred by the Project promoter of the project. The emergence and development of relationships between the Project promoter and a Project Partner must be consistent with the requirements of applicable national and European Union public procurement legislation as well as with Art. 8.2 of the Regulation on the Implementation of EEA FM 2014-2021.

During the preparation of the project, applicants may take advantage of the opportunities offered by the Open Call under Bilateral Relations Fund, which are described in (see item 29).

11. Eligible Activities

The following activities shall be considered eligible under this Call:

- 1) **Project management activities.** These include activities related to project planning and coordination of daily activities between partners, reporting, financial management, interaction with monitoring and control authorities and similar non-technical activities necessary for the successful implementation of the project;

Ensure publicity under the Communication and Design Guide of the EEA Financial Mechanism for 2014-2020. All information and publicity materials related to the Financial Mechanism should be in line with the Programme's information and publicity requirements available on www.eeagrants.bg;

- 2) Specific minimum required **technical activities** related to this Call, namely for the purpose of addressing issues identified in Outcome 4: " Increased ability of local communities to reduce emissions and adapt to changing climate ", are as follows:
 - **Improvement of the competence** of municipal employees in the planning of climate change mitigation and adaptation measures;



- **Improvement of skills and expertise** at local level in order to review and evaluate the effectiveness of their strategic plans and measures already taken, as well as to facilitate their efforts to identify gaps in climate change mitigation and adaptation actions, incl. to reduce greenhouse gas emissions and actions in extreme weather events;
- **Development and implementation of measures** for climate change mitigation and adaptation in the transport, waste, construction, energy and water sectors;
- **Dissemination of good practices** by Donor States in the field of climate change adaptation;

3) **Other** eligible activities that can be funded are, as follows:

- **Municipal projects for implementation of activities under national and local strategic plans.** Activities should focus on reducing or limiting greenhouse gas emissions and strengthening the resilience of local communities to climate change;
- **Assessment of the municipal plans** in terms of the achievement of the objectives for reduction of greenhouse gas emissions and outlined measures for climate change adaptation;
- **Development of local plans** for reducing green house gas emissions and climate change adaptation;
- **Project-related knowledge acquisition** activities as a result of a partnership with a Donor State.

Under this Call, **pilot** and **innovative projects** implemented in a consortium of several municipalities - 1 beneficiary municipality with several partner municipalities - will be promoted, with the aim of transferring results to more than one municipality and / or bilateral initiatives implemented.

12. Total Procedure Budget

Total procedure budget is **EUR 3 000 000**.

13. Minimum and Maximum Grant Amount

The minimum amount of funding is EUR 200, 000 and the maximum is EUR 500, 000.

The maximum amount of grant funding of the Applicant and the Partner (s) should be in accordance with the state / de minimis aid regime.

14. Duration of the project

The duration of the project is from 12 months to 24 months.



The project activities must be completed by 30 April 2024 at the latest which is the final eligibility date for implementation of projects under “Environment Protection and Climate Change” programme cofinanced by the EEA Financial mechanism 2014-2021.

15. Grant intensity and Cash Flows

Grants from the Programme may be up to 100% of the total eligible costs for public organizations. If the Project Promoter is an NGO or a private organization, the project grant rate may be up to 90% of the total eligible project costs. This rule applies to all project payments.

Payments to project promoters shall be in the form of: advance payment, interim payments and final payment. Interim and final payments are made on the basis of approved interim reports and a final report.

- Advance payment shall be made within one month after submission of the request and after signing the contract. In order to receive a advance payment, the Project promoter should provide a bank guarantee for advance payment collateral. In the case that an advance is used by a public organization (established by law and/or other normative act), budget credits spender (first, secondary and third-level) and there is an objective impossibility of presenting a bank guarantee securing the advance payment, submission of a promissory note or a declaration signed by the head of the first-level budgetary structure that guarantees the received advance payment shall be admissible. Bank guarantees or promissory notes shall cover the duration of the Grant contracts plus 6 months.
- Interim payments shall be made within one month after approval by the Programme Operator of the Payment Requests (as per template) submitted by the Project promoter and an interim report.
- The final payment shall be effected within one month after approval of the final report and calculating the final balance of the project if it is due.

The distribution of payments for Project promoter is made according to the following scheme:

More than 12 months	Up to 45%	Up to 95% cumulative with first advance payment	Final payment
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The total amount of advance and interim payments may not exceed 75% (for private organizations or NGOs) or 95% (for budget organizations) of the grant amount.

All the conditions under which project payments are made are described in the General Terms of the Contract in the "Granting of Financial Assistance" section.

In accordance with Art. 7.7 of the Regulation payments between the Project promoter and the project partners will be specified in the Partnership Agreement.



Public Procurement carried out by the project promoters /partners is subject to ex-post control. In the event of established discrepancies/breaches of applicable law, the Programme Operator shall impose financial corrections in compliance with the specificities of the Regulation on the Implementation of the European Economic Area Financial Mechanism 2014-2021 and the Guidelines for determining financial corrections to be made by the European Commission to expenditure financed by the EU under shared management, for non-compliance with the rules on public procurement, approved by Commission Decision C (2019) 3452 of 14.05.2019.

16. Eligible costs

Basic principles of eligibility of expenditures

The final date for eligibility of expenditure under the Environment Protection and Climate Change Programme is 30.04.2024.

Pursuant to Art. 8.2 of the Regulation, eligible project expenditure are those actually incurred by the project promoter and meet the following criteria:

- They are incurred between the first and final dates eligibility of a project as specified in the Project contract;
- They are connected with the subject of the Project contract and they are indicated in the estimated total project budget;
- Expenditures are proportionate and necessary for project implementation;
- Expenditures must be used for the sole purpose of achieving the objective(s) of the project and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness pursuant to the paragraph (d) art. 8.2.2 of the Regulation;
- Expenditures are reliably valued and verifiable by available primary accounting documents, are being recorded by the Project promoter and/or the Project Partner, and are consistent with the applicable accounting legislation in the country where the Project promoter and/or Partner is established;
- Expenditures comply with the requirements of the applicable tax, social security and employment legislation.

Expenditures incurred by the project promoter shall be deemed to be the costs which are supported by an invoice, a payment order and a document certifying the actual performance of a supply, service or construction-assembly activity. Exceptionally, expenditures invoiced in the final month of eligibility will also be considered to be incurred within the eligibility period if paid within 30 days of the final date for eligibility of project costs. Indirect costs and depreciation costs are considered to have been incurred at the time of their recording on the accounts by the Project promoter and/or the Project Partner.



Where new or second-hand equipment is purchased (Art. 8.3, letter “c” in the Latin alphabet, from the Regulation) necessary for the implementation of the project, the depreciation costs accrued for the project duration period are considered eligible, being reported periodically to PO. Exceptionally, the PO may recognize the full cost for equipment expenditure if it is an indispensable and necessary condition for achieving the project results, which shall be explicitly stated in the contract with the Project promoter.

Regarding the projects implemented by project promoters -budget organizations, the depreciation charge is regulated by the Minister of Finance's Instruction 5 / 30.09.2016, which defines the conceptual model for the application of the national Accounting Standard (AS 4 Depreciation Accounting).

The Project promoter's accounting principles and procedures shall be organized in such a way as to allow analytical accounting of the financing received and the project costs and easy access to primary accounting documents.

Costs incurred by project partners from Donor States shall be set in the Project Contract and Partnership Agreement ,where applicable. Proof expenditure to be submitted may take the form of receipted invoices, accounting documents , equivalent probative value (Art. 8.12.3 of the Regulation) or to be verified on the basis of a report by an independent and certified auditor certifying that the reported costs have been incurred in accordance with the Regulation, the national legislation and applicable accounting practices of the country in which the Project partner is registered, or on the basis of a report from a qualified and independent employee entitled to exercise budgetary and financial control over the organization that is not part of the team preparing the financial statements, certifying that these costs are incurred in accordance with the Regulation, the national legislation and applicable accounting practices of the country or on the basis of the submitted supporting documents.

Eligible Direct Costs

According to Art. 8.3.1 of the Regulation, the eligible direct costs of a project are those costs incurred by the Project promoter and / or the project partner, accounted in accordance with the usual accounting principles and internal rules of the organization as costs directly related to the implementation of the project, and which can therefore be booked to it directly. In particular, the following direct costs are considered eligible, provided they satisfy the general principles of eligibility of expenditures under Art. 8.2 of the Regulation, namely:

- Management costs - the costs of Action 1 of the Application form will be considered eligible if they are directly related to project management and do not exceed 10% of the eligible direct costs of the project. The organization and management activities of the project include organizing and ensuring the work of the project management team (remuneration, insurance and mission expenses), providing the necessary consumables, materials and equipment for project administration.



Each Project Promoter is directly responsible for the project management and for ensuring the quality performance of the planned activities. It should provide for sufficient interaction mechanisms for internal assessment and control as well as for progress monitoring and take corrective action if necessary, which should be made visible from the qualifications and responsibilities foreseen for each member of the team.

Each Applicant needs to present the organisational structure with sound project control and management mechanisms, given that in their project proposal:

- has described the way of accepting the work and the control mechanisms in the implementation of the public procurement contracts under the project, including the control that will be exercised on the manner of payment under these contracts;
- has provided control mechanisms in monitoring the implementation of the project;
- has described both the responsibilities of each of the members of the management team and their relation to ensure that the project objectives are achieved.

In view of the above-mentioned, the Head of the Project promoter cannot participate in the management of the project.

The members of the management team should cover functions such as preparation of the documents required for payment and accounting, monitoring and reporting, implementation of information and communication measures, storage of project documents as well as coordination of project activities. The members of the management team can combine different functions, except those in which one of the joint positions has control functions over the other. The envisaged organizational structure should demonstrate a division of functions within the team, and it is not permissible to mix and overlap the functions and tasks, both between the individual members of the management team and the outsourcers of the project.

Pursuant to Art. 8.3.1, sub-item (a) of the Regulation, expenditures for staff assigned to the project comprising actual salaries and corresponding social security charges at the expense of the employer, as well as other statutory costs, part of the remuneration, in line with the project budget and the Project promoter's usual policy and project partners for remunerations. The corresponding salary costs for staff in the administration are eligible to the extent that they relate to the performance of activities that the relevant institution would not carry out, if the project concerned had not been undertaken;

Important! The reporting on the time worked out shall be performed on an hourly basis by submitting timesheets approved by the head of the organization.

- According to Art. 8.2.2, (d) Costs should be used solely for the purpose of achieving the objective (s) of the project and its expected result (s) in a manner



consistent with the principles of economy, efficiency and effectiveness. In this regard, the hourly rate of remuneration of the project management employee (s) shall not exceed the amount of the hourly remuneration received by the person for the performance of activities in his or her principal employment or employment relationship.

- Travel and subsistence allowances for staff involved in the project. For the costs incurred by the Project promoter and/or partners registered in the territory of the country, the Donor and Beneficiary states, the national legislation shall apply, namely:
 - Expenditures for accommodation according to the Ordinance on business trips and specializations abroad, in the Republic of Bulgaria;
 - Expenditures on return flight tickets (from Bulgaria to the donor countries and from the donor countries to Bulgaria). Individuals are entitled to economy class tickets. Evidence of the cost incurred may be scanned copies of boarding cards, electronic tickets and a bank statement for the payment made or another document of equivalent verification value;
 - Expenditures on inland transport in Bulgaria between cities (allowed economy class in train and bus transport). No refunds shall be made for taxi transportation or car rental;
 - Internal transport costs in Donor states, between cities. No refunds shall be made for taxi transportation or car rental;
 - Expenditures on international public transport. No refunds shall be made for taxi transportation or rental of a car;
 - Medical insurance.
- Equipment costs - new or second-hand. Exceptionally from the rule contained in paragraph 4 of Article 8.2 from the Regulation, the PO may recognize the full cost of equipment expenditure with sound justification and if it is an indispensable and necessary condition for achieving the project results. The purchase of equipment is permissible only if it is directly related and necessary for the implementation of the project in compliance with the principles of economy, efficiency and effectiveness;
- Costs for materials and consumables, provided they are identifiable, relevant, necessary and assigned for the implementation of the project;
- Expenditures on subcontracting related to project activities awarded in accordance with applicable public procurement legislation and the Regulation;
- Project audit costs:



- ✓ The project activities should be audited, including the audit of the project partners;
- ✓ The audit of the project activities shall be ongoing and final. The ongoing audit of the project shall cover the interim reporting of the project activities and shall accompany the interim report on the project;
- ✓ The final audit will include a check of the activities and costs for the entire project period from the signing of the Project Contract to the date of completion of the project costs;
- Contingency pursuant to Art. 7.6.3 (k) up to 5% of the direct eligible costs under the project.
- The budget category “Costs arising directly from requirements imposed by the project contract for each project” pursuant to Art. 8.3.1 par. (g) of the Regulation

In the event that the PO has taken a decision to recognize the full value of the equipment/asset purchased, the PO imposes specific requirements on the Project promoters as follows:

- The Project Promoter to keep the ownership and the purpose of the acquired equipment/asset for a period of at least 5 years after approval of the final project report and within that period it should be used for the purposes of the project;
- The Project Promoter undertakes to insure the acquired equipment/asset against the usual insurance risks (such as theft, fire, etc.) both during the implementation of the project and for a period of at least 5 years after approval of the final project report (Art. 8.3.2, letter “b” of the Regulation);
- The Project promoter shall undertake to provide sufficient resources to support the acquired equipment/asset for a period of at least 5 years after approval of the final project report.

Non-refundable value added tax (VAT) is an eligible cost under this Call (under the VAT and VAT Implementation Rules).

IMPORTANT!

In cases where contracts concluded as part of the implementation of projects are below national and EU thresholds set for public procurement or outside the scope of applicable procurement laws, the award of such contracts (including pre-award procedures) and the conditions such contracts should, in accordance with the principle of proportionality, be in accordance with best practices, including accountability, to allow for overall and fair competition between potential providers (external services and civil contracts) - for example, through effective price comparison - and to ensure optimal use of EEA FM 2014-2021 resources.

Eligible Indirect Costs



Програмен оператор: Министерство на околната среда и водите
Programme operator: Ministry of Environment and Water

Pursuant to Art. 8.5 of the Regulation eligible indirect costs are costs that cannot be identified by the Project promoter and/or the Project partner as directly related to the project but can be identified and justified through its accounting system as being directly related to the eligible direct costs of project. They cannot include eligible direct costs. The amount of indirect costs of the project shall be defined as a fair share of the total overheads of the Project promoter or partner. Indirect costs can be calculated on the basis of one of the following methods:

- On the basis of the actual indirect costs of these Project promoters and partners who have analytical accounting, which allows concrete identification of indirect costs;
- A flat rate of up to 25% of the total eligible direct costs excluding direct eligible subcontracting costs and the cost of resources made available by third parties that are not used on the sites of the Project promoter or partner. In applying this method, the calculation of the rate shall be made on the basis of a fair and verifiable methodology or a method that is customary in the case of state funding of schemes for similar projects and Project promoters;
- A flat rate of up to 15% of the eligible direct personnel costs without requiring the PO to prepare a method for determining the applicable rate;
- A flat rate applied to direct eligible costs based on existing methods and corresponding rates applicable in European Union policies for similar types of projects and Project Promoters;
- In case the Project Promoter or the Project partner is an international organization or agency, indirect costs may be determined in accordance with the rules on indirect costs applied in these organizations in accordance with specific provisions of the Programme Agreement.

The method of calculation of indirect costs and their maximum value shall be described in the budget of the project financing contract. The method for calculating indirect costs of the Project partner shall be specified in the Partnership agreement.

Single cost financial justification of all costs included in the budget of the project proposal

In order to determine the feasibility of all projected costs, the Applicant should attach to the Application form in the EUMIS 2020 a justification in a free text format on the valuation of all activities included in the project proposal. For organization and management activities, depreciation, information and communication costs, a valuation justification should be presented.



The justification shall indicate on the basis of what documents, other analyzes or studies the activities have been evaluated. Information on technical and / or functional characteristics of data / indicators / offers / extract from a catalog of manufacturers / suppliers, information on contracts already concluded and executed with similar parameters and subject matter shall be given, as a result of which the value of the budget expenditure is indicated. At the discretion of the Project promoter, it is permissible to submit market consultations within the meaning of the Public Procurement Act, market surveys and / or internet surveys that have been used in the valuation, etc.

Where references to tenders (which must be from organizations with an activity similar to the subject of the tender) the offered being referred to shall be attached (minimum three), when referring to an excerpt from a catalog of manufacturers / suppliers the excerpts from the catalog are applied or indicated relevant product links. Where possible, a detailed breakdown of the valuation by quantities and unit prices shall be provided, as well as a justification for the unit prices and their compliance with market prices at the date of submission of the project proposal. This detailed breakdown should be consistent with the total value of the costs generated by the activities in the project budget, following the sequence set out in item 7 "Implementation plan / project activities" from the Application form. The justification should include the selection of tenders (at least three) from subcontractors with activities similar to the subject of the activity in the project proposal; extracts from PPAs for executed contracts; other documents that clearly indicate how to determine the value of the activities.

17. Ineligible costs

Pursuant to Art. 8.7 of the Regulation ineligible project costs are:

- Interest on debts, debt service charges and charges for late payments;
- Charges for financial transactions and other purely financial costs, except those arising from the contract;
- Provisions for losses or possible future liabilities;
- Currency exchange losses;
- Refundable VAT;
- Costs covered by other sources;
- Fines, penalties and litigation costs, except where litigation is a necessary and integral part of the achievement of the project's objectives;
- Excessive or reckless spending;



18. Public Procurement

The activities envisaged in the present procedure, to be financed by EPCCP, shall be carried out by subcontractors, awarded in result of open, transparent, sufficiently publicized and non-discriminatory public procurement procedures under PPA and Council of Ministers Decree 118/2014. The Programme Operator of EPCCP shall carry out ex-post control on compliance with public procurement legislation by the Project Promoters under the Programme, including compliance with the principles of Art. 2 of the PPA on equality and non-discrimination, free and fair competition, publicity and transparency.

- In the cases when the project promoters/partners fall within the scope of the addressees under Art. 5 of the Public Procurement Act, the designation of a contractor shall be carried out in accordance with the PPA and the rules for the application of the Rules for the implementation of the Public Procurement Act.
- When the project promoters and/or partners under the grant contracts do not appear as contracting entities under Art. 5 of PPA, Council of Ministers Decree No. 118/2014 shall apply. For foreign partners procurement shall be carried out in accordance with applicable national public procurement rules.

Obligations of the PO at the planning stage of subcontracting by the project promoter under PPA and CM Decree 118/2014 relate **to control of subcontracting plans. Subcontracting plans shall be completed in a structured form according to the EUMIS 2020 Ordinance.**

19. State aid and de minimis

The definition of "state aid" is contained in Article 107 paragraph 1 of the Treaty on the Functioning of the European Union (TFEU). State aid is any aid granted by a Member state in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods in so far as it affects trade between Member States of the European Union. As a rule, state aid is prohibited whereas exceptions to this prohibition are regulated. Granting of grants shall be done in accordance with European and national state aid legislation. Under the state aid rules, if funding is defined as illegal and incompatible state aid, it shall be reimbursed by the Project promoter together with interest for the period of unlawful use. One of the conditions to be met for the application of the state aid rules to the allocation of state funding is that the state aid Project promoter is "undertaking" governed by the competition law. "Undertaking" within the definition of Art. 107 of the TFEU is any entity engaged in an economic activity, regardless of its legal status and the way it is financed. According to the case-law of the Court of Justice, "undertakings" within the meaning of competition law are all entities engaged in an economic activity, including public authorities, where their



activities involve the supply of goods/services on the market. For the assessment of whether a person operates as an “undertaking” the legal status under national law and the way in which it is financed are irrelevant. Where the activity is related to the exercise of public powers, it is not of an economic nature and, therefore, the rules on state aid are not applicable to it. The Constitution of the Republic of Bulgaria raises human life as a core value (Article 4, paragraph 2) and imposes the obligation of the state to ensure the preservation of the environment. However, according to Art. 51, para. 1 of the Municipal Property Act (MPA), the municipality may carry out business activity, to establish municipal enterprises and to participate in joint forms of business activity under the conditions and following procedures, set by a law. The municipality may carry out business activity through trade companies with municipal participation in the equity, through civil associations under the Law of Obligations and Contracts. It may carry out independently business activity through municipal enterprises, established under the provisions of the MPA. Municipal enterprises under the MPA represent part of the structure of the municipality and do not have a separate legal personality - they do not represent a separate legal entity other than the municipality. Under the current procedure, a municipality has the opportunity to apply with a project proposal aimed at the activity of a municipal enterprise under the MPA, part of its structure. The Programme operator will make an assessment in the process of evaluation of the project proposals regarding the circumstance whether the municipality - applicant or partner, whether or not it represents an undertaking carrying out an economic activity, for the purposes of the specific project.

The actions foreseen in this Call to be funded by EPCCP 2014-2021 funds, shall be implemented by contractors identified as a result of open, transparent, sufficiently publicized and non-discriminatory public procurement procedures under the PPA and CM Decree 118/2014. The Programme Operator of the EPCCP Programme 2014-2021 shall carry out ex-post control over the compliance with the legislation in the field of public procurement by the beneficiaries of the Programme, including observing the principles under Art. 2 PPA on Equality and Non-Discrimination, Free and Fair Competition, Publicity and Transparency. In this sense, support at the level of contractors shall also not be considered as state aid.

For the application of the provisions of Art. 13, para. 1, item 1 of the PPA, the Applicant shall describe the relevant activities. On this basis, the activities may be carried out not by a contractor designated by the PPA, but by an international financial institution, organized under specific procedural rules under international agreements or contracts concluded in compliance with the provisions of the Treaty on the Functioning of the EU. The conditions for excluding state aid are laid down in the Commission note on state aid, referred to in Article 107 (1) of the Treaty on the Functioning of the European Union (TFEU). State aid shall be considered at all possible levels. State aid shall be considered at all possible levels. Memoranda of Understanding between the Government of the Republic of Bulgaria and the International Financial Institutions on partnership and support for the absorption of the European Structural and Investment Funds for the period 2014-2020, which ensure compliance with the applicable state aid legislation, are signed at the level of an



international financial institutions. International financial institutions provide consultancy services to beneficiaries through the conclusion of agreements for the provision of such services in compliance with the provisions of TFEU. In this case, support shall not be considered as a state aid.

From the point of view of state aid rules, different assumptions are possible at the level of final beneficiaries:

- De minimis aid regime, as required by Regulation (EU) No 1407/2013, with respect to eligible economic activities under the Calls;
- Non state aid regime - assistance outside the scope of Art. 107, para. 1 of the TFEU (non-State aid and not a de minimis aid)

The Call does not require any preferential use of local goods at the expense of imported goods.

- De minimis aid shall not exceed the BGN equivalent of EUR 200,000 (BGN 391,166) over a period of 3 (three) consecutive budget years. Before the aid is granted, the PO shall carry out a verification of the aid ceiling. Thus the defined aid ceiling shall apply to "single undertaking" within the meaning of Art. 2 (2) of Regulation (EU) No. 1407/2013 and in this section. In determining the above ceiling, the provisions of Art. 3 (8) and (9) of Regulation (EU) No. 1407/2013 and the guidelines in this section, namely: in a "de minimis aid" regime, the total amount of all aid to the owner of the undertaking performing economic activities (within the meaning of the State Aid Act) and to all entities with which it forms a single undertaking, including the maximum amount of the funds provided them under the EPCCP 2014-2021, may not exceed EUR 200,000 over a period of three consecutive budget years (two previous plus the current year).

Where, with the provision of new de minimis aid, the relevant ceiling laid down in Article 3 (2) may be exceeded, no part of that new aid may fall within the scope of Regulation (EU) No 1407/2013.

If an undertaking carries out road freight operations for another's expense or for remuneration, and also carries out other activities subject to the ceiling of EUR 200 000, the ceiling of EUR 200 000 shall apply to the undertaking, provided that the Member State concerned ensures by appropriate funds, such as separation of activities or distinction of costs, that aid for road freight operations does not exceed EUR 100 000 and that de minimis aid is not used for the acquisition road freight transport vehicles.

In implementing their projects, beneficiaries shall take into account that under the "de minimis aid" scheme all values used are gross, i.e. before deducting taxes and other charges. De minimis aid payable in several instalments should be discounted to its value at the moment it is granted. Eligible costs are discounted to their value at the time the aid is granted. The interest rate to be used for discounting is the discount rate applicable at the time the aid is granted, in accordance with Art. 3, para. 6 of Commission Regulation (EU)



No. 1407/2013 of 18 December 2013 Pursuant to Art. (3) of Regulation (EU) No. 1407/2013, de minimis aid shall be deemed granted at the moment when the statutory right to receive the aid was granted to the undertaking under the applicable national legal regime, irrespective of the date of payment of the de minimis aid to the undertaking. In order to calculate whether the threshold of EUR 200 000 for the undertaking concerned has been exceeded, a sum of (1) the maximum amount of the EPCCP 2014-2021 granted to the undertaking (performing an economic activity) and (2) all other de minimis aid amounts received by it and the undertakings with which it forms the "a single undertaking" within the meaning of Art. 2 (2) of Regulation (EU) No. 1407/2013 on the territory of the Republic of Bulgaria for the current, at the date of submission of the project year, and the last two budget years. In the case of a business transformation (acquisition, merger and/or split), the amount of the funds that can be provided in the form of de minimis aid to the undertaking (performing an economic activity) shall be determined in compliance with Art. 3 (8) and (9) of Regulation (EU) No. 1407/2013. Pursuant to Art. 3 (8) of Regulation (EU) No. 1407/2013, in the case of mergers or acquisitions, any prior de minimis aid granted to any of the merging companies shall be taken into account in determining whether a new de minimis aid, granted to the new undertaking or to the acquiring undertaking shall not lead to an overrun of the relevant ceiling. De minimis aid legally granted before the merger or acquisition shall remain lawful. Pursuant to Art. 3 (9) of Regulation (EU) No. 1407/2013 if one undertaking splits into two or more separate undertakings, the de minimis aid granted prior to the split shall be allocated to the undertaking which has benefited from it, which is in principle the undertaking taking over the activities for which de minimis aid was used. If such an allocation is not possible, de minimis aid shall be allocated proportionally on the basis of the book value of the equity capital of the new undertaking to the effective date of the split. In the event that the undertaking (performing an economic activity) and/or the subjects with which it forms "a single undertaking" within the meaning of Art. 2 (2) of Regulation (EU) No. 1407/2013 had received other de minimis aid, new de minimis aid under the EPCCP may be claimed only for the rest of the amount up to the ceiling referred to in Art. 3 (2), namely EUR 200 000, set for a period of three budget years. This ceiling shall apply regardless of the form of the de minimis aid or the objective pursued and whether or not the aid granted was financed in whole or partially by Union originating funds.

At the Application stage, the Programme Operator shall require the undertakings (performing economic activity) to submit declarations containing information on receiving other de minimis subject to Regulation (EU) No. 1407/2013 or other De minimis Aid Regulations during the two preceding budget years and during the current budget year, as well as the receipt of other state aid (de minimis and state aid statements). The template for a statement of de minimis and State Aid granted, to be provided by the Programme Operator to the applicants operating an economic activity is available on the website of the Ministry of Finance in its section on State Aid (<http://stateaid.minfin.bg/bg/page/7>). The declaration shall also include information about all undertakings with which the undertaking (performing economic activity) maintains relationships within the meaning of Art. 2 (2) and Art. 3 (8) and (9) of Regulation (EU) No. 1407/2013.



The Programme Operator shall, if necessary, contact other aid administrators listed in the statement of de minimis and State Aid, in order to gather the necessary information to ensure that it complies with the provisions of Art. 5 (2) of Regulation (EU) No. 1407/2013, namely that the granting of the new de minimis aid under the procedure will not exceed the highest applicable aid intensity or aid amount determined in the specific circumstances of each case with a block exemption regulation or an EC decision.

Pursuant to Art. 5 (1) of Regulation (EU) No. 1407/2013, the de minimis aid of up to EUR 200 000 may be cumulated with the de minimis aid under Commission Regulation (EU) No. 360/2012 of 25 April 2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union on de minimis aid to undertakings providing services of general economic interest to the ceiling (EUR 500 000). The de minimis aid may be cumulated with the de minimis aid granted under other de minimis aid regulations (such as de minimis aids in the fisheries and aquaculture sector and in the agricultural sector) up to the ceiling of EUR 200 000 laid down in Regulation (EC) No. 1407/2013.

For the purposes of control, the Programme Operator may use a combined approach to verify the accuracy of the data declared by the owners:

- by checking in the public module of the de minimis Aid Register Information System (<http://minimis.minfin.bg/Default.aspx>);
- a reference to the Commercial Register (for the companies mentioned in the declaration) regarding all the conditions of Art. 2 (2) and Art. 3 (8) and (9) of Regulation (EU) No. 1407/2013.

Observing Art. 36, para. 1 of the State Aid Act, the PO, in its capacity as aid administrator, shall be obliged, in any act of provision of de minimis aid, to define rules for the application of the conditions for its provision and control, as well as a mechanism for establishing unlawfully received de minimis aid. The rules for implementing the conditions for provision and control of aid also contain information means of verification of the presence and fulfilment of the applicable criteria of the acts justifying the compatibility and the information sources on the basis of which the check is made. The mechanism and rules for the establishment of unlawfully received de minimis aid shall at least contain rules establishing the ground for unlawfulness, identification of the aid recipient, the monetary equivalent of unlawfully provided aid, the amount to be recovered, including the interest due and the date of the provision. As an administrator of the de minimis aid, the PO shall inform the Minister of Finance within 3 working days of the provision of any aid falling within the scope of Regulation (EC) 1407/2013 by introducing electronic records of the de minimis aid granted by it in the Information System “Register of de minimis aid”. The PO, in its capacity as aid administrator, shall be responsible for the completeness, correctness and timeliness of the information provided on the de minimis aid provided.

The documentation on individual de minimis aid shall be kept for a period of 10 budget years from the date of its provision. The documentation on the de minimis aid schemes



shall be kept for a period of 10 budget years from the date on which the last individual aid under such a scheme was provided.

Non state aid regime (aid outside the scope of Article 107 (1) TFEU (aid which is not State aid and is not de minimis aid)

With regard to the financing of non-economic activities - activities for the implementation of public policies of municipalities, they may be organized in a non-commercial way and therefore of a non-profit nature, respectively their public financing may not constitute state aid and therefore the regime of Regulation 1407 / 2013 will not apply to this type of activities.

Public funding of natural heritage conservation activities, accessible to the public free of charge, fulfills a purely social purpose, which is non-economic in nature. (Commission notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union. 2016).

Where a subject performs both economic and non-economic activities, the public financing of non-economic activities does not fall within the scope of Article 107 (1) TFEU, if the ratio of the two types of activities to their costs, financing and revenue can be clearly separated so as to effectively avoid cross-subsidization. Evidence of the proper allocation of costs, financing and revenue is the annual financial statements of the respective subject. This can be achieved in particular by limiting public financing to the net costs (including capital costs) of non-economic activities, which must be established on the basis of a clear separation of accounts.

If the recipient of the public funding is an undertaking and the economic and non-economic activities cannot be separated, the rules on the provision of state aid are compulsory. They are defined in a stepwise manner, as with the increase in the amount of aid, the requirements for aid provision also increase.

20. Sustainability of project proposals

Sustainability of project results is essential to ensure long-term benefits. For the Programme Operator it is important that sustainability of project results is ensured.

The Application form must include information on the specific measures for using the project results in the sustainability period and how the project results will subsequently be repeated by the Applicant / Partners or other subjects.

According to Art. 8.14 of the Regulation, the minimum project sustainability period is:

- 3 years after the approval of the final report of the project by the Programme Operator, if the project does not include the purchase of tangible and intangible assets whose purchase costs are covered within the project or construction works;



- 5 years from the approval of the final project report by the Programme Operator, if the project involves construction works or the purchase of tangible and intangible assets for which all purchase costs are covered within the project. The Project promoter has the obligation to use tangible and intangible assets and the space / building, subject to the works only for the purposes of the project. The space / building must function throughout the sustainability period.

21. Communications and Publicity Requirements

In order to highlight the role of the FM of EEA 2014-2021 and to ensure that the assistance from this mechanism is transparent, the Project Promoters shall provide clear information on the project to the widest possible audience at the appropriate national, regional and/or local level, including relevant stakeholders. The Project Promoter shall develop and implement a **Project Communication Plan**.

Potential Project Promoters shall include a Communication Plan in their project proposal to raise awareness of the existence, objectives, opportunities and bilateral cooperation with donor institutions (where applicable), implementation and overall contribution of the project. The potential Project Promoter shall ensure that information and publicity measures are implemented in accordance with its Communication Plan and reach the general public, the media and stakeholders at regional and local level, including by indicating quantitative and qualitative indicators to cover representatives from the stakeholders and evidence of this.

The Programme Operator shall not coordinate information and communication measures during the implementation of the project but shall only monitor their implementation.

The Communication plan shall include at least the following:

- Targets and stakeholders, including stakeholders at national, regional and/or local level, and the general public;
- Strategy and content of information and communication measures, including activities, means of communication and time frames, considering the added value and impact of EEA FM 2014-2021;
- At least three information activities on project progress, achievements and results, such as a seminar or stakeholders conference, a press conference or a media event, including the start and/or end of the project. (For projects with a grant amount of less than EUR 500,000 two information activities are sufficient, as they may be of a smaller scale);
- Measures to provide project information on the web through a dedicated website. Project information shall be regularly updated in Bulgarian and in English. Information on the web shall include information on the project, its progress, achievements and results, cooperation with legal entities in Donor states(if applicable), relevant photographs, contact information and clear reference to the Programme and EEA FM 2014-2021;



- All projects that receive support of at least EUR 150,000 from EEA FM and/or have a donor partner for the project shall have a dedicated project website with information in English and Bulgarian;
- Information on those responsible for implementing the information and communication measures, including a contact person;
- An indication of how the information and communication measures will be assessed in terms of publicity and awareness of the project and of the EEA FM grants, their objectives and impact, as well as the role of donor countries;

The organizers of information events (conferences, seminars, fairs, exhibitions, etc.), as part of the project implementation, shall commit themselves to make explicit and visible the support of financial mechanisms and Donor states.

The Project Promoter shall inform the PO at least two weeks in advance of the scheduled public events of the project, providing the necessary information in Bulgarian and English, as well as pictures for the publication of the EEA FM and NFM [Norwegian Financial Mechanism] 2014-2021 website.

When implementing projects for which the total funding exceeds EUR 50 000 and the activity is related to a physical site, infrastructure or construction and repair activities, the beneficiaries shall place a billboard at the site of each project activity in accordance with the requirements of the design and communication of the EEA Financial Mechanism. The Project promoter shall replace the billboard with a notice board in a prominent place of the appropriate size and in accordance with the Design and Communication Manual no later than six months after the end of the project.

All the information and information materials created by the Project promoters shall be in line with the FM of EEA and NFM 2014-2021 Communication and Design Manual published at <https://www.eeagrants.bg/dokumenti/narchniczi> and Annex 3 to the Regulation. The Manual sets out detailed technical requirements for the use of the logo, as well as billboards, plates, posters, publications, websites and audiovisual material.

Important!!! All promotional materials should be made of recyclable materials and recycled.

22. Procedure for submission of project proposals

Project proposals shall be submitted through the EUMIS 2020 Information System.

Project proposals submitted electronically through a profile created by the applicants in the EUMIS 2020 system shall be submitted in accordance with the rules in the Regulation for determining the terms, order and mechanism of functioning of the unified information system for management and monitoring of resources from the European structural and investment funds and for the conduct of proceedings before the managing authorities accordingly via EUMIS 2020.



The Application form and the project budget should be completed in EUMIS 2020 in Bulgarian and English as well as a declaration by the Applicant's representative that the information in both languages is identical. In case of contradiction between the two versions, the information in English shall prevail.

A project proposal received after the deadline shall be registered but shall not be evaluated by the evaluators and reviewed by the Project Selection Committee.

Representatives of applicants who have submitted their project proposals beyond the deadline shall be notified via the EUMIS 2020 Communication Module.

All submitted within the deadline project proposals shall be evaluated in accordance with the requirement under this the Call that each Applicant can be a Project Promoter only under one project proposal and a partner under not more than two project proposals.

The evaluation shall be carried out in EUMIS 2020, in accordance with evaluation criteria and the deadlines described in the project proposals Calls under the respective procedure.

The annexes containing signature boxes shall be attached as signed copies (i.e. either printed, signed, scanned and attached, in this case the originals being presented at the conclusion of the grant contract or signed with electronic signature and attached)¹.

23. List of documents to be submitted at the application stage

- 23.1. Application form (to be completed in the EUMIS 2020 form. No separate file should be attached to the system) - The Application form must be submitted in Bulgarian and English In EUMIS 2020, Applicants should complete at the same time all fields for which a separate English translation field is provided. Applicant organizations should respect the restrictions on the symbols set out in each field.;
- 23.2. Budget as of template B1.
- 23.3. Declaration of the Applicant / Partner for acceptance of the Terms and Conditions – as per template of Annex D1; Applicant / Partner declaration (if any) is signed individually by each person representing the Applicant / Partner. It cannot be signed by authorized / empowered persons, as it declares personal data or data about the respective legal entity, and their liability is subject to penal liability, which is also personal;
- 23.4. Declaration for Deminimis and State Aid for the Applicant and the Partner – as per template Annex D2.; The declaration shall be signed by at least one of the persons who represent the Applicant/Partner. When the legal entity Applicant/Partner is represented by two or more persons together, each person representing the Applicant/Partner signs a separate declaration. This

¹ The documents must be signed with the electronic signature of the Project Promoter / Lead Partner, who

Declaration is applicable to partners from the Donor Countries in order to identify assistance received from the Republic of Bulgaria and the territory of the Republic of Bulgaria;

- 23.5. VAT Declaration - as of template Annex D3;
- 23.6. Declaration of irregularities - as per template, Annex D4;
- 23.7. Privacy statement - as per template, Annex D5;
- 23.8. Declaration of use of the purchased equipment in accordance as per template, Annex D6;
- 23.9. Declaration of identity of the presented information in the Application form and the budget in English and Bulgarian Annex D7;
- 23.10. Financing Declaration for organizations under the Non-Profit Legal Entities Act Annex D8;
- 23.11. Where a Partner is present Letter of intent for partnership establishment Annex D9 or a draft Partnership Agreement (D13) pursuant to Art. 6.4 of the Programme Agreement.;
- 23.12. Declaration for consultants involved in the preparation of the project proposal in accordance with item (k) of Art. 7.3 of the Regulation Annex D10.;
- 23.13. Experts profiles Annex D11.;
- 23.14. CVs of the project implementation team proposed by the Applicant - team leader, project coordinator (s), and other experts, if applicable according to template Annex D12.;
- 23.15. Declaration under Act On Counteracting Corruption And On Seizure Of Illegally Acquired Property Annex D14;
- 23.16. Quality management and risk assessment plan Annex D15;
- 23.17. Schedule of the activities for Public Procurement Procurement awarding under the Public Procurement Act and Decree of the Council of Ministers No 118/2014 (in the EUMIS 2020 form);
- 23.18. Verified Statement of revenue and expenditures and Balance Sheets by the respective responsible persons - for the past three financial years ended from the date of publication of this Call - (2018, 2017, 2016);
- 23.19. Notarized power of attorney (an order for the public organizations) for authorization of person representing the Applicant (if applicable) in connection with the submission of the project proposal and the signing of the form with QES. In cases where the Applicant is represented together by several individuals, the power of attorney is signed by each of them.;
- 23.20. Communication Plan (according to the requirements of the Regulation);



24. Supporting Documents (if applicable)

Supporting documents to be submitted by the Applicant and the Partner (s):

A) Decision of the Municipal Council of the Municipality on application under this Call, in cases where the Applicant is the municipality or a secondary administrator of budget to the municipality:

- submission of a project proposal under this Call (applicable only to Applicants);
- approval of the Project partner (s), in accordance with the Local Government and Local Administration Act (in case of partnership).

NOTE: The documents in point 24, listed above, shall be submitted by the Applicants and the Partners established in the territory of the Republic of Bulgaria.

Documents submitted by partners from Donor States:

Partner organizations from the Kingdom of Norway:

- a) Register transcript, certifying the legal status and the main activities, executed by the organization – excerpt from the official register of Kingdom of Norway - Brønnøysundregisteret.
- b) Certificate for present status– issued by the competent authority/institution in the Donor State, issued no earlier than 3 months before the application deadline

Partner organizations from Iceland:

- a) Certificate of Registration – issued by the Register of Enterprises - Skráasvið.

Partner organizations from the Principality of Liechtenstein:

- a) Registration transcript certifying the legal status and the main activities, executed by the organization – excerpt from the official register of Principality of Liechtenstein –Handelsregistrauszug

Apart from the indicated above documents, the partner organization shall present also a document from which it is visible who is the legal representative of the organization in correspondence with the national legislation.

IMPORTANT! For partner organizations from countries different than Bulgaria and the Donor States the documents have to be aligned with the relevant requirements for the partner organizations from Bulgaria.

IMPORTANT! The supporting documents shall be presented in Bulgarian from the side of the Applicant and in English from the side of the partner from Donor States/Beneficiary States.



IMPORTANT! Each attached file shall be signed with electronic signature as all files shall be published in EUMIS 2020, Section 12 “Attached Electronically Submitted Documents” from the Application Form, fields “File” and “Signature”. Applicants shall number and put the name of the applied documents in Latin alphabet so that the content is understandable (for instance „1. D1_Declaration_acceptance of the terms and conditions_en”) in order to facilitate the review of the documents when evaluating project proposals.

25. Questions and Answers

Applicants may ask questions by e-mail at the following email address: eea@moew.government.bg or via the website of the Programme. The questions and answers will be published on the Programme's website, part of the single information portal of the EEA FM for Bulgaria as well as in the EUMIS 2020. The Programme operator will not respond to emails with questions without specifying the sender and organization. Questions may be asked no later than 21 days before the deadline for submitting project proposals. The Programme Operator shall answer the questions asked not later than 14 days before the closing date for submission of project proposals. The clarifications given on the Call shall not contain any opinion on the quality of the project proposal and shall be binding on all applicants.

26. Procedure and criteria for evaluation of project proposals

The evaluation and selection of project proposals takes place in three stages:

- Administrative compliance and eligibility of Applicant/Partner (ACEA);
- Technical and Financial Evaluation (TFE);
- Selection Committee (SC).

1. Administrative compliance and eligibility of Applicant/Partner

The evaluation assessment of administrative compliance and eligibility of a project shall be carried out by two experts, independently of each other. If there is a missing document and/or discrepancy found in the examination of the project proposals, the Applicant shall be notified via EUMIS 2020 of the non-conformities/shortcomings found and a reasonable period of time for their removal shall be set, which may not be shorter than five working days, shall be set and shall be the same for all applicants in the procedure. The clarifications presented by the Applicants shall not lead to a qualitative improvement of the project proposal.

Communication with the applicants shall be done via EUMIS 2020 as a request for additional information shall be sent via the "Communication" module to the email address specified in the profile of the applicant. Based on the information received, the Evaluation Committee shall only edit this section of the form, where further information is necessary.



The deadline for receiving further clarification from the Applicants may not be shorter than 5 working days.

The applicants may withdraw their project proposals from the assessment process by submitting a written application to the head of the Programme Operator, in such cases the examination of the withdrawn proposal shall be suspended.

When conducting the evaluation, the two experts shall independently fill out assessment sheets in EUMIS 2020 on the basis of criteria that are an integral part of this Call.

Based on the assessment of the administrative compliance and eligibility of the Applicant/Partner and the completed check-lists, a protocol shall be drawn up for the completed stage of administrative compliance and eligibility of the applicant/partner, together with a list of projects not admitted to the technical and financial assessment and the reasons thereto. The chairperson shall notify the rejected applicants by a separate notification to each of them via the Communication module in EUMIS 2020.

An Applicant whose project proposal is included in the list of rejected projects may file a written objection to the head of the PO within a seven-day period of the notification. The head of the PO shall have a seven-day period deadline to rule on the merits of the objections. If the Applicant's objection is justified, the PO may return the project proposal for examination at the stage of administrative compliance and eligibility of the applicant/partner.

If the objection is rejected, the Applicant may appeal the decision which ends the stage of administrative compliance and eligibility evaluation of the project proposal before the competent Bulgarian court.

Administrative criteria and eligibility criteria:

Criteria	Yes	No	N/A	Checks
Administrative Compliance Evaluation Criteria				
1. The project proposal is submitted through the EUMIS 2020 system within the deadline for the submission of project proposals, as specified in the Call for project Proposals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form,</p> <p>According to Section II of the Call for Proposals, only project proposals submitted within the deadline are allowed to be evaluated at the stage of administrative compliance and eligibility. Under this Call project proposal submitted outside the deadline will be rejected and will not be considered.</p>



<p>2. The Application form is submitted electronically through the EUMIS 2020 system by the person, representing the Applicant, or the person, authorized for the purpose of submitting the project proposal, and signed with the QES of the natural person, author or with the holder the legal entity Applicant.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Verification in relevant public registers.</p> <p>Actions:</p> <p><i>Check whether the qualified electronic signature for the submission of the project proposal is valid at the date of application and belongs to the holder and author – the natural person, who is the official representative of the Applicant or with the holder of the Applicant legal entity, in which case the author of the signature should be the official representative of the Applicant.</i></p> <p><i>The Qualified Electronic Signature (QES) may also be with the holder and author - the authorized natural person or with the holder of the Applicant legal entity, in which case the author of the signature should be the official representative of the Applicant or the authorized natural person.</i></p> <p><i>The irregularities shall be eliminated by the Applicant only once and the elimination should be done within the time limit set by the Selection committee.</i></p> <p><i>Non-elimination of irregularities is a basis for rejection of the project proposal.</i></p>
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<p>3. A notarized power of attorney (order for public organizations) was presented to authorize a person, representing the Applicant (if applicable), in relation to submitting the project proposal and signing the form with a QES. In cases where the Applicant is represented together by several individuals, the power of attorney shall be signed by each of them.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12 “Attached electronically signed documents”</p> <p><i>In case of a missing or irregular authorization document, it will be requested from the Applicant.</i></p> <p><i>The power of attorney must be valid at the date of submission of the project proposal.</i></p> <p><i>.Failure to submit the document, requested by the Selection committee, within the set deadline or submission of a document that is irregular is basis for not allowing the project proposal to be admitted to the TFE and rejection of the project proposal.</i></p>
<p>4. The Application form is filled out in accordance with the instructions, given in the Call for Proposals, the electronic Application form, and the requirements of the EUMIS 2020.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12 “Attached electronically signed documents”</p> <p><i>An electronic Application form and its annexes are available.</i></p> <p><i>In case of missing documents or ascertained missing information, these will be requested from the Applicant.</i></p> <p><i>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is basis for not allowing the project proposal to be admitted to the TFE and its rejection.</i></p>



<p>5. The Application form, the budget and all the declarations are in Bulgarian and in English.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12 “Attached electronically signed documents”</p> <p><i>In case of missing documents or ascertained missing information, these will be requested from the Applicant.</i></p> <p><i>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is basis for not allowing the project proposal to be admitted to the TFE and its rejection.</i></p>
<p>6. Document for registration is submitted - copy certified by the Applicant / Partner's with stamp and the text " Certified true copy "</p>			<p>Source of information: EUMIS 2020.</p> <p><i>The document/s shall be scanned and attached in Section 12 “Attached electronically signed documents” of the Application form /Ex officio check in public registers.</i></p> <p>Actions: <i>These documents have to be only submitted by Partners of non-governmental organizations participating in the procedure</i></p> <p><i>The document shall not be submitted if it is published and where the information in it / s is accessible through a public register or can be provided through direct and free access to the national databases of the Member States.</i></p> <p><i>In case the Partner is registered under the Law on the Commercial Register and the Register of Non-Profit Legal Entities, this circumstance shall be verified ex officio according to Art. 23, para. 6 of the Commercial Register Act.</i></p> <p><i>If deficiencies are found, the committee will request the Applicant to eliminate the deficiencies.</i></p>



				<p><i>Deficiencies shall be eliminated by the Applicant only once, such as the removal should take place within the time limit set by the Selection committee.</i></p> <p><i>Non-elimination of deficiencies is basis for rejection of the project proposal.</i></p>
<p>7. A Decision of the Municipal Council of the Municipality on application under this Call is presented, in cases where the Applicant is the municipality or a secondary administrator of budget to the municipality</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020.</p> <p><i>The document/s shall be scanned and attached in Section 12 “Attached electronically signed documents” of the Application form</i></p> <p>Actions: <i>The document is submitted by the Applicant.</i></p> <p><i>If deficiencies are found, the committee will request the Applicant to eliminate the deficiencies.</i></p> <p><i>The deficiencies shall be eliminated by the Applicant only once and the elimination should be done within the time limit set by the Selection committee.</i></p> <p><i>Non-elimination of deficiencies is base for rejection of the project proposal.</i></p>
<p>8. Certificate (s) for the present status of the Partner or an extract from a register is presented (if any) issued no earlier than 3 months before the application deadline</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020. Section 12 “Attached electronically signed documents”</p> <p>Actions: <i>The document is scanned and attached in Section 12 of the Application Form. /Ex officio check in public registers.</i></p> <p><i>Certificate (s) for the present status of the Partner (s) (if any) is/are not presented when the data in it/them are available through a public register or can be provided through direct and free access to national databases of the Member States.</i></p>



				<p><i>In case the Partner is registered under the Act on the Commercial Register and the Non-Profit Legal Entities Register, this circumstance shall be verified ex officio according to Art. 23, para. 6 of the Act on the Commercial Register.</i></p> <p><i>In case of discrepancy between data in the respective register and data related to the current status of the Partner (s) contained in the Application form submitted by the Applicant and its annexes, the Programme Operator may request the submission of a Certificate (s) on the current the status of the Partner (s) (if any) issued no earlier than 3 months before the application deadline.</i></p> <p><i>If deficiencies are found, the committee will request the Applicant to eliminate the deficiencies.</i></p> <p><i>The deficiencies shall be eliminated by the Applicant only once and the elimination should be done within the time limit set by the Selection committee.</i></p> <p><i>Non-elimination of deficiencies is base for rejection of the project proposal.</i></p>
<p>9. Certified Statement of revenue and expenditures and Balance are presented by the respective responsible persons – for the last three financial years since the date of publication of the present Call – (2018, 2017, 2016) or an access link is provided if the data is available on a public register/website.</p> <p><i>The document(s) shall not be submitted when the data from it/them is available through a free online public register.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020. Section 12 “Attached electronically signed documents” or official reference through a public free register (if applicable)</p> <p>Actions: The documents are scanned and attached in Section 12 of the Application Form.</p> <p><i>In case the mentioned documents have been disclosed in the Non-profit Legal Entities Register at the date of application and are in an identical format to the one in which they were submitted to the NSI, this circumstance shall be verified ex officio in accordance with Art. 23, para. 6 of the Act on the Commercial</i></p>



				<p><i>Register and the Non-profit Legal Entities Register.</i></p> <p><i>In case the same aforementioned has not been published in a free public registry the Statement of revenue and expenditures and the Balance sheet/s shall be required.</i></p> <p><i>If deficiencies are found, the committee will request the candidate to eliminate the deficiencies.</i></p> <p><i>The deficiencies shall be eliminated by the Applicant only once and the elimination should be done within the time limit set by the Selection committee.</i></p> <p><i>Non-elimination of deficiencies is base for rejection of the project proposal.</i></p>
10. A Communication plan for the project proposal is presented in Bulgarian and English.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents</p> <p>Actions: In case of missing documents or ascertained missing information, these will be requested from the Applicant.</p> <p><i>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected.</i></p>
11. A Letter of intent to form a partnership or draft partnership agreement or have been submitted in accordance with Art. 6.4 of the Programme Agreement in the presence of project partners in Bulgarian and English.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents</p> <p>Actions: In case of missing documents or ascertained missing information, these will be requested from the Applicant.</p> <p><i>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected.</i></p>



12. The CVs of the project management and implementation team are presented in Bulgarian and English according to the provided template.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents</p> <p>Actions: In case of missing documents or ascertained missing information, these will be requested from the Applicant.</p> <p>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected.</p>
13. A schedule for external outsourcing of activities according to the Public Procurement Law and/or Decree No. 118/2014 for all activities that will not be performed by the Project Promoter and the Partner (s) is completed according to the Bulgarian and English model in the EUMIS 2020. The requirements of Art. 21 para. 15 and 16 of the PPA are met.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 10: Public Procurement</p> <p>Actions: In case of missing documents or ascertained missing information, these will be requested from the Applicant.</p> <p>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected.</p>
14. A Quality Management Plan and Risk assessment of project implementation have been provided in Bulgarian and English.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents</p> <p>Actions: In case of missing documents or ascertained missing information, these will be requested from the Applicant.</p> <p>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected.</p>



15. A Single cost Financial Justufication of all costs included in the budget of the project proposal is completed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form</p> <p>Actions: In case of missing documents or ascertained missing information, these will be requested from the Applicant.</p> <p>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected.</p>
16. The up-to-date templates of the documents provided by the Programme operator are presented and their structure and contents have not been changed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form</p> <p>Actions: In case of established irregularities the Committee will require the removal of the irregularities.</p> <p>Failure to submit the information and documents, required by the Selection committee within the specified timeframe or the submission of irregular documents, is grounds for not allowing the project proposal to be admitted to the TFE and rejected</p>
Eligibility criteria				
17. The Applicant and (where applicable) any (all) partner(s) shall be eligible Applicant/Partner as required by this Call and shall have been established as a legal entity in Bulgaria or in one of the Donor States/other Beneficiary States/a country outside the EEA that has a common border with Bulgaria/	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 2 "Data of the applicant"; /Ex officio check in public registers.</p> <p>Actions:</p> <p>If the Applicant/Partner is not eligible under the Call, the project proposal is not admitted to TFE and rejected.</p>



<p>18. The information, provided in the Declaration of De-minimis and State Aid (Annex D2) on the de minimis aid, received in the previous two years and the current budget year, indicates that the Applicant/Partner(s) is/are entitled to receive de minimis aid that will not exceed the eligible maximum amount, according to Art. 3 of Regulation 1407/2013</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents, Applicant's de minimis and State Aid Statement (if applicable)/Partner (if any) and Application Form, Section 5: Budget. /Ex officio check in public registers.</p> <p>Actions:</p> <p><i>If the Applicant/Partner(s) has/have already received the maximum amount of eligible de minimis aid, the project proposal is not eligible for TFE.</i></p> <p><i>If the Applicant/Partner(s) has/have received amount of de minimis aid, which, together with the budget, foreseen under the project proposal, will exceed EUR 200,000 over a period of three budgetary years, the proposal shall not be admitted to TFE and rejected.</i></p>
<p>19. The Declaration of De-minimis and State Aid (Annex D2) on the de minimis aid, received in the previous two years and the current budget year, indicates that the applicant/partner(s) and the undertakings with which they form a "single undertaking"² within the meaning of Art. 2, para. 2 of Regulation (EU) No 1407/2013 have received minimum grants</p>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents, Applicant's de minimis and State Aid Statement (if applicable)/Partner (if any) and Application Form, Section 5: Budget. /Ex officio check in public registers.</p> <p><i>If the Applicant/Partner(s) and the undertakings with which they form a "single undertaking" within the meaning of Art. 2, para. 2 of Regulation (EU) No 1407/2013</i></p>

² Note: A 'Single undertaking', within the meaning of Article 2 (2) of Regulation (EU) No 1407/2013, includes all enterprises having at least one of the following relationships with each other:

- (a) one enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
- (b) one enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
- (c) one enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;
- (d) one enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.



for the last three budget years which do not exceed the BGN equivalent of EUR 200 000.				<p><i>has/have already received the maximum amount of eligible minimum aid, the project proposal is not eligible for TFE.</i></p> <p><i>If the Applicant/Partner(s) and the undertakings with which they form a "single undertaking" within the meaning of Art. 2, para. 2 of Regulation (EU) No 1407/2013 has/have received amount of de minimis aid, which, together with the budget, foreseen under the project proposal, will exceed EUR 200,000 over a period of three budgetary years, the proposal shall not be admitted to TFE and rejected.</i></p>
20. If the Applicant has submitted more than one project proposals, is that the first one?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020.</p> <p>Actions:</p> <p><i>In case the Applicant has submitted more than one project proposal under this Call (Note: Each Applicant is entitled to submit only one project proposal under this Call), only the first submitted project proposal will be allowed for evaluation, and the second and / or subsequent project proposals are dropped.</i></p>
21. The Applicant is not a partner in more than two project proposals				<p>Source of information: EUMIS 2020</p> <p><i>If the Applicant is a partner in more than two project proposals under this Call (Note: Each Applicant is eligible to participate as a partner in only two project proposals under this Call), the first two project proposals where will be allowed for evaluation and the third and / or subsequent project proposals are dropped.</i></p>
22. The project proposal sets the objective(s) of the project in accordance with the objective of the procedure, set out in the Call	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form</p> <p>Action:</p> <p><i>If the stated objective(s) of the project proposal is/are not in line with the purpose of</i></p>



				<i>the procedure, set out in the Call, the project proposal is not admitted to TFE and rejected .</i>
23. The indicators that will be implemented through the project proposal correspond to those, indicated in the Call.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 7: Implementation plan/Project activities, Section 8: Indicators</p> <p>Action:</p> <p><i>Verify that the indicators, set out in the project proposal, meet those, set out in the Call.</i></p> <p><i>If the indicators in the project proposal do not correspond to all indicators, described in this Call, the project proposal is not admitted to the TFE and rejected.</i></p>
24. The description of the activities in the project proposal are admissible, meet the requirements of the Call and lead to the achievement of the objectives and expected results.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 7: Implementation plan/Project activities</p> <p>Actions: <i>Verify that the activities, foreseen in the Project Proposal, are admissible, according to the eligible activities, described in the Call. The description of the activities of the Application Form must be in fulfillment of the minimum required or more of the eligible activities under the Call. The project proposal provides for the implementation of the minimum required activities and they lead to the achievement of the indicators of the Invitation. If the activities in the project proposal do not meet minimum required in the present Call, the project proposal is not admitted to the TFE.</i></p>
25. The maximum and minimum amounts of the claimed grant have been complied with requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 5: Budget</p> <p>Actions: <i>If the project proposal does not meet the maximum and minimum grant requirements, the project proposal is not admitted to the TFE and rejected.</i></p>



26. The maximum eligible budgetary limits for management expenditure have been complied with (Activity 1); unforeseen and indirect costs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 5: Budget</p> <p>Actions: In case the project proposal does not meet the requirement for maximum permissible amount of budget expenditure limits, the project proposal is not admitted to the TFE and rejected.</p>
27. The duration for the implementation of the project is in accordance with the requirements of point 14 of the Call for proposals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 1: General data, Section 7: Implementation plan/Project activities</p> <p>Actions: If the duration of the project, laid down in Section 7: Implementation plan/Project activities, of the Application Form, is less than the required 12 months or exceeds the maximum allowed 24 months set in the Call, the project proposal shall not be admitted to the TFE.</p> <p>In the event of a discrepancy between the information on the duration of the project, referred to in Section 1: General data, and Section 7: Implementation plan/Project activities, of the Application Form, the information, provided in Section 7 shall be considered correct and the duration in Section 1 will be adjusted accordingly with the one in Section 7 of the AF.</p>
28. The project proposal is aimed at least one eligible target group according to the Call.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Source of information: EUMIS 2020, Application form, Section 7: Implementation plan/Project activities, and Section 11: Supplementary information, required of the assessment of the project proposal, “Target groups” field</p> <p>Action: In case the project proposal does not target at least one eligible target group under the Call, the project proposal is not admitted to the TFE.</p>

2. Technical and Financial Evaluation



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Technical and financial Assessment(TFE) of the project proposal is a substantive project evaluation process, which shall be carried out in accordance with the assessment criteria described in the Application Guidelines to the relevant procedure.

The evaluation criteria shall not be subject to change during the course of the procedure.

Each project proposal that meets the administrative and eligibility criteria shall be reviewed by two impartial experts appointed by the Programme Operator, at least one of which shall be independent of the Programme Operator and the Selection Committee. The experts shall separately score the project according to the selection criteria published with the Call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used. If the difference between the scores given by the two experts is more than 20% of the higher score, a third expert, who shall be impartial and independent of the Programme Operator and the Selection Committee, shall be commissioned by the Programme Operator to score the project independently. In such cases, the average score of the two closest scores shall be used for the ranking of the projects.

The stage shall end with a protocol containing the list of the ranked proposals.

The “Technical and Financial Assessment” (TFE) is a substantive evaluation of project proposals, based on the following criteria:

1. Partner(s) – 21 points;
2. Relevance and justification – 18 points;
3. Performance organization / Activities - 45 points;
4. Sustainability – 6 points;
5. Financial assessment – 10 points

Each criterion includes several sub-criteria. The evaluation of the project proposal by a certain criterion is calculated as the sum of the points, obtained by the relevant sub-criteria. The maximum number of points a project proposal can attain is 100. In order to suggest a project proposal to be funded , the total final score at the TFA stage must be equal to or higher than 50 points.

If the total number of points attained for the "Relevance and justification" criterion is less than 8 points, the Selection Committee shall submit the project proposal for rejection.

If the total number of points, attained for the criterion "Performance organization / Activities " is less than 30 points, the Selection committee shall submit the project proposal for rejection.

If the total number of points, received for the "Financial assessment" is 5 points, the Selection committee shall submit the project proposal for rejection.

If two or more project proposals have the same total final score, they will be ranked in descending order by the following criteria and in the indicated order:



- Higher target values of the indicators;
- Larger number of partners;
- Presence/number of partners from the Donor states.

	Criteria	Points	Source of information
I	Partners	21	
1.	The Project Partners are more than two municipalities in Bulgaria.	3	<u>Source of information:</u> EUMIS 2020, Application form, Section 2 “Applicant Data”, Section 3 “Partner Data”.
	The project partners are two municipalities in Bulgaria.	1	
	Less than two municipalities in Bulgaria participate in the project.	0	
2.	The project will implement good practices from Donor States through the involvement of Partner (s) from Donor States.	3	<u>Source of information:</u> EUMIS 2020, Application form
	The project will not implement good practices from donor countries through the involvement of Partner (s) from Donor countries.	0	
3.	Applicant and Partner experience with publicly funded projects in the field of environmental protection and/or climate change.		<u>Source of information:</u> EUMIS 2020, Application form Section 11 “Supplementary information, required of the assessment of the project proposal”
	The Applicant and Partner (s) (if any) have, together or individually, completed 2 or more environmental projects.	3	
	The Applicant and Partner (s) (if any) have, together or individually, completed at least one environmental	1	



	Criteria	Points	Source of information
	project.		
	The Applicant and Partner (s) (if any) have no completed environmental projects.	0	
4.	Do the Applicant and / or Partner (s) (if any) have sufficient project management capacity? The presence of the following components shall be taken into account: - equipment, technical resources, office; - the Applicant and / or Partner (s) have a management team with the necessary professional experience to manage the project.		Source of information: EUMIS 2020, Application form Section 12: Attached electronically signed documents “
	Both of the above-mentioned components are present	3	
	One of the above-mentioned components is implemented.	1	
5	The Applicant has the necessary human resources to carry out the project activities		Source of information: EUMIS 2020, Application form, Section 12: Attached electronically signed documents “
	The project will be implemented entirely with own human resources	3	
	The project will be implemented with own and external for the Applicant and Partners human resources	2	
	The project will be implemented with external for the Applicant and Partners human resources	1	
6	Financial security of implementation.		Source of information: EUMIS 2020, Application form, Section 11 “Supplementary information, required of



	Criteria	Points	Source of information
			the assessment of the project proposal”, Section 12: Attached electronically signed documents “
	The Applicant has described that he / she has the necessary financial resources to carry out the project activities.	3	
	The Applicant did not describe having the necessary financial resources to carry out the project activities.	0	
7	Organizational structure for the implementation of the project.		form, Section 11 “Supplementary information, required of the assessment of the project proposal”, Section 12: Attached electronically signed documents “
	The Applicant has presented an organizational structure for the implementation of the project and has detailed the functions of the project implementation team.	3	
	In the project proposal, the Applicant has presented an organizational structure for the implementation of the project.	1	
	In the project proposal, the Applicant has described the functions of the project implementation team unclearly.	0	
II	Relevance and justification	18	
1.	Contribution to the objective of the Programme: "Improved environmental status in ecosystems and and reduced effects of pollution and other human activities", and to its outcome “Increased ability of local communities to reduce emissions and adapt to		<u>Source of information:</u> EUMIS 2020, Application form, Section 1 “General data, Section 7 “Implementation



	Criteria	Points	Source of information
	changing climate”.		plan/Project activities“
	There is a clear * link between the overall objective of the project and the objective and desired outcome of the Programme, and the project will contribute in a concrete and consistent way to achieving them.	2	
	The project partially covers the criteria / sub-criteria. Some aspects of the criterion / sub-criterion are not sufficiently substantiated.	0	
2.	Coherence of the project proposal with European strategic documents³		<u>Source of information:</u> EUMIS 2020, Application form, Section 11 “Supplementary information, required of the assessment of the project proposal”
	The project idea is relevant to the strategic documents and is clearly* described and substantiated.	3	
	The project idea is relevant to the strategic documents but is not clearly* described and substantiated.	1	
	The project idea is not relevant to the strategic documents.	0	
3.	Relation of project activities to the measures and activities provided in the Climate Change Adaptation Action Plan.		<u>Source of information:</u> EUMIS 2020, Application form, Section 7 “Implementation plan/Project activities“, Section 11 “Supplementary information, required of

³ For example, the EU legislative package on climate and energy, including Directive 2009/29 / EC.



	Criteria	Points	Source of information
			the assessment of the project proposal”
	More than one of the planned activities contributes to the implementation of a measure / measures of the Climate Change Adaptation Action Plan	3	
	At least one of the planned activities contributes to the implementation of a measure / measures of the Climate Change Adaptation Action Plan	1	
	The planned activities do not contribute to the implementation of a measure / measures of the Climate Change Adaptation Action Plan	0	
4.	Compliance of the project proposal with the strategic documents of the partner municipalities.		<u>Source of information:</u> EUMIS 2020, Application form Section 11 “Supplementary information, required of the assessment of the project proposal”
	The project idea is relevant to the strategic documents and is clearly described and substantiated.	2	
	The project idea is relevant to the strategic documents but is not clearly described and substantiated.	1	
	The project idea is not relevant to the strategic documents.	0	
5.	Contribution to the achievement of the Programme indicators (see table on page 10 to point 8 of the invitation)		<u>Source of information:</u> EUMIS 2020, Application form, Section 7 “Implementation plan/Project activities”, Section 8 “Indicators”



	Criteria	Points	Source of information
	<p>Contribution to the achievement of Programme targets for the following indicators:</p> <ul style="list-style-type: none"> • “Number of municipal staff whose self-assessment reports record increased competence to plan mitigation and adaptation measures to climate change”; • “Proportion of population living in an area with increased capacity to reduce emissions and be prepared for extreme weather events”; • Number of employees undergoing training • Number of municipalities that have implemented climate change mitigation or adaptation measures 		
	The Applicant envisages the implementation of the project to affect the implementation of targets of all above-mentioned indicators. The data collection system for the information on reaching the targets is clear.	4	
	The Applicant envisages the implementation of the project to affect the implementation of targets of all above-mentioned indicators, but the system for collecting data on reaching the targets is unclear.	3	
	The Applicant envisages the implementation of the project to affect the implementation of targets of three of the above-mentioned indicators. The data collection system for the information on reaching the targets is clear.	2	
	The Applicant envisages the implementation of the project to affect the implementation of targets of three of the above-mentioned indicators, but the system for collecting data on reaching the targets is unclear.	1	
6	The project stakeholders identified by the Applicant are clearly * written and quantifiable	4	Source of information: EUMIS 2020, Application



	Criteria	Points	Source of information
	The project stakeholders identified by the Applicant are clearly * written but not quantifiable	1	form, Section 7 “Implementation plan/Project activities“,
	The project stakeholders identified by the Applicant are neither clearly * written nor quantifiable	0	Section 11 “Supplementary information, required of the assessment of the project proposal”
III	Performance organization / Activities	45	
1.	Activities and method of implementation		<u>Source of information:</u> EUMIS 2020, Application form, Section 7 “Implementation plan/Project activities“
	In the description of the activities envisaged in the project proposal, the connection between objective, activity, expected result and indicator (s) can be traced.	4	
	In the description of the activities envisaged in the project proposal, the connection between objective, activity, expected result and indicator (s) cannot be traced.	0	
2.	Scope of activities		Source of information: EUMIS 2020, Application form, Section 7 “Implementation plan/Project activities“
	The Applicant has envisaged capacity building activities for the development and implementation of measures to reduce emissions and for climate change adaptation of at least 20 professionals	6	
	The Applicant has envisaged capacity building activities for the development and implementation of measures to reduce emissions and for adaptation to	3	



	Criteria	Points	Source of information
	climate change of less than 20 professionals		
3.	The project activities envisage the application of three brands for climate change mitigation and adaptation	8	
	The project activities envisage the application of two brands for climate change mitigation and adaptation	5	
	The project activities envisage the application of one brands for climate change mitigation and adaptation	1	
4.	The activities included in the project proposal, in addition to the minimum required, according to the Call for proposals, also include additional activities that build on and add value to the expected project results.	6	Source of information: EUMIS, Application form, Section 7 “Implementation plan/Project activities”
	The project proposal contains all the minimum required activities, according to the Call.	4	
5.	The activities and measures included in the project proposal are of an innovative or demonstration nature	3	
	The the project proposal does not include activities and measures of an innovative or demonstration nature	0	
6.	The activities in the project proposal correspond to the principle of efficiency, effectiveness and economy, as for each Partner at least 15% of the actual project activities are set.	4	Source of information: EUMIS, Application form
	The above-mentioned requirements are not met.	0	
7.	Time frame for implementation of project activities.		Source of information: EUMIS, Application form, Section 7 “Implementation plan/Project activities”
	The set time frame for the implementation of the project activities is realistic, with clear sequences and	4	



	Criteria	Points	Source of information
	duration of the project activities.		
	The set time frame for the implementation of the project activities is not well presented, but the set project activities can be implemented.	2	
	The defined time frame for the implementation of the project activities carries a risk for the full implementation of the project activities.	0	
8.	Communication plan		Source of information: EUMIS 2020, Application form Section 12: Attached electronically signed documents
	The project activities envisaged in the Communication Plan are in accordance with the set objectives of the project and ensure widespread publicity and dissemination of results to stakeholders, taking into account the minimum required communication activities, in accordance with Annex 3 of the Regulation. All promotional materials are using recyclable materials.	4	
	The project activities envisaged in the Communication Plan do not ensure widespread publicity and dissemination of results to stakeholders, taking into account the minimum required communication activities, in accordance with Annex 3 of the Regulation. All promotional materials are using recyclable materials.	2	
9.	The Applicant has provided a description of potential risks (e.g. delays, budget, conflicts, etc.) as well as risk management and mitigation measures	4	Source of information: EUMIS, Application form
	The Applicant has provided a description of potential risks (e.g. delays, budget, conflicts, etc.) but did not	2	



	Criteria	Points	Source of information
	present risk management and mitigation measures.		
	The Applicant has not provided a description of potential risks (e.g. delays, budget, conflicts, etc.)	0	
10.	The quality management plan provided contains quality management measures, such as compliance with legal provisions in the implementation of activities and reporting of information and results relevant to the Call for Proposals.	2	<u>Source of information:</u> EUMIS, Application form
	The quality management plan provided does not contain quality management measures, such as compliance with legal provisions in the implementation of activities and reporting of information and results relevant to the Call for Proposals.	0	
IV	Sustainability	6	
1.	The Applicant has described how it will ensure the financial and institutional sustainability of the project activities / results after its formal completion and has clearly outlined the measures to be taken.	2	<u>Source of information:</u> EUMIS, Application form, Section 11 “Supplementary information, required of the assessment of the project proposal”
	The Applicant has described how it will ensure institutional sustainability of the project activities / results after its formal completion, but there is no description of the measures to ensure financial sustainability.	1	
	The Applicant has not described how it will ensure financial and institutional sustainability of the project activities / results after its formal completion	0	
2.	Potential for further development		<u>Source of information:</u> EUMIS 2020, Application form, Section 11



	Criteria	Points	Source of information
			“Supplementary information, required of the assessment of the project proposal”
	The project proposal creates result (s) that will be multiplied, and the mechanisms that will multiply the experience and results of the project are described.	2	
	The project proposal does not create a result (s) to be multiplied and / or the mechanisms that will multiply the experience and results of the project are not described.	0	
3.	Connection to other projects / initiatives for climate change mitigation/adaptation		<u>Source of information: EUMIS 2020, Application form Section 11 “Supplementary information, required of the assessment of the project proposal”</u>
	The Applicant has described how the implementation of the project complements and / or upgrades other projects / initiatives/measures for climate change mitigation/adaptation occurring in the territory where the project will be implemented.	2	<u>Source of information: EUMIS, Application form</u>
	The Applicant did not describe how the implementation of the project complements and / or upgrades other projects / initiatives/ measures for climate change mitigation/adaptation occurring in the territory where the project will be implemented	0	
V	Financial assessment	10	
1.	Financial evaluation (If the project proposal meets several of the criteria below, the points for each of them are added together)		<u>Source of information: EUMIS, Application form, Financial Justification in a free text format</u>



	Criteria	Points	Source of information
	The budget is detailed with the necessary arguments and justification.	2	
	<p>The budgeted costs meet all of the following criteria:</p> <ul style="list-style-type: none"> • pledged to be spent during the eligibility period; • related to the objectives of the project; • proportional; • necessary for the implementation of the project; • aim only at achieving the objectives of the project in a manner consistent with the principles of economy, efficiency, effectiveness; • meet the requirements for applicable tax and social law. 	3	
	There is a correspondence and a logical link between activities and costs, and all costs are fully consistent with the activities envisaged for their implementation.	1	
	The estimated costs lead to the timely, quantitative and qualitative implementation of the planned activities and the achievement of the expected project results.	1	
	The pledged values are planned in accordance with the costs foreseen by activities.	1	
	All set costs are in accordance with Chapter 8.3. of the Regulation.	1	
	Costs for information and publicity are foreseen under the Regulation and the Information and Publicity Guidelines.	1	

* "Clear" is the description of the activities when:

- they are unambiguously formulated - no interpretation is required, no contradictions or factual errors are admitted in their description; and;
- are described in a way they can be individually identified among the other activities envisaged, and;



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- their description contains the output of their implementation.

The activities are not clearly described if the end result indicated in the description could not be achieved.

The experts may propose to the Selection Committee to adjust a project proposal's budget in case the evaluation reveals:

1. The presence of ineligible activities and / or costs;
2. Discrepancy between the planned activities and the types of set costs;
3. Cost Duplication;

In case the project proposal is ranked for funding and the proposed adjustments are accepted by the Selection Committee, at the contracting stage the Applicant will be informed about the adjustments. The Applicant may refuse to conclude the contract or accept the adjustments.

In case of refusal to conclude a contract, the next ranked Applicant is considered.

Adjustments will only be made to Applicants whose project proposals have received a score of 50 points or more.

3. Project Selection Committee

The Programme Operator shall establish a Selection Committee. The Selection Committee shall consist of a Chairman and a secretary – representatives of the Programme Operator – without voting rights, and at least three voting members, including representatives of the Programme Operator. At least one of the voting members shall be external to the Programme Operator and its Partners. Representatives of the FMC, the National Focal Point and the DPP shall be invited to participate in the Selection Committee meetings as observers.

The Programme Operator shall provide the Selection Committee with a list of the ranked projects. The Selection Committee shall review the ranked list of projects. The decision of the Selection Committee shall be taken by consensus of all voting members. The Selection Committee may modify the ranking of the projects in justified cases, in accordance with objective and commonly agreed criteria related to the objectives of the programme. The justification for modifications shall be detailed in the minutes of the meeting of the Selection Committee. The minutes shall be signed by all members of the Selection Committee. The Chairman of the Selection Committee shall submit a report to the Programme Operator, including the list of the recommended projects, together with a reserve list, list of rejected project proposals and the reason for their rejection and a list of withdrawn projects.



The Head of the Programme Operator shall verify that the selection process has been conducted in accordance with the Regulation and that the recommendations from the Selection Committee comply with the rules and objectives of the programme. Following such verification, the Programme Operator shall, based on the decision of the Selection Committee, make a decision on which projects shall be supported. The Programme Operator may return the report to the Selection Committee requesting a repetition of the selection process in case of a violation of the procedure that can be remedied or not approved when there has been a serious violation of the procedure. The Programme Operator may modify the decision of the Selection Committee in justified cases announcing in its decision the reasons for the modification.

The Head of the PO shall notify the applicants about the results of the selection process within a reasonable time and publicise the results. If the modification of the ranking of the projects by the Selection Committee results in a project's rejection, or if the Programme Operator modifies the decision of the Selection Committee, the Programme Operator shall inform the applicants affected and provide them with a justification for the modification.

27. Objection and Appeal

An Applicant whose project proposal is included in the list of rejected projects for the relevant stage (ACE and TFE) may file a written objection to the head of the PO within one week of the notification. The head of the PO shall have a one week deadline to rule on the merits of the objections.

Objection may be filed through EUMIS 2020 to the Head of PO within one week of notification. New documents that were not part of the initial project proposal may not be submitted with the submission of the objection. The head of the PO shall rule on the merits of the objection within one week of receipt. If the Applicant's objection is justified, the Head of PO may return the project proposal for examination at the relevant stage where it was rejected. If the objection is rejected, the Applicant may appeal the decision of the PO before the competent Bulgarian court. The message shall be deemed to have been received by the Applicant by sending it in EUMIS 2020.

28. Contract Concluding Procedure

A Project contract (PC) shall be signed between the PO and the Project promoter for each approved project.

PC shall set out the terms and conditions for granting the grant, as well as the roles and responsibilities of the parties. It shall ensure that in the implementation of the project, the



Project promotory will comply with the requirements of the documents forming the legal framework of the EEA FM 2014-2021.

PC shall explicitly refer to the Programme Agreement, and the Regulation and, as a minimum, contains clauses on:

- Reporting that will allow the PO to fulfil their reporting obligations to the FMC and the NFP;
- Maximum amount of the grant in EUR and maximum grant rate of eligible project costs;
- Applicable state regime / de minimis aid and amount of the aid provided;
- Costs eligibility;
- Maximum amount of indirect costs;
- Initial and final date of expense eligibility;
- Project modification;
- Provision upon request of immediate and unhindered access for the purposes of monitoring and audits up to 5 years after the end of the project;
- Compliance with publicity obligations;
- PO's right to terminate payments and to claim reimbursement of paid amounts from the Project promoter if such a decision is made by FMC, PO or NFP;
- Settling disputes and jurisdiction;
- Detailed budget with breakdown of cost per item and unit costs;
- Payment method;
- Schedule of payments;
- Reference to a partnership agreement or declaration of intent to partner;
- Intellectual property rights for projects involving research.

An integral part of the PC are the following Annexes:

- Approved project proposal and attached project budget, implementation plan and subcontracting plan, and risk reduction plan;
- Signed Partnership Agreement;
- Declarations;

29. List of documents to be submitted before the Contract conclusion

1. Declaration of Irregularities (by Applicant and Partners (s) – Annex D4);



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2. Partnership Agreement, as per template, Annex D 13 (only if a Project partner is present);
3. Declaration of access of the Project promoter's manager to EUMIS 2020, as per template, Annex D3 (from Application documents);
4. Declaration for determining the skills and competencies of the team for the implementation of the project activities, as per template, Annex D11;
5. Additional supporting documents at the time of signing the contract (if required upon PO's request).
6. Declaration of De minimis and State Aid for the Applicant and the Partner – as per template of Annex D2.

In case of changes incurred in the declared circumstances at the stage of submission of the project proposal by the Applicant, the Applicant / Partner needs to re-submit the declarations requested at the application stage.

30. Bilateral Relations Fund

The objective of BRF (Bilateral Relations Fund) is to provide financial support for the implementation of activities and initiatives in partnership between eligible beneficiaries from Bulgaria and the donor countries, in accordance with Art. 4.1 of the Regulations.

The eligibility of costs to be covered by the Bilateral Relations Fund is governed by Article 8.8 of the Regulation. Pursuant to Art. 8.8 of the Regulation, eligible actions for financing under the Bilateral Relations Fund are:

- Activities aiming at strengthening bilateral relations between the Donor States and the Beneficiary States;
- the search for partners for donor partnership projects prior to or during the preparation of a project application, the development of such partnerships and the preparation of an application for a donor partnership project;
- networking, exchange, sharing and transfer of knowledge, technology, experience and best practice between entities in Beneficiary States and entities in the Donor States and/or international organisations;
- activities aiming at strengthening cooperation and exchanging experiences and best practices between the Programme Operators and similar entities within the Beneficiary States and Donor States, as well as international organisations, provided that at least one entity within the Donor States is involved in the activity.
- In certain cases, POs may approve the use of a "total amount" for mission expenses (travel, subsistence and accommodation costs incurred by foreign partners), respecting



the principle of proportionality. For the costs incurred by the Project promoter and/or Partners registered in the territory of the country, the national legislation shall apply;

- Eligible costs under the Bilateral Relations Fund are for travel, overnight stays, meals, daily subsistence, hiring of halls, translation and other costs necessary to ensure the performance of the partner activities.

The scheme for supporting travels under the Environment Protection and Climate Change Programme under the Bilateral Relations Fund shall be open for the entire period of Programme implementation or until the defined budget for the Bilateral Relations Fund is exhausted. More information on participating in the Call for Bilateral Initiatives can be found at <https://www.eeagrants.bg/programi/okolna-sreda>

31. Additional Information

Regulatory Documents of the Programme and EEA FM: <https://www.eeagrants.bg/dokumenti/normativni-dokumenti>

EEA Financial Mechanism Website: <http://www.eeagrants.org/>

Ministry of Environment and Water Website : www.moew.government.bg

Website for EU funds, including EEA information: www.eufunds.bg

Programme Website: <https://www.eeagrants.bg/programi/okolna-sreda/novini>

Website of Norwegian Environment Agency - www.environmentagency.no

32. Legal Framework

The programme shall be implemented in compliance with the following regulations and rules:

- Agreement between the European Union and Iceland, the Principality of Liechtenstein and the Kingdom of Norway on the EEA FM 2014-2021;
- Protocol 38C on the EEA Financial Mechanism 2014-2021 to the Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on the Financial Mechanism of the EEA 2014-2021;
- Regulation on the Implementation of the EEA Financial Mechanism 2014-2021;
- Memorandum of understanding on the Implementation of the EEA Financial Mechanism 2014-2021;
- Ratification Act of the Memorandum of Understanding on the Implementation of the European Economic Area Financial Mechanism 2014-2021 between the Republic of Bulgaria and the Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway;



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- Programme Agreement under the EPCC Programme, signed between the FMC and the NFP;
- Agreement on the Implementation of the Bilateral Relations Fund and the FMO Guidelines on Bilateral Relations;
- All rules and guidelines adopted by donors in accordance with the Regulation, incl. for publicity, bilateral relations, project selection, etc., published on the EEA Financial Mechanism website, www.eeagrants.org, in [Guidelines, Mandates and Strategy](#) section;
- Additional information submitted by the OP and approved by the FMC/NMFA [Norwegian Ministry of Foreign Affairs] as part of the approval process of the Programme Agreement;
- Systems for management and control of the implementation of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism (2014-2021) for Bulgaria;
- Guidelines for determining the financial corrections to be made by the European Commission against expenditure financed by the EU under the principle of shared management for non-compliance with the public procurement rules approved by Decision C (2019) 3452 of 14.05.2019;
- EC EU Climate and Energy Legislative Package including Directive 2009/29/EC amending Directive 2003/87/EC as to improve and extend the greenhouse gas emission allowance trading scheme of the Community; Decision 406/2009/EC on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020; Directive 2009/28/EC on the promotion of the use of energy from renewable sources; Directive 2009/31/EC of the European Parliament and of the Council on the geological storage of carbon dioxide; Directive 2009/30/EC amending the Fuel Quality Directive and introducing a mechanism to monitor and reduce fuel gas emissions; Regulation (EC) 433/2009 setting emission standards for new passenger cars;
- Environmental Protection Act;
- Climate Change Mitigation Act;
- National Climate Change Adaptation Strategy;
- National legislation of the Republic of Bulgaria in the field of public procurement, contractual relations, ownership, settlement of civil disputes, accounting, including but not limited to:
- Administration Act (AA);
- Value Added Tax Act and Regulations for Implementing the Value Added Tax Act;



- State Aid Act and Rules for Application of the State Aid Act;
- Civil Servant Act;
- Public Procurement Act and Regulations for Implementation of the Public Procurement Act;
- Act On Counteracting Corruption And On Seizure Of Illegally Acquired Property;
- Public Finance Act;
- Accountancy Act;
- Act on Financial Management and Control in the Public Sector;
- Act on Internal Audit in the Public Sector;
- National accounting standards applicable to budget organizations;
- Chart of budget organizations;
- Guidelines of the National Fund Directorate at the Ministry of Finance on the organization of the accounting process of the programme operators and standard accounting entries for the accounting events resulting from the financial management of the programmes financed by the EEA FM and NFM 2014-2021;
- Decree No 118 of 20 May 2014 on the terms and procedure for the designation of a contractor by grant beneficiaries of the EEA Financial Mechanism, the Norwegian Financial Mechanism, the Asylum, Migration and Integration Fund and the Internal Security Fund, (Amend. and suppl. -SG No. 50/1915, in force as of 03.07.2015, AMEND. -SG No 52 FROM 2016, IN FORCE AS OF 08.07.2016)
- Ordinance for determination of the conditions, procedure and mechanism for functioning of the information system for management and monitoring of the funds from the European structural and investment funds (EUMIS2020) and for conducting proceedings before the Managing Authorities via EUMIS 2020;

