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**„CULTURAL ENTREPRENEURSHIP, HERITAGE**

**AND COOPERATION“**

**EEA FINANCIAL MECHANISM 2014 – 2021**

**APPLICATION GUIDELINES**

**UNDER THE SECOND CALL FOR PROJECT PROPOSALS**

**UNDER OUTCOME 2 „ACCESS TO ARTS AND CULTURE IMPROVED“**

**„CULTURAL ENTREPRENEURSHIP, HERITAGE AND COOPERATION” PROGRAMME**

**DEADLINE FOR SUBMISSION OF PROJECT PROPOSALS:**

**23 August, 5:30 PM (UTC+2)**

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**USED ABBREVIATIONS**

**BoQ** Bill of Quantities

**CAW** Construction and Assembly Works

**CC** Cooperation Committee

**EEA** European Economic Area

**EEA FM** Financial Mechanism of the European Economic Area

**EFTA** European Free Trade Association

**EU** European Union

**FMC** Financial Mechanism Committee

**FMO** Financial Mechanism Office

**MC** Ministry of Culture

**MoU** Memorandum of Understanding on the implementation of the EEA Financial Mechanism 2014-2021

**NGO** Non-governmental organization

**NFP** National Focal Point

**PA** Programme Agreement for the implementation of the Programme

**PPA** Public Procurement Act

**PPA** Public Procurement Agency

**PO** Programme operator

**Regulation** Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021

**SC** Selection Committee

**TFEU** Treaty on the Functioning of the European Union

**VAT** Value Added Tax

**VATA** Value Added Tax Act

# MAIN DEFINITIONS

|  |  |
| --- | --- |
| **European Economic Area Financial Mechanism** | Protocol 38c to the EEA Agreement on the EEA FM 2014-2021 establishes a mechanism through which the member states of the EFTA help to reduce economic and social disparities within the EEA. The EEA FM aims to contribute to the reduction of economic and social disparities within the EEA, as well as to deepen bilateral relations between the donor states – Norway, Iceland and Liechtenstein – and the states that are receiving support, Bulgaria being one of them. |
| **Outcome** | 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. |
| **Output** | Outputs are the products, capital goods and services delivered by a programme to the intermediaries. Outputs are easy to attribute directly to the resources used and the activities performed. They are usually within the greatest control of the implementing organization. |
| **Indicator** | A quantitative or qualitative variable that specifies what is to be measured along a scale or dimension. It should always be expressed in neutral terms: it should neither indicate the direction or change nor embed a target. |
| **Applicant (Project Promoter)** | A leading organization that develops a project proposal for the future implementation of the approved project. According to the rules of the Programme, applicants under the current Call can be **any non-commercial, public or private, entity, as well as non-governmental organizations, established as a legal person in Bulgaria, whose principal activity is in the cultural and creative sectors** as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme1, including municipalities.  Natural persons are not eligible project promoters under these Application Guidelines. |
| **Project Partner** | An organization, actively participating or actively contributing to the implementation of a given project with which the Project Promoter has a letter for partnership intent in the application phase and a partnership agreement, approved by the PO, in the implementation phase.  According the Programme Agreement, under the current Call project partners can be:  - Any non-commercial, public or private, entity, and non-governmental organisations, established as a legal person in Bulgaria, whose principal activity is in the cultural and creative sectors as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme.  - Any entity, public or private, commercial or non-commercial, and non-governmental organisations, established as a legal person in the Donor States, whose principal activity is in the cultural and creative sectors as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme.  Natural persons are not eligible project partners under these Application Guidelines. |
| **Application (Project Proposal)** | A proposal submitted in the Information System for Management and Monitoring of the EU Funds in Bulgaria – EUMIS 2020 by an applicant for a grant for the implementation of a specific project, including an electronic application form and other accompanying documents. |
| **Project** | A set of interrelated and complementary activities with a predefined target(s), necessary funds and a timetable for implementation, leading to the achievement of specific quantifiable results. |
| **Activity** | A task or group of tasks (an action or group of actions) that have (result in) a concrete result (result/product) and through which the respective project is implemented. |
| **Grant** | The funding of the EEA FM including the respective national co-financing, provided through the PO with the aim of implementation of an approved project, directed towards the achievement of specific outcomes. |
| **Contractor appointed by the Project Promoter** | Contractors of activities of a project appointed by the grant beneficiaries.  The contractors from the side of the beneficiaries are not project partners and the conditions and the order of their appointment have been arranged in the Public Procurement Act of the Republic of Bulgaria and its implementation regulations, as well as in the Application Guidelines and Decree of the Council of Ministers № 118 of 20 May 2014 on the terms and conditions for the appointment of a contractor by grant beneficiaries from the European Economic Area Financial Mechanism, the Norwegian Financial Mechanism, the Asylum, Migration and Integration Fund and the Internal Security Fund. |
| **Project contract** | A contract that has been concluded between the head of a PO or a person who has been authorized by him/her and a Project Promoter for the provision and spending of a grant in order to implement an approved project. |
| **Irregularity** | An infringement of the legal framework of the EEA FM 2014-2021 referred to in Article 1.5 of the Regulation, of any provision of European Union Law or any provision of the national law which affects or prejudices any stage of implementation of the EEA FM, in particular, but not limited to, the implementation and/or the budget of the programme/project or other activities funded by the EEA FM 2014-2021. |
| **State aid** | Any aid granted by the state or municipality or at the expense of state or municipal resources, directly or through other persons, in any form which distorts or threatens to distort free competition by favoring certain undertakings, production or trade of certain goods, or the provision of certain services, in so far as trade between Member States is affected. |
| **De minimis aid** | Aid within the meaning of Commission Regulation (EU) № 1407/2013. Small aid which is not subject to notification to the Commission and which does not affect competition and trade in the EU internal market. According to Article 3 (2) of Commission Regulation (EU) № 1407/2013, the total amount of de minimis aid granted in each Member State to the same undertaking shall not exceed EUR 200 000 for a period of three budget years. |
| **Undertaking** | Within the meaning of Article 107 of the Treaty on the Functioning of the EU – any structure engaged in economic activity, regardless of its legal status and method of financing. An entity that carries out both economic and non-economic activities should be considered as an undertaking only in relation to economic activities. |
| **Economic Activity** | Any activity of offering goods and services on the market, as well as any activity, the results of which are intended for exchange on the market, regardless of whether profit or other income is formed and distributed from it. According to the State Aid Act, the provision of tangible and intangible property and rights for use is also considered an economic activity. |

## Introduction

The Ministry of Culture (MC) in its capacity as Programme Operator (PO) of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme announces the **Second Call for project proposals under Outcome 2 “Access to Arts and Culture Improved”.**

The supported projects shall contribute to the achievement of the overall objectives of the Financial Mechanism of the European Economic Area (EEA FM) that are:

* To reduce economic and social disparities in the European Economic Area

And

* To strengthen the relations between the Donor States – Norway, Iceland and Lichtenstein and the Republic of Bulgaria.

### Information on the EEA Financial Mechanism

On 09.12.2016 the MoU on the Implementation of the EEA FM 2014-2021 between the Republic of Bulgaria and Iceland, the Principality of Liechtenstein and the Kingdom of Norway was signed.

The EEA FM aims to establish broad cooperation between donor and beneficiary state organizations and individuals to reduce economic and social disparities in Europe. As a result, the EEA FM aims to contribute to a green, competitive, and inclusive Europe, as is the slogan of the mechanism for the new programme period. In recognition of the growing importance of enhanced transnational cooperation in Europe, the Donor States have increased their funding for the EEA FM for the period 2014-2021, namely to promote such cooperation.

The Republic of Bulgaria is a Beneficiary State of the EEA FM 2014-2021. All projects that are approved for funding must comply with Bulgaria’s national priorities, strategies, and policies in the respective priority sectors as well as the agreements with the EEA and the EU.

According to Article 1, paragraph 2 of the MoU, the priority sectors for which cooperation between organizations from Donor and Beneficiary States will be encouraged and, respectively, projects will be funded, are the following:

* Innovation, research, education, and competitiveness;
* Social inclusion, youth employment, and poverty reduction;
* Environment, energy, climate change, and low-carbon economy;
* ***Culture***, civil society, good governance, fundamental rights and freedoms;
* Justice and home affairs.

With the signing of the MoU, the MC was officially designated as Programme Operator of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme during the programme period 2014-2021.

The following documents are the legal framework of the Financial mechanism of the European Economic Area:

* Regulation on the Implementation of the EEA FM 2014-2021 and its annexes;
* MoU on the Implementation of the FM of the EEA 2014-2021;
* Financial Guidelines;
* Guidelines for Bilateral Relations
* Communication and Design Manual.

The above-described documents are accessible on the unified web portal of the EEA FM in Bulgaria: http://[www.eeagrants.bg](http://www.eeagrants.bg)

All projects and activities that are funded by the EEA FM are based on the general values for:

* Preservation of human dignity;
* Freedom;
* Democracy;
* Equality;
* The rule of law;
* Recognition of human rights, incl. human rights of minorities.

All projects and activities follow the principles of good governance. They must be inclusive, accountable, transparent, responsive, effective, and efficient. All projects and activities must be consistent with the principles of sustainable development, long-term economic growth, social cohesion and environmental protection.

## About the „Cultural Entrepreneurship, Heritage and Cooperation“ Programme

The Programme focuses on the role that culture and immovable cultural heritage play as an engine for local and regional development by putting an accent on employment, social inclusion and entrepreneurship. During the preparation of the Programme, the Programme Operator together with the Financial Mechanism Office and the Donor States conducted open consultations with stakeholders from the cultural sector. On the basis of the conducted meetings and the expressed concrete opinions, recommendations and ideas on the priorities and the activities, the content of the Programme was formed. Therefore, the Programme emphasizes on the improvement of the conditions and the quality of representation of the rich cultural heritage, part of the repositories of museums, galleries, libraries and *chitalishta* (cultural community centers) through the introduction of interactive methods and through the generation of entrepreneurial ideas; such methods and ideas that will help the cultural operators to create a wider interest towards the heritage and to generate revenues. The Programme also recognizes the necessity to encourage diversity in culture and arts within the frames of the European cultural heritage as well as the one for preservation of the heritage for future generations. In addition, a special focus is positioned also on the support for activities and initiatives which shall ensure cultural content to the wider public; cultural content which on the one hand shall underline the European identity and on the other – to encourage the cultural richness.

In that respect, the Programme will fund projects within the frames of the following identified programme areas of support:

* Cultural heritage management, preservation and conservation related to national, regional and local development
* Documentation and accessibility of culture and cultural heritage
* Cultural entrepreneurship
* Audience development, including people in the diversity of culture, outreach and educational activities.
* Networking and international culture cooperation/exchange

The Programme will also take into account the challenges related to the instrumental value of culture and arts for social and economic development through the funding of bilateral projects within the frames of the following developed Outcomes:

* Cultural Heritage Management Enhanced;
* Access to Arts and Culture Improved;
* Awareness of Arts and Culture of Ethnic and Cultural Minorities Improved (Roma focus);

With the view of achieving the aims for enhanced exchange and cooperation between organizations from the Donor States and the Beneficiary State, the Ministry of Culture will implement the Programme together with a Donor Programme Partner – Arts Council - Norway.

Arts Council Norway (ACN) is the leading government operator responsible for the development and implementation of Norwegian cultural policy. ACN is also responsible for maintaining a wide network of partners – museums, galleries, libraries, and the support of projects for the development of their capacity is among his main interests. ACN provides funding for a variety of projects and activities within the performing arts, visual arts, music, literature, archives, museums and more. Arts Council Norway helps to ensure that art and culture are created, documented, preserved and made accessible to the broadest possible audience. The aim is to guarantee an arts and cultural sector in Norway that is vibrant and diverse. Together with the Arts Council Norway, the Programme Operator foresees that 50% of the projects approved under the Programme shall be implemented with the participation of a partner from the Donor States. This aim corresponds entirely with the priorities of the EEA FM for establishment and upgrade of wider transnational partnership between organizations from the Donor States and the Beneficiary States. The argument of the Programme Operator is that exactly through a wide international cooperation – the power of culture can contribute for the initiation of projects of high social significance which can lead to a variety of best practices. There is no doubt that through the positioning of cultural activity in a wider supranational context and through the linkage of cultural operators, organizations and institutions, the process of transformation of cities and communities will be greater. In that respect, the “Cultural Entrepreneurship, Heritage and Cooperation” Programme is a bilateral international programme and as such – the Programme Operator will encourage projects that are based on partnerships between applicants and partners from Bulgaria and the Donor States.

### About Outcome 2 „Access to Arts and Culture Improved“

Outcome 2 aims to enhance the access of people to culture and arts as well as their engagement through different activities. The further development of the capacity of the cultural operators in the field of attracting audiences and the transfer of knowledge through cultural cooperation on the international level between representatives of the cultural operators from Bulgaria and the Donor States are main elements for the maximum usage of the potential that arts and culture possess for greater social inclusion. In this regard, the Outcome aims to put focus on the access to culture in local and regional areas for instance through the development of audiences, cultural entrepreneurship and enhanced access for the ethnic and cultural minorities to cultural content. In correspondence to the analysis and the recommendations done by the stakeholders during the preparation of the Programme, a specific concern was expressed that the peripheral areas/districts (outside of the city center) in the cities continue to experience a lack of cultural events, initiatives and projects in comparison to the city center. The same tendencies are relevant to the concentration of cultural activity at regional level as cultural events are concentrated in the larger cities in comparison to the smaller communities. That is why **Outcome 2 is aimed at the following** **objectives:**

* **organization of diverse artistic and creative events, festivals, performances, exhibitions and initiatives which will revive the peripheral areas and bring new life to smaller towns and villages, and will attract new audiences.**
* **improving the access to arts and culture in remote areas and/or areas with poor access;**
* **promoting cultural initiatives of ethnic and cultural minorities and/or improve their access to culture;**
* **fostering bilateral cooperation and exchange between entities from the donor states and entities from Bulgaria.**

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| --- |
| **Important!** In section 1 “Main data”, part of the Application Form, each applicant shall formulate an overall goal of the project in correspondence with at minimum two of the objectives of the Outcome as well as a specific objective(s) of the project which shall be clearly defined and shall have a relation to the achievement of the overall goal. **In case that the project proposal is not directed towards achieving minimum two of the objectives of the Outcome, the project proposal will not be allowed to undergo technical and financial assessment.** |

**Outcome 2 „Access to Arts and Culture Improved“ will prioritize projects aimed at:**

- arts (film, theater, dance, music, literature, visual arts, creative industries), culture and crafts in their diversity that can be combined and presented to the public;

- presentation/introduction of new cultural events and development of audience which shall contribute to multicultural dialogue on the local and on the regional level.

- improving the access to arts and culture in remote areas and/or areas with poor access;

- promoting cultural initiatives of ethnic and cultural minorities and/or improve their access to culture;

- fostering bilateral cooperation and exchange between entities from the donor states and entities from Bulgaria.

In the context of the COVID 19 global pandemic, the anti-epidemic measures inevitably have an impact on organizations in the field of arts and culture. Given that the expansion of access to art and culture is among the objectives of the Programme, in the presence of restrictions/recommendations introduced in connection with the COVID 19 pandemic, it is envisaged to fund projects that create new cultural content through online broadcasting and other diverse initiatives and events.

**Target Groups under Outcome 2 „Access to Arts and Culture“:**

- artists, employed in the area of art and culture, entrepreneurs, representatives of different minority or ethnic groups, young people (According to §1 of the Additional Provisions of the Youth Act, "young people" are persons aged 15 to 29 inclusive).

- civil society, incl. disadvantaged people, children, people interested in culture and arts and with a desire to deepen bilateral and multilateral relations between the representatives of Bulgarian culture and those from Iceland, Liechtenstein and Norway;

- persons in remote and/or areas with poor access;

## Indicators

The project activities should be directed at achieving the objectives of Outcome 2 “Access to Arts and Culture Improved” and of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme.

The achievement of the objectives of each project will be based on the following objectively measured indicators:

|  | **Expected Programme Results** | **Indicators** | **Target for the programme as a whole** |
| --- | --- | --- | --- |
| **Programme Objectives** | **Social and economic development strengthened through cultural cooperation, cultural entrepreneurship and cultural heritage management** | | |
| **Outcome 2** | Access to Arts and Culture Improved | Number of people attending cultural activities (incl. digital) | 70 000 |
| Share of employees of cultural players who report enhanced capacity related to cultural entrepreneurship | 90% |
| Output 2.1 | Audience development supported | Number of professional staff[[1]](#footnote-2) (disaggregated by gender) trained | 30 |
| Number of non-touring artistic events implemented | 25 |
| Number of touring artistic events implemented | 25 |
| Output 2.2 | Cultural entrepreneurship enhanced | Number of audience development plans developed and implemented | 25 |

Each applicant must include in section 8 of the Application Form at least one of the above cited indicators which the applicant will achieve with the implementation of the specific project (depending on the target groups included in the activities of the project).

Each included indicator must be quantitatively defined with a positive target values, different from “0”.

For each included indicator, the applicant shall indicate a relevant measurement unit – for instance number, percentage or other.

The project proposals can be focused over one or more of the indicators.

For projects realized in partnership with Donor project partners (entities from Iceland, Norway or Liechtenstein), a survey will be administered to the project promoters by the FMO (Financial Mechanism Office – Secretariat of the EEA and Norway Grants). The survey will measure the level of satisfaction with the partnership, the level of trust between cooperating entities in Beneficiary States and Donor States, and the share of cooperating organisations that apply the knowledge acquired from bilateral partnership.

## Correspondence with the national and European legislation

The current Call under Outcome 2 has been prepared in correspondence with the applicable national and European legislation and EEA Financial Mechanism legal framework in the area of culture, including but not limited to:

* Regulation on the Implementation of the EEA FM 2014-2021;
* Memorandum of Understanding on the Implementation of the EEA FM 2014-2021;
* Programme Agreement for the Financing of the „Cultural Entrepreneurship, Heritage and Cooperation” Programme, signed on 23.05.2018, last amended on 12.02.2021;
* Agreement on the Implementation of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme, signed on 01.08.2018, last amended on 08.01.2020;
* Agreement on the Fund for Bilateral Relations and the Bilateral Guideline adopted by the FMC;
* All rules and guidelines, adopted by the Donors in correspondence with the Regulation including the ones on publicity, bilateral relations and others published on the official portal of the EEA Grants - [www.eeagrants.org](http://www.eeagrants.org);
* Commission Regulation (EU) No 1407/2013 and Commission Regulation (EU) 2020/972;
* Guidelines for determining the financial corrections to be made to EU-funded expenditure in the event of non-compliance with the procurement rules adopted by Decision C (2019) 3452 of 14.05.2019.

The national legislation of Republic of Bulgaria in the area of public procurement, contracts, property, civil and legal issues settlement including but not limited to:

* the Administration Act (AA);
* the Value Added Tax Act and Regulations for the Implementation of the Value Added Tax Act;
* the Civil Servants Act;
* the State Aid Act and the Regulations for the Implementation of the State Aid Act;
* the Public Procurement Act and the Regulations for the Implementation of the Public Procurement Act;
* the Act on Counteracting Corruption and on Seizure of Illegally Acquired Property;
* the Public Finance Act;
* the Accountancy Act;
* the Cultural Heritage Act;
* the Protection and Development of Culture Act;
* the Public Libraries Act;
* the Community Centers Act;
* the Copyright and Its Related Rights Act;
* the Film Industry Act;
* the Radio and Television Act;
* Personal Data Protection Act.

## Total Amount of the Grant

According to the Programme Agreement for financing the “Cultural Entrepreneurship, Heritage and Cooperation” Programme, the total amount of the funds allocated for funding of projects under Outcome 2 is **€ 3,164,706** (three million, one hundred sixty-four thousand, seven hundred and six euros). Out of these funds, the EEA Grants contribution is 85% - **€ 2,690,000** (two million, six hundred and ninety thousand euros) whereas the national co-financing is 15% - **€ 474,706** (four hundred and seventy-four, seven hundred and six euros)

The available budget on the present call is **€ 1,582,353** (one million, five hundred and eighty-two thousand, three hundred and fifty-three euros), and it is possible to also add remaining funds from the first procedure for project proposals under Outcome 2.

The Programme Operator shall reserve the right not to provide the above-presented amount in full in case of insufficient amount of quality project proposals that meet the requirements.

## Minimum and Maximum Amount of the Grant for a Project

**Size of the grant for a specific project proposal:**

|  |  |
| --- | --- |
| Minimum amount of the grant: | € 50 000 (fifty thousand euros); |
| Maximum amount of the grant | € 200 000 (two hundred thousand euros) |

Maximum project grant rate is:

* 100% of the total eligible expenditures of the project. ;

**IMPORTANT!** The Evaluation Commission reserves the right to recommend a reduction in the amount of project grant if costs are ineligible, unreasonable and are considered to be excessive.

## Eligible Applicants (Project Promoters)

Any non-commercial, public or private, entities as well as non-governmental organizations, established as a legal person in Bulgaria, whose principal activity is in the cultural and creative sectors as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme, including municipalities.

**Public organization** shall be understood as “Budgetary organization” within the meaning of §1 it. 5 of the Additional Provisions of the Public Finances Act. Budgetary organizations are all legal entities whose budgets are included in the state budget, the municipal budgets, the budgets of social security funds as well are all entities whose assets, revenues and payments are included in the consolidate fiscal programme pursuant to a normative act or according to the order of Article 171 of Public Finances Act.

**Natural persons are not eligible project promoters**.

In view of achieving sustainability of the established partnerships as well as of the results from the future funded projects and in correspondence to the principles of good management and the availability of administrative, financial and operation capacity, in order to be considered eligible, the applicants that are non-governmental organizations shall be registered as such and shall have executed activity on the territory of Republic of Bulgaria **at least 24 months before the date of the announcement of the current Call** for project proposals.

The Applicant/Partner shall possess an administrative, financial and operation capacity for implementation of the project.

The PO does not require eligible applicants/partners to have experience and/or annual turnover in similar activities as those under the project proposal.

The following information should be provided in Section 11 "Additional information necessary to assess the project proposal" of the Application Form:

- Operational and administrative capacity of the applicant and the partner(s) (if any);

- Compliance and justification of the project proposal;

- Artistic value, complexity, variability and development of new audiences;

- Partnership;

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| **Important!** Within the current procedure, the applicants can submit only one proposal. In the case where the same applicant has submitted more than one version of the same project proposal, the Evaluation Commission will take into consideration only the last project proposal submitted within the deadline and previous versions will be considered withdrawn. |

According to Article 7.3, par. 2, it. “k” of the Regulation, the Programme Operator requires the disclosure of all consultants that have participated in the preparation and writing of the project proposals and the accompanying documentation. During the submission of the project proposals, the applicants fill in and submit Declaration – ***Annex № 7***.

## Eligible Partners

According to Article 4.5 of the Regulation, projects can be prepared and implemented in cooperation with one or more organizations from the Donor States in order to contribute to the achievement of the overall aim for strengthening of the relations between the Donor States and the Beneficiary States (Article 4.1.1 of the Regulation).

**Under the current Call, the partnership is desirable but not obligatory.** TheProgramme Operator will encourage projects which are based on a partnership between the applicants and partners from Bulgaria and the Donor States.

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| **IMPORTANT!** Projects which envisage the implementation of activities together with partners from the Donor State will receive additional points during the assessment of the project proposals. |

**One partner can participate in more than one project proposal.**

Project partners can be included if their capacity, experience and competences are necessary for the achievement of the aims of the project and if they would contribute for the sustainability of the results. The inclusion of partners needs to be justified and meticulously written in Section 7 “Plan for implementation/Project activities”, part of the Application Form.

The partnership must be balanced as the activities need to be actively implemented by all sides in the partnership including the exhaustion of the funds. With view of achieving balance and effectiveness during the implementation of the project activities, each project partner shall mandatory receive budget/funding. The allocation of budget to a project partner shall be described in section 5 “Budget”, part of the Application Form.

During the submission of the project proposal, the applicant provides a signed Letter of Partnership Intent from the partner/s ***(Annex № 5 in Bulgarian / Annex № 5A in English)***. In case of approval of the project, the partner/partners sign a Partnership Agreement *(****Annex № 15 in Bulgarian / Annex № 15A in English)*** with the applicant. The signed agreement is one of the obligatory documents which needs to be submitted before the signature of the project’s contract.

Eligible partners under the current Call shall be legal entities registered in Republic of Bulgaria or on the territory of a Donor State.

**Eligible partners from Republic of Bulgaria can be:**

* Any non-commercial, public or private, entity, and non-governmental organizations, established as a legal person in Bulgaria, whose principal activity is in the cultural and creative sectors as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme.

**Eligible partners from the Donor States (Iceland, Lichtenstein and Norway) can be:**

* Any entity, public or private, commercial or non-commercial, and non-governmental organizations, established as a legal person in the Donor States, whose principal activity is in the cultural and creative sectors as defined in Regulation (EU) No 1295/2013 on the Creative Europe Programme.

The partner shall be actively participating or actively contributing to the implementation of a given project.

**Natural persons are not eligible project partners.**

## Mandatory requirements

The projects under Outcome 2 **“Access to Arts and Culture Improved”** should comply with the following **mandatory requirements**:

а) The envisaged project activities can be implemented **on the territory of Republic of Bulgaria** and in the case of a partnership – **on the territory of the partner from the Donor State.**

b) It is obligatory for the project proposals to include activities for the realization of **new cultural and art events**.

c) The project proposals must include **realization of cultural events/initiatives outside the urban (city) center – in areas with low accessibility to art and culture.**

d)The project proposals must include **realization of cultural event/initiative done on a local[[2]](#footnote-3) and regional[[3]](#footnote-4) level.**

e) The project proposals must foresee **the preparation and implementation of a plan/strategy for gathering/attraction of audiences in relation to the realization of the event/initiative part of the project; such plan/strategy contributes to the sustainability of the project.**

f) The project proposals must foresee **training of the expert personnel of the Project Promoter** in view of enhancing their professional competences and skills, in relation to the organization and the conduct of the cultural and/or artistic events, as well as in relation to the attraction of audiences.

g) Each project proposal must include an **activity for the formation of a project management team** which will be responsible for the implementation of the foreseen activities. The applicant shall foresee enough mechanisms for internal control and assessment, for monitoring of the progress of the project and for the taking of preventative measures. All of the above shall be visible also by the qualification of the team members as well as by the way their responsibilities are described.

In the presence of restrictions /recommendations introduced in connection with the COVID 19 pandemic, the eligible activities can also be implemented through online streaming and other various initiatives and events.

The applicants shall present the structure of the project management team in the project proposal. In the structure, the applicants shall describe the relevant qualification and the responsibilities of each member – personnel of the beneficiary and/or external experts for the management of the project (if applicable). The functions and the tasks of the members shall not be mixed or overlapped among the different members as well as with the external experts. In that way, the foreseen organizational structure for management of the given project will demonstrate a clear distribution of the functions related to the management of the project. The beneficiaries shall select a project management team that includes a manager and members.

**IMPORTANT! The beneficiary's manager (manager, chairman, mayor, etc.) cannot be a project manager or a member of the project management team.**

The project manager must be a person employed by the beneficiary or by non-employment. All of the involved shall cover functions related to the preparation of the documentation necessary for the execution of payments and for verification of expenditures, for monitoring and reporting, for the information and communication measures, for the storage of project documentation as well as for coordination of the project activities. That is how the organizational structure will demonstrate the availability of administrative capacity for the implementation of such type of a project. For a non-profit organization, the proposed project management team does not have to be part of the organization's staff, and/or the employment relationship with the members can be settled after signing a project contract. Each applicant will be considered as having foreseen an organizational structure with reliable mechanisms if:

− the applicant has described the way the work under the project will be accepted and the mechanisms for control during the implementation of contract/s part of public procurement/s under the project, including the control that will be exercised on the way the payments under this/these contract/s are going to be done;

− the applicant has envisioned mechanisms for control during the execution of monitoring on the implementation of the project.

− the applicant has described the responsibilities of each team members as well as their interactions for the achievement of the aims of the project;

h) Any project proposalthat foresees **hiring experts,** external to these directly responsible for the management of the project, but participating in the implementation/realization of the planned events/ initiatives as curators, painters, art-managers, animators, set designers, directors and others similar, **should clearly describe their role in the implementation of the activities including argumentation on their number within the project.** It should also set minimum requirements for experience and education. *This information should be provided in in Section 11 "Additional information necessary to assess the project proposal" of the Application Form.*

i) Each project proposals **must include an activity for publicity and information on the aims and the activities of the project as well as on the underlining of the financial contribution of the EEA Grants**. The activity shall correspond to the criteria described in the Communication and Design Manual and to the Regulation on the Implementation of the EEA FM 2014-2021.

j) Each project proposal must include a risk analysis. In the Application Form, Section 11 “Additional information necessary to assess the project proposal”, the applicant is required to submit a risk analysis for the project containing:

- the main financial, human, material, technological and information resources needed to implement the project activities and to ensure the sustainability of its results;

- the possible risks, the probability of their occurrence and the impact they would have on the achievement of the project results;

- the measures envisaged by the applicant to provide the necessary resources and to prevent, mitigate, transfer or accept and manage the identified risks.

When completing the Application Form, the applicant does not need to present all possible risks, but should focus on the main institutional, operational and financial risks in order to ensure the achievement and long-term sustainability of the project results.

**Project proposals under this call must meet all the requirements set out above.**

**Important!** The applicants do not have the right to submit project proposals under the current Call if the proposals include products and events in the field of culture and art, which have been already created/achieved or such which are in the process of implementation or such for which funding has been provided under another project, Programme or any other funding scheme based on the national budget, the budget of the EU or on other donor Programme.

**Important!** Ineligible for funding under the current Call are activities which have started before the date of signature of the project’s contract.

### Examples of Eligible Activities

The projects under Outcome 2 “Access to Arts and Culture Improved” can include the following indicative activities:

- activities related to the creation, organization and conduct of new events/spectacles/performances of culture and arts in the area of theatrical, dance, music and stage arts including tours∗ (traveling events) with the participation of representatives from the Donor States;

- activities related to the organization and the conduct of events (including traveling events/tours∗) dedicated to the artistic and cultural education, the cultural heritage (material and immaterial, literature, archives and others), stage arts, fine and visual arts and others with the participation of representatives from the Donor States;

- activities related to the organization and conduct of events (including traveling events) related to traditional crafts, related to the participation of representatives of the Donor States;

- activities related to the creation, organization and conduct of artistic interventions in public spaces which include installations (including sound and light), sculptures, objects and screenings with the participation of representatives of the Donor States;

- activities related to the organization and conduct of open air events in the area of theatrical, dance, music and stage arts – dance, cinema, literature, music, visual arts and others with the participation of representatives of the Donor States;

- creation of new forms of innovative cultural events and initiatives which incorporate actions on the improvement of the joint work and exchange of experience through the organization of joint events in the area of visual and stage arts, music, photography, electronic arts and others;

- creation of joint platforms including ones for exchange of knowledge and skills, sharing of best practices in the area of culture among the cultural operators, the different social, age and ethnic groups, disabled groups and on improvement of the urban environment;

- development of new events (initiatives) related to contemporary art with the aim to attract young people including representatives of the ethnic minorities with special focus over the ROMA community and others.

- activities related to the conduct of events and initiatives of children and youth (amateur) creativity.

- light repair activities (“on-going repairs”) directly related to the revitalization of the inner premise and/or related to the conduct of the cultural event/initiative.

**These indicative eligible activities can be combined and combined depending on the logic of the project interventions.**

**IMPORTANT!** The indicated activities are just indicative and their listing is not exhaustive. The activities included in the project proposals must be described in details and must correspond to the selected target group and the specific project.

**IMPORTANT!** In order to reach the widest possible pool of stakeholders and maximize the potential for audience development, the current call does not make a difference between amateur and professional art. All project proposals must provide an equal access for participation for both amateurs and professionals.

In view of achieving the objective of Outcome 2 to expand the scope of cultural activity through holding events/initiatives on local and regional level, the Programme Operator adopts the following working definition for a tour (traveling event) which all project proposals shall take into account:

**- Conducting a tour/travelling event includes the presentation/realization of the event/initiative under a project in a minimum of 3 smaller localities in two different administrative regions.**

### Ineligible Activities

* Activities/interventions over private property;
* Activities related to political parties;
* Donations;
* Activities done in violation of the de minimis rules;
* Activities which have already received funding for implementation by the European Structural and Investment Funds or by other instruments by the European Union or by other donors as well as by other public funding different from those of the beneficiary;
* Activities that are not justified in the project proposal and which will not contribute to the achievement of the objectives of the project proposal.

In case there are ineligible activities, the applicant shall indicate their worth as well as the source of funding in the project proposal. The expenditures for funding of ineligible activities are not to be included as eligible in the budget of the project proposal and will not be verified by the “Cultural Entrepreneurship, Heritage and Cooperation” Programme. The expenditures for the implementation of the ineligible activities shall be indicated in Section 5 “Budget” from the Application Form, field “Ineligible Costs”.

## Categories of Eligible Expenditures

When awarding grants under Outcome 2 only "eligible expenditures" will be taken into account, as detailed below.

The budget is a preliminary estimate of expected costs needed for the implementation of the planned activities.

Only those costs should be reflected in the project’s Budget, which can subsequently be proved by a primary accounting document. Eligible costs should be based on actual unit prices rather than being indicated only as a total amount. During the evaluation of the project proposals it is possible to establish circumstances that would require a change in the budget. These circumstances may require the Evaluation Commission to request further clarification and information from the beneficiaries through the Communication Module of the Information System for Management and Monitoring 2020. The same circumstances may lead to a reduction in the budget of the project proposal, but cannot lead to an increase in the budget submitted within the project proposal. If applicable, the project proposal budget must also include costs that are ineligible for Outcome 2 but for which applicants have provided funding from other sources provided they are related to the implementation of the projects.

Expenditures incurred after 30 April 2024 will not be considered eligible.

When filling in the budget, for each budget line of type "1.", "2.", "3." etc., the Applicant should indicate to which activity under Section 7. "Plan for Implementation/Project Activities" of the EUMIS 2020 application form refers to the planned expenditure.

Eligible are the expenditures intended to achieve the objectives of the project and should not be in contradiction with the Regulation on the Implementation of the EEA FM 2014-2021 and above all:

* *Article 8.2. General principles on the eligibility of expenditures;*
* *Article 8.3. Eligible direct expenditures in a project;*
* *Article 8.5. Indirect costs in projects (overheads);*

In their project proposals, the applicants should take into account that in order to be eligible for funding, expenditures must be incurred and paid between the start and end dates of the project implementation as set out in the contract signed by the beneficiary and the Programme operator. As an exception, expenditures in respect of which an invoice has been issued during the final month of eligibility shall also be deemed to have been incurred within the eligibility dates if the expenditures have been paid within 30 days of the final eligibility date. Overheads and depreciation of equipment are considered completed when they are recorded in the accounts of the Project Promoter and/or the project partner. For the expenditures for which the limitations in the legislation are provided, the eligible part of the expenditure is limited to the amount of the limitations. In preparing each project proposal, the applicant should bear in mind that percentage restrictions are imposed on the actual, paid, verified and certified eligible expenditures and are deducted at the final payment.

The inclusion of a given expenditure in the form of the budget approved by the Programme Operator shall not be considered as automatic confirmation on its eligibility.

In order to be considered eligible, expenditures can fall in the following budget categories:

|  |  |
| --- | --- |
| **Expenditures for project management** | **Remuneration - expenditures for the Project Promoter.**  **NB!** The participation of representatives/employees of the partner(s) in the project management team is not considered an expense for the partner, but an expense for the beneficiary for project management. In this case, the salaries and travel expenses of all members of the project management team must be included in the category “Expenditures for project management” in the budget.  Direct remuneration costs are salary costs and the insurance contributions due on them at the expense of the employer, due for project management activities and arising from employment or non-employment relationships.  “Remuneration costs” are defined only as the costs for the persons determined by the Project Promoter for the management of the project activities, i.e. the costs for the project management team.  The expenditures for remuneration for internal personnel under work/state labor relations or the ones under a special legal act or the ones under contracts for provision of services shall be calculated on the basis of hourly rates and for an actually executed work time under the respective projects. The hourly rate shall be formed in correspondence with the usual policy and practice for determination of remuneration by the beneficiary and/or the partner and shall not exceed the size of his/her usual remuneration in the organization for the execution of similar activities regardless of whether it is about internal or external personnel.  The respective expenditures for salaries for the personnel in an administration are eligible as far as they are related to the implementation of activities which the respective organization/institution would not commit to if the respective project would not have started.  “Expenditures for organization and management” (project management) are direct expenditures related to remuneration of the personnel dedicated to the administering of the project – project manager, technical associate, accountant and other expert or technical personnel as well as administrative expenditures related to the management of the project. In view of determining the realism of the foreseen direct expenditures for management, on the application phase, the applicant shall provide financial argumentation that is prepared according to the guidelines for its filling (Annex № 2). A direct expenditure for remuneration that have not been justified or does not meet the specified requirements will be removed from the budget of the project (Section 5 from the Application Form) by the evaluation commission.  When determining the costs for the project management team, employees of the applicant for employment and employment in the state administration should take into account the provisions of the Ordinance on salaries of employees in the state administration, adopted by CMD №129 of 26.06.2012, prom. SG, issue 49 of 29.06.2012, amended AND supplemented, issue 5 of 15.01.2019. In force from 01.01.2019, especially Article 5, para. 2 and 3, Article 19, item 6, Article 25, para. 7 and 8, and Article 25a.  **Business trips - expenditures for the Project Promoter -** project costs incurred by members of the project management team.  The Ordinance for business trips in the country and the Ordinance for business trips and specializations abroad № 115 of 03.06.2004, promulgated, SG, iss. 50 of 11.06.2004, amended. no. 27 from 05.04.2016, in force from 05.04.2016, no. 2 from 06.01.2017 shall apply for the travel expenses of the experts directly related to the implementation of the project activities, incurred by the Project Promoter and/or partner(s) established in the Republic of Bulgaria.  Expenditures for airplane ticket for go and return (from Bulgaria to the Donor States and from the Donor States to Bulgaria). The persons have the right to an economic class.  **IMPORTANT!** The total expenditures for management shall not exceed **15**% of the total eligible expenditures under the project.  Applicants under the Call shall bear in mind that execution of work outside the usual work time, under work or state labor relations, under the form of additional labor shall be applied by exception and only in the cases that it is necessary for the implementation of the project and have a concrete time period. The systematic work outside the usual work time for a project is not considered desirable in relation to the requirements for proportionality and good financial management of the Regulation (Article 8.2.2). |
| **Expenditures for experts** | **Expenditures for the Project Promoter and the partner(s).**  **Expenditures for remuneration** of internal experts (staff of the Project Promoter and/or partner) and their business trip expenses, as well as for external experts directly related to the implementation of the project (curators, art managers, animators, etc.).  At the stage of submitting the project proposal, in the submitted Financial Justification (***Annex № 2***), the applicant justifies the remuneration of the external experts in accordance with one of the three methods described in the Instruction for filling in the Financial Justification.  **Travel costs** of the experts directly related to the implementation of the project activities include travel, daily allowance and accommodation allowance.  The Ordinance for business trips in the country and the Ordinance for business trips and specializations abroad № 115 of 03.06.2004, promulgated, SG, iss. 50 of 11.06.2004, amended. no. 27 from 05.04.2016, in force from 05.04.2016, no. 2 from 06.01.2017 shall apply for the travel expenses of the experts directly related to the implementation of the project activities, incurred by the Project Promoter and/or partner(s) established in the Republic of Bulgaria.  For expenditure incurred by partners established in one of the three donor countries, the following restrictions apply, namely:   1. Expenditure for daily allowance for an employee participating in the project or staff directly involved in the implementation of the project by the partner organization from the donor countries in Bulgaria in the amount of EUR 54 (fifty four euro) per day, per person, according to the Government rates abroad for 2019. The data set indicates the national rates for travel abroad, as specified in a special agreement to cover travel and food costs outside Norway. The tariffs apply since 1 January 2019 <https://arbeidsgiver.difi.no/lonn-goder-og-reise/reise-og-satser/statens-satser-utenlands>; 2. Costs for accommodation of an employee participating in the project, or staff directly related to the implementation of the project by a partner organization from the donor countries, in Bulgaria in the amount of EUR 130 (one hundred and thirty euro) per night, per person;   Expenditures for airplane ticket for go and return (from Bulgaria to the Donor States and from the Donor States to Bulgaria). The persons have the right to an economic class. |
| **Expenditures for services - expenditures for the Project Promoter and the partner(s)** | **- Expenditures for renting movable/immovable property**  **- Expenditures for transport- Expenditures for publicity and visualization**  **- Expenditures for organizing and participating in events**  **- Expenditures for organizing and conducting trainings**  **- Other direct expenditures**  On the project application phase, the applicant submits a filled, signed and stamped financial argumentation (***Annex № 2***) for the expenditures for external services (e.g. **costs of renting movable and immovable property, transport services**, making prizes, etc.), which are going to be used within the frames of the project together with valuation that includes at least two quotations and/or researches/surveys from the internet for each external services as well as a detailed technical specification (***Annex № 9***).  In case the applicant assigns the travel activities to participants in events/initiatives that are not from Bulgaria or the donor countries - the same should be referred to the "Services” section. The costs of accommodation and transport of participants in events/initiatives should be included in the "Services" section.  **Expenditures for the conduct and participation in events/initiatives - еxpenditures for the Project Promoter and the partner(s).**  Expenditures for preparation, organization and presentation of new events/initiatives of arts and culture, as well as costs for organizing and conducting trainings.  Expenditures under contracts with external contractors related to the project activities awarded in accordance with the applicable public procurement legislation and the Regulation.  **Expenditures for publicity and visualization - expenditures for the Project Promoter and the partner(s).**  Expenditures for publicity and information that are done in correspondence with the Communication and Design Manual of the Financial Mechanism of the European Economic Area and the Norwegian Financial Mechanism 2014-2021, Annex 3 and the Regulation for Implementation of the Financial Mechanism of the European Economic Area. |
| **Expenditures for on-going repairs:** | **Expenditure only for the Project Promoter.**  Expenditures for on-going repairs directly related to the revitalization of the inner premise and/or related to the conduct of the cultural event/initiative.  *On-going repairs is the improvement and maintenance of buildings, structures, facilities and installations, as well as internal reconstructions, which do not:*  *a) affect the structure of the building;*  *b) include activities such as removal, relocation of existing walls and making holes in them when they affect the structure of the building;*  *c) change the purpose of the premises and the loads in them.*  **IMPORTANT!** **Each applicant shall justify in its project proposal in what way the activity for on-going repairs, described in Section 7 “Plan for Implementation/Project Project Activities” is necessary and contribute for the implementation of the cultural event/initiative that is subject of the project proposal. In addition, the applicant shall provide an up-to-date bill of quantities (BoQ) of the materials and works required to carry out the light repairs at a particular site.**  **IMPORTANT!!!** **The expenditures for on-going repairs and the costs for fixed tangible and intangible assets together should not exceed 20% of the total eligible expenditures under the project.** |
| **Expenditures for tangible assets** | **Expenditures for the Project Promoter.**  Expenses include current and long-term tangible assets.  **IMPORTANT!** Where the purchased asset is a 'tangible fixed asset', in relation to the requirements of Article 8.2 of the Regulation, the eligible cost of the project is recognized as the cost of acquisition and commissioning of the asset only when it will be used to ensure the sustainability of the project, i.e. will be used also after the end of the project. In case the asset will be used only during the implementation of the project, only the depreciation for the period of the project, eligible under the Corporate Income Tax Act (CITA), will be recognized as an expense. In cases where the full cost of acquiring the asset is recognized, the following obligations arise for the aid beneficiary:   * Not to change the ownership and purpose of the acquired asset for a period of at least 5 (five) years after approval of the final report of the project and within this period to use it for the purposes of the project; * To insure the acquired equipment/assets against the usual insurance risks (theft, fire, etc.) both during the implementation of the project and for a period of 5 years after its completion; * To provide sufficient resources for maintenance of the acquired assets for a period of 5 years after the completion of the project.   Expenditures for the acquisition of equipment, devices and appliances which contribute for the presentation of the events/initiatives of culture and arts (e.g. digital technologies, 3D mapping, lighting equipment, holograms and others). On the project application phase, the applicant submits a filled, signed and stamped financial argumentation for the equipment (***Annex № 2***) which will be acquired within the frames of the project together with valuation that includes two quotations/excerpts from catalogues of manufacturers/suppliers and/or researches/surveys from the internet for each element as well as a detailed technical specification (Annex № 9).  When acquiring equipment - new or second hand (Article 8.3, letter "c" of the Regulation), that is necessary for the implementation of the project, for eligible are considered the expenditures for depreciation, ascribed for the period of the project and which have being reported periodically towards the FMO. By exception, the PO may recognize the whole worth of the expenditure for equipment in case the equipment is inseparable and necessary condition for the achievement of the results of the project. The exception shall be explicitly put in the contact for implementation of the project and the conditions under Article 8.3.2 of the Regulation shall be indicated.  In regard to the projects, implemented by beneficiaries that are budgetary organizations, the depreciation rules has been regulated with Guidelines of the Minister of Finance ДДС 5/30.09.2016 which determines the conceptual model for application of the national accounting standard (CC 4 Reporting on Depreciation). |
| **Expenditures for intangible assets** | **Expenditures for the Project Promoter.**  Expenditures for the acquiring of software products directly related to the realization of the events/initiatives of culture and arts, patents and licenses for the use of software for the management of equipment, devices and facilities that contribute to the presentation of arts and culture events. On the project application phase, the applicant submits a filled, signed and stamped financial argumentation (Annex № 2) of intangible assets which are going to be acquired within the frames of the project together with valuation that includes two quotations/excerpts from catalogues of manufacturers/suppliers and/or researches/surveys from the internet for each element as well as a detailed technical specification (Annex № 9). |
| **Expenditures for fees** | **Expenditures for the Project Promoter and the partner(s).**  Expenditures for permits directly related to the realization of the cultural event/initiative. |
| **Indirect expenditure** | **Expenditures for the Project Promoter and the partner(s).** (*For more information see item 10.1 of the Application Guidelines*) |
| **Expenditures for services** | **Expenditures for the Project Promoter and the partner(s).**  On the project application phase, the applicant submits a filled, signed and stamped financial argumentation (***Annex № 2***) for the expenditures for external services (e.g. costs of renting movable and immovable property, transport services, making prizes, etc.), which are going to be used within the frames of the project together with valuation that includes at least two quotations and/or researches/surveys from the internet for each external services as well as a detailed technical specification (***Annex № 9***).  In case the applicant assigns the travel activities to participants in events/initiatives that are not from Bulgaria or the donor countries - the same should be referred to the "Services” section. The costs of accommodation and transport of participants in events/initiatives should be included in the "Services" section. |
| **Expenditures for the conduct and participation in events/initiatives** | **Expenditures for the Project Promoter and the partner(s).**  Expenditures for preparation, organization and presentation of new events/initiatives of arts and culture, as well as costs for organizing and conducting trainings.  Expenditures under contracts with external contractors related to the project activities awarded in accordance with the applicable public procurement legislation and the Regulation. |
| **Expenditures for tangible assets** | **Expenditures for the Project Promoter.**  Expenses include current and long-term tangible assets.  **IMPORTANT!** Where the purchased asset is a 'tangible fixed asset', in relation to the requirements of Article 8.2 of the Regulation, the eligible cost of the project is recognized as the cost of acquisition and commissioning of the asset only when it will be used to ensure the sustainability of the project, i.e. will be used also after the end of the project. In case the asset will be used only during the implementation of the project, only the depreciation for the period of the project, eligible under the Corporate Income Tax Act (CITA), will be recognized as an expense. In cases where the full cost of acquiring the asset is recognized, the following obligations arise for the aid beneficiary:   * Not to change the ownership and purpose of the acquired asset for a period of at least 5 (five) years after approval of the final report of the project and within this period to use it for the purposes of the project; * To insure the acquired equipment/assets against the usual insurance risks (theft, fire, etc.) both during the implementation of the project and for a period of 5 years after its completion; * To provide sufficient resources for maintenance of the acquired assets for a period of 5 years after the completion of the project.   Expenditures for the acquisition of equipment, devices and appliances which contribute for the presentation of the events/initiatives of culture and arts (e.g. digital technologies, 3D mapping, lighting equipment, holograms and others). On the project application phase, the applicant submits a filled, signed and stamped financial argumentation for the equipment (***Annex № 2***) which will be acquired within the frames of the project together with valuation that includes two quotations/excerpts from catalogues of manufacturers/suppliers and/or researches/surveys from the internet for each element as well as a detailed technical specification (Annex № 9).  When acquiring equipment - new or second hand (Article 8.3, letter "c" of the Regulation), that is necessary for the implementation of the project, for eligible are considered the expenditures for depreciation, ascribed for the period of the project and which have being reported periodically towards the FMO. By exception, the PO may recognize the whole worth of the expenditure for equipment in case the equipment is inseparable and necessary condition for the achievement of the results of the project. The exception shall be explicitly put in the contact for implementation of the project and the conditions under Article 8.3.2 of the Regulation shall be indicated.  In regard to the projects, implemented by beneficiaries that are budgetary organizations, the depreciation rules has been regulated with Guidelines of the Minister of Finance ДДС 5/30.09.2016 which determines the conceptual model for application of the national accounting standard (CC 4 Reporting on Depreciation). |
| **Expenditures for intangible assets** | **Expenditures for the Project Promoter.**  Expenditures for the acquiring of software products directly related to the realization of the events/initiatives of culture and arts, patents and licenses for the use of software for the management of equipment, devices and facilities that contribute to the presentation of arts and culture events. On the project application phase, the applicant submits a filled, signed and stamped financial argumentation (Annex № 2) of intangible assets which are going to be acquired within the frames of the project together with valuation that includes two quotations/excerpts from catalogues of manufacturers/suppliers and/or researches/surveys from the internet for each element as well as a detailed technical specification (Annex № 9). |
| **Expenditures for fees** | **Expenditures for the Project Promoter and the partner(s).**  Expenditures for permits directly related to the realization of the cultural event/initiative. |
| **Expenditures for experts** | **Expenditures for the Project Promoter and the partner(s).**  Expenditures for remuneration of internal experts (staff of the Project Promoter and/or partner) and their business trip expenses, as well as for external experts directly related to the implementation of the project (curators, art managers, animators, etc.).  At the stage of submitting the project proposal, in the submitted Financial Justification (***Annex № 2***), the applicant justifies the remuneration of the external experts in accordance with one of the three methods described in the Instruction for filling in the Financial Justification.  Travel costs of the experts directly related to the implementation of the project activities include travel, daily allowance and accommodation allowance.  The Ordinance for business trips in the country and the Ordinance for business trips and specializations abroad № 115 of 03.06.2004, promulgated, SG, iss. 50 of 11.06.2004, amended. no. 27 from 05.04.2016, in force from 05.04.2016, no. 2 from 06.01.2017 shall apply for the travel expenses of the experts directly related to the implementation of the project activities, incurred by the Project Promoter and/or partner(s) established in the Republic of Bulgaria.  For expenditure incurred by partners established in one of the three donor countries, the following restrictions apply, namely:   1. Expenditure for daily allowance for an employee participating in the project or staff directly involved in the implementation of the project by the partner organization from the donor countries in Bulgaria in the amount of EUR 54 (fifty four euro) per day, per person, according to the Government rates abroad for 2019. The data set indicates the national rates for travel abroad, as specified in a special agreement to cover travel and food costs outside Norway. The tariffs apply since 1 January 2019 https://data.norge.no/data/direktoratet-forvaltning-og-ikt/statens-satser-utland-2019; 2. Costs for accommodation of an employee participating in the project, or staff directly related to the implementation of the project by a partner organization from the donor countries, in Bulgaria in the amount of EUR 130 (one hundred and thirty euro) per night, per person;   Expenditures for airplane ticket for go and return (from Bulgaria to the Donor States and from the Donor States to Bulgaria). The persons have the right to an economic class. |
| **Expenditures for project management** | **Remuneration - expenditures for the Project Promoter.**  **NB!** The participation of representatives/employees of the partner(s) in the project management team is not considered an expense for the partner, but an expense for the beneficiary for project management. In this case, the salaries and travel expenses of all members of the project management team must be included in the category “Expenditures for project management” in the budget.  Direct remuneration costs are salary costs and the insurance contributions due on them at the expense of the employer, due for project management activities and arising from employment or non-employment relationships.  “Remuneration costs” are defined only as the costs for the persons determined by the Project Promoter for the management of the project activities, i.e. the costs for the project management team.  The expenditures for remuneration for internal personnel under work/state labor relations or the ones under a special legal act or the ones under contracts for provision of services shall be calculated on the basis of hourly rates and for an actually executed work time under the respective projects. The hourly rate shall be formed in correspondence with the usual policy and practice for determination of remuneration by the beneficiary and/or the partner and shall not exceed the size of his/her usual remuneration in the organization for the execution of similar activities regardless of whether it is about internal or external personnel.  The respective expenditures for salaries for the personnel in an administration are eligible as far as they are related to the implementation of activities which the respective organization/institution would not commit to if the respective project would not have started.  “Expenditures for organization and management” (project management) are direct expenditures related to remuneration of the personnel dedicated to the administering of the project – project manager, technical associate, accountant and other expert or technical personnel as well as administrative expenditures related to the management of the project. In view of determining the realism of the foreseen direct expenditures for management, on the application phase, the applicant shall provide financial argumentation that is prepared according to the guidelines for its filling (Annex № 2). A direct expenditure for remuneration that have not been justified or does not meet the specified requirements will be removed from the budget of the project (Section 5 from the Application Form) by the evaluation commission.  When determining the costs for the project management team, employees of the applicant for employment and employment in the state administration should take into account the provisions of the Ordinance on salaries of employees in the state administration, adopted by CMD №129 of 26.06.2012, prom. SG, issue 49 of 29.06.2012, amended AND supplemented, issue 5 of 15.01.2019. In force from 01.01.2019, especially Article 5, para. 2 and 3, Article 19, item 6, Article 25, para. 7 and 8, and Article 25a.  **Business trips - expenditures for the Project Promoter -** project costs incurred by members of the project management team.  The Ordinance for business trips in the country and the Ordinance for business trips and specializations abroad № 115 of 03.06.2004, promulgated, SG, iss. 50 of 11.06.2004, amended. no. 27 from 05.04.2016, in force from 05.04.2016, no. 2 from 06.01.2017 shall apply for the travel expenses of the experts directly related to the implementation of the project activities, incurred by the Project Promoter and/or partner(s) established in the Republic of Bulgaria.  Expenditures for airplane ticket for go and return (from Bulgaria to the Donor States and from the Donor States to Bulgaria). The persons have the right to an economic class.  **IMPORTANT!** The total expenditures for management shall not exceed **15**% of the total eligible expenditures under the project.  Applicants under the Call shall bear in mind that execution of work outside the usual work time, under work or state labor relations, under the form of additional labor shall be applied by exception and only in the cases that it is necessary for the implementation of the project and have a concrete time period. The systematic work outside the usual work time for a project is not considered desirable in relation to the requirements for proportionality and good financial management of the Regulation (Article 8.2.2). |
| **Expenditures for on-going repairs:** | **Expenditure only for the Project Promoter.**  Expenditures for on-going repairs directly related to the revitalization of the inner premise and/or related to the conduct of the cultural event/initiative.  *On-going repairs is the improvement and maintenance of buildings, structures, facilities and installations, as well as internal reconstructions, which do not:*  *a) affect the structure of the building;*  *b) include activities such as removal, relocation of existing walls and making holes in them when they affect the structure of the building;*  *c) change the purpose of the premises and the loads in them.*  **IMPORTANT!** **Each applicant shall justify in its project proposal in what way the activity for on-going repairs, described in Section 7 “Plan for Implementation/Project Project Activities” is necessary and contribute for the implementation of the cultural event/initiative that is subject of the project proposal. In addition, the applicant shall provide an up-to-date bill of quantities (BoQ) of the materials and works required to carry out the light repairs at a particular site.**  **IMPORTANT!!!** **The expenditures for on-going repairs and the costs for fixed tangible and intangible assets together should not exceed 20% of the total eligible expenditures under the project.** |
| **Expenditures for publicity and visualization** | **Expenditures for the Project Promoter and the partner(s).**  Expenditures for publicity and information that are done in correspondence with the Communication and Design Manual of the Financial Mechanism of the European Economic Area and the Norwegian Financial Mechanism 2014-2021, Annex 3 and the Regulation for Implementation of the Financial Mechanism of the European Economic Area. |
| **Indirect expenditure** | **Expenditures for the Project Promoter and the partner(s).** (*For more information see item 10.1 of the Application Guidelines*) |

The categories indicated above are considered with the categories of expenditures that are put in EUMIS 2020.

According to Article 8.12. of the Regulation, costs incurred by project promoters and project partners are supported by receipted invoices or by accounting documents of equivalent probative value. Where activities are carried out under public procurement procedures, payments shall be based on receipted invoices based on the signed contracts. In all other cases, the payments are justified by expenditure actually paid by the entities concerned in implementing the project. **Alternatively, project partners from the Donor States may opt to submit proof of expenditure by way of a report by an independent auditor or other body provided for in Article 8.12, paragraph 4 of the Regulation.**

### Indirect Project Expenditures

According to Article 8.5 of the Regulation, eligible are indirect expenditures that can be identified by the beneficiary and/or the project partner as directly related to the project but cannot be identified and justified through their accounting system as being directly related to the eligible direct project expenditures. They cannot include eligible direct expenditures. Indirect project expenditures are:

* **Administrative expenditures:**

-heating/ natural gas;

- utilities – electricity, water;

- postal services and expenditures for courier;

- telephones and internet;

- office supplies and consumables.

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| **IMPORTANT!** The method for calculating the indirect costs of the project partner should be specified in the partnership agreement. |

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| **IMPORTANT!** The amount of indirect expenditures under the project should be defined as a fair share of the total overheads of the Project Promoter or the partner which can be proved with an invoice, distribution protocol, contract/agreement or other related document.  Project Promoters and their project partners may identify their indirect costs with one of the following methods:  (a) based on actual indirect costs for those Project Promoters and project partners under projects reflected in an analytical accounting system to identify their indirect costs in accordance with the indicated above;  (b) a flat rate of up to 25% of the total direct eligible costs, excluding direct eligible costs for subcontracting and the costs for resources made available by third parties which are not used on the territory of the Project Promoter or project partner;  (c) a flat rate of up to 15% of direct eligible expenditure for staff without a requirement for the Programme Operator to perform a calculation to determine the applicable rate; or  (d) 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. |

**When the Applicant decides to request the financing of indirect costs with the project proposal, he should indicate it in the Application Form (Section 5) and indicate it in the budget section “Indirect costs” separately for the applicant and the partner(s). The name of the respective budget line shall also indicate the chosen method for calculating the indirect costs according to item 10.1. of the Application Guidelines (respectively the method under letter "a", "b", "c" or "d").**

### Ineligible Expenditures (Excluded Costs)

According to Article 8.7 of the Regulation, the following expenditures under the PA13 “Cultural Entrepreneurship, Heritage and Cooperation” Programme are considered ineligible:

a) interest on debt, debt service charges and late payment charges;

b) charges for financial transactions and other purely financial costs, except costs related to accounts required by the FMC, the National Focal Point or the applicable law and costs of financial services imposed by the project contract;

c) provisions for losses or potential future liabilities;;

d) exchange losses;

e) recoverable VAT;

f) costs that are covered by other sources;

g) fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project;

h) excessive or reckless expenditure;

In addition to the above, the following costs are considered ineligible under this call for proposals:

- costs of taxes and fees, except for those arising directly from the implementation of project activities;

- asset leasing costs;

- costs of acquiring motor vehicles;

- expenditures that have incurred following a change that have not been reported and approved by the Programme Operator or has not been reported inadvertently;

- all expenditures which do not fall within the scope of the eligible activities under the current Call.

### VAT

The applicant should bear in mind that the cost value of the activities set out in Section 7 "Plan for Implementation / Project activities" of the EUMIS 2020 application form shall indicate the VAT value (if applicable)).

The Project Promoter and Partner(s) should keep a detailed account of the VAT accrued on the cost of delivering the goods and services used to implement each project contract under the Programme. The data from this reporting must be sufficient to identify and track VAT related to the project and to categorize it as "refundable" or "non-refundable".

**All costs are to be entered in the relevant VAT lines for the budget items when it is non-refundable within the meaning of** the Instructions of the Minister of Finance No. 3/ 23.12.2016 on the treatment of value added tax as eligible expenditure in the implementation of projects under the operational programmes co-financed by the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF) and the European Maritime and Fisheries Fund (EUFOR) for the programming period 2014-2020 according to the attached statement on the part of the applicant state.

## Payments

The Payment Plan (***Annex № 18***) shall be prepared by the applicant after the project proposal’s approval for funding and before signing the Project Contract.

The payments under the project will be done on the basis of request for payment made by the Project Promoter. The Project Promoter has the right to advance payment within the limits of 30% from the agreed project budget.

Interim and final payments will be executed following verification of the made expenditures if all applicable conditions for payment, put in the Project Contract, the Management and Control Systems as well as the Regulation are fulfilled.

The total value of the advance and the interim payments shall not exceed 80 % of the budget of the project, part of the Project Contract. The Programme Operator keeps 20% of the agreed budget until approval of the final report of the beneficiary.

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| **Advance payment** | **Interim payment** | **Final payment** |
| Up to 30% | Up to 80% | Up to 20% |

The advance payments shall be indicated in the Payment Plan (***Annex № 18*** to the Application Guidelines) that should be submitted by the applicant before the signing the project contract.

The advance payment can be requested by the beneficiary following the signature of the Project Contract and after the provision (through EUMIS 2020) of a bank guarantee or a promissory note before the Programme Operator together with a Request for advance payment. Where the beneficiary is a secondary or lower level budget spending unit, the request should be accompanied by a letter of support from the primary budget spending unit.

The term of validity of the guarantee/promissory note for the advance payment cannot be shorter that term for execution of a final project payment defined in the Project Contract.

In case a bank guarantee is used, it is unconditional and irrevocable for the benefit of the administration part of which is the Programme Operator.

The promissory note shall be “without protest” and “without costs”

## Rules for Evaluation of Project Proposals

The PO is responsible for the execution of assessment and for the granting of funding towards the selected beneficiaries in accordance to the Regulation on the Implementation of the European Economic Area Financial Mechanism 2014-2021, the Programme Agreement and its annexes, the Programme Implementation Agreement.

The evaluation and the selection of the project proposals will be done in three stages:

* Administrative compliance and eligibility (ACE) of the applicant/partner (***Annex A*** in the information documents);
* Technical and financial evaluation (TFE) (***Annex B*** in the information documents);
* Selection Committee (SC).

The assessment of the submitted projects shall be carried out by an Evaluation Commission established with an order of the Head of the PO. The Evaluation Commission includes:

* A Chairperson (without voting rights) – manages and coordinates the selection process;
* Secretary (without voting rights) – provides technical and administrative assistance in the evaluation process;
* Experts to carry out the verification at the stage of “Administrative compliance and eligibility”;
* Experts to carry out the verification at the stage of “Technical and financial assessment” – at least 50% of those experts should be independent from the PO and the Selection Committee.

If during the assessment of the project proposal, a lack of a document and/or incompliance is established, then a notification is sent to the applicant through EUMIS 2020 about the detected discrepancies/gaps and a deadline for their correction of 7 working days is provided.

**IMPORTANT!** After the deadline for answering a question asked by the Evaluation Commission, the EUMIS 2020 system does not allow registration of an answer.

Only project proposals have passed the stage of administrative compliance are allowed to be assessed for eligibility.

The results from the ACE evaluation are communicated to the applicants. All applicants participating in the evaluation session receive in EUMIS 2020 an automatic notification on the email address of the application. The Chairperson will notify the rejected applicants by sending a separate notification to each of them through the “Communication” module in EUMIS 2020.

*Objecting when project has been rejected*

An applicant whose project proposal has been rejected at the ACE stage can submit a written objection to the Head of the PO within a week (7 calendar days) following the notification. With the submission of the objection, the applicant cannot provide new documents or documents that have not been initially part of the project proposal and/or the additional documentation requested by the Evaluation Commission. The Head of the PO will rule within one week (7 calendar days) on the validity of the objections. If the applicant's objection is justified, the Head of the PO may return the project proposal for consideration at the stage of Technical and Financial Evaluation. The act of the Head of PO, by which he decides on the merits of the objection, is communicated to the applicant in accordance with Article 61 of the Code of Administrative Procedures through EUMIS 2020. The message is considered received by the applicant when it is sent to EUMIS 2020. The decision of the Program Operator is subject to appeal under the Code of Administrative Procedures.

An alert or a complaint can also be submitted through the “Report Irregularities” button on the unified web portal of the EEA FM in Bulgaria (<https://www.eeagrants.bg/en/contact/report-irregularities>) where any suspicions for incompliance with the principles of good governance and irregularities can be reported. The NFP should provide feedback to the sender of the alert within three months of its submission. In case of more complicated cases which require the interaction of more than one institution, this period can be extended. When the irregularity can be classified as suspected fraud, a signal is sent to the Prosecutor’s Office.

**The technical and financial evaluation (TFE) of the project proposal** is a process of substantive evaluation of the project proposals that is carried out in accordance with the assessment criteria and sub-criteria described in the Application Guidelines for the relevant Call (***Annex B****)*. The evaluation criteria are not subject to change during the course of the procedure.

The assessment of the project proposal under a given criterion is obtained as a sum of the received number of points according to the respective sub-criteria.

**The maximum number of points that a given project proposal can receive is 100 points. In order for a project proposal to be proposed for funding, the overall final evaluation at the technical and financial evaluation stage must be equal to or greater than 60 points.**

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| **IMPORTANT!!!** If the total number of points received under one of sub-criteria **2.3, 2.4, 2.5, 2.6, 2.7, 3.1, 3.3, 3.4, 4.1, 4.2** is **0 points**, the evaluation commission proposes the project proposal for rejection. |

The technical and financial evaluation shall be carried out only for project proposals that have successfully passed the administrative compliance and eligibility evaluation.

The project proposals which have reached the TFE stage are being reviewed by two impartial and independent from one another experts as at least one of them is external to the Programme Operator and the Selection Committee.

During the TFE process, it is admissible for the Evaluation Commission to ask questions to the applicants if the commission finds circumstances that require further explanations on the budget regarding quantitative and/or value indicators of the proposed costs. Additional clarifications and information from the Project Promoters are required and provided through the “Communication” module of EUMIS 2020. The deadline for response by the Project Promoter in these cases is 7 working days from the registration of the request in EUMIS 2020. The same circumstances can lead to a reduction of the budget of the project proposal.

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| **IMPORTANT!** The Evaluation Commission may recommend a reduction of the eligible expenditure, if costs are deemed unjustified or excessive. The corrections made to data in the budget **may not lead to** an inability to meet the objectives of the project or project activities, and improvement of the quality of the project proposal, and breach of the principles of free and fair competition, and equal treatment and non-discrimination. |

The evaluation of the project proposals at this stage is the average score of the two evaluations done by the two assessors. If the difference between the scores given by the two assessors is more than 20% of the higher score, the Chairperson of the Evaluation Commission assigns the evaluation to a third person – an expert-arbitrary who is independent and impartial to the PO and the SC, and who will assess the project. The final assessment is the average score of the two closest assessments.

The evaluation is documented by filling in evaluation grids in the EUMIS 2020 system.

*Selection Committee*

The SC has the right to change the ranking of the projects in justified cases and in accordance with objective and accepted criteria, related to the objectives of the Programme and adopted by consensus before the projects’ review by all members of the SC. The justification for changing the ranking is described in detail in the minutes from the SC meeting.

The Head of the PO will check whether the process for selection has been carried out in accordance with the Regulation and the relevant legislative framework, as well as whether the SC’s Decision for a funding proposal is in accordance with the rules and the objectives of the Programme. After this check, the Head of the PO, based on the Decision of the SC, takes a final decision on the funding of projects.

In case of a change in the ranking or rejection of a project as a result of a Decision of the SC or the Head of the PO, the reasons for this decision should be specified in detail and reasoned.

The PO publishes the list of projects approved for funding on the unified web portal of the EEA FM in Bulgaria (<https://www.eeagrants.bg>) within 3 working days from the date of the Decision of the Head of the PO and notifies the applicants of the results of the process of selection within 14 working days from the date of the Decision of the Head of the PO.

**IMPORTANT!!!** The PO will finance project proposals until the financial resource is exhausted. In case two or more project proposals have the same total final evaluations, the projects will be ranked by the SC according to their overall contribution to the Programme’s objectives.

*Withdrawal of the project proposal*

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| **IMPORTANT!** The applicants can withdraw their project proposals from the evaluation process with a written request signed with a qualified electronic signature by the representative of the organization and sent to the Head of PO through the EUMIS 2020 system. The circumstance for suspension of consideration of the received proposal is described in the commission’s protocol at the stage of its evaluation. |

## Rules for Projects Generating Revenue

In view of providing the opportunity for the development of entrepreneurship models in the area of culture, the current call permits the approved projects to generate revenue.

A project that generates revenue is every activity that includes the provision of a service that requires payment or activity which in any case will allow the applying organization to generate revenue.

According to Article 6.4, item 2 of the Regulation, when setting the project grant, the Programme Operator shall take into account every economic benefit, e.g. cost savings or increased profit, which is a result from receiving a the financial contribution. The economic benefit shall be used in a way which supports the objectives of the project.

In view of the above, when there is one of the following circumstances – economic benefit, for instance cost savings or increased profit as a result of the received financial contribution, then the applicant shall on the applicant stage develop a detailed financial plan (in a free text) with argumentation and calculation about the expected revenue which the project will generate on the basis of the future cultural product, for 5 year period following the approval of the final project report as well as all expected expenditures for maintenance of the made investment during the same period.

The detailed financial plan must clearly show the following:

* What is the amount of the investment;
* What is the expected indicative revenue for the period of sustainability of the project as well as how the same revenue will be used;
* What is the amount of the expenditures for maintenance of the made investment (including taking into account the inflation rate for the period);

The Programme Operator will not reduce the maximum grant rate in case it ascertains that the following conditions/requirements are fulfilled:

* The expected revenue does not exceed the maintenance costs and is used in accordance with the requirement: Economic benefit are being used in way which supports the objectives of the project;
* The revenue generated within the approved project will be used/reinvested by the Project Promoter only and solely for the sustainability of the objectives and outcomes achieved under the project. .

The detailed financial plan shall be submitted in Section 12 “Attached Electronically Submitted Documents” in EUMIS 2020.

**IMPORTANT!** The revenue generated within an approved project can be used and respectively reinvested by the beneficiary only and solely for the sustainability of the project results. The sustainability of the project under the “Cultural Entrepreneurship, Heritage and Cooperation” Programme is 3 (three) or 5 (five) years following the approval of the final project report, depending on whether the project has acquired fixed tangible assets.

In view of following the requirements of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme, in the detailed financial plan, the applicant shall calculate also the usage of the generated revenue in correspondence with the responsibilities of the beneficiaries on the sustainability of the project results that are:

- Responsibility to insure the acquired equipment/asses for the usual insurance risks (theft, fire and other) and this shall be done both during the implementation of the project and during the 5 (five) year period following the approval of the final project report (Article 8.3.2, b of the Regulation);

- Responsibility to allocate enough resource for the maintenance of the acquired equipment/asset for the period of at least 5 (five) years following the approval of the final project report;

- Responsibility to organize the same cultural event/initiative minimum once within the frames of 5 (five) years/ 3 (three) years following the approval of the final project report.

## De minimis Regime

The current Call applies the *de minimis* aid rules under the meaning of Regulation (EU) № 1407/2013 of the Commission from 18.12.2013 on the application of the articles 107 and 108 of the Treaty on the Functioning of the European Union in response to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013 and Commission Regulation (EU) № 2020/972 of 2 July 2020 amending Regulation (EU) № 1407/2013 as regards the extension of its duration and amending Regulation (EU) № 651/2014 as regards its extension of the extension and its corresponding changes (OJ L 215 of 7 July 2020).

**“De minimis” aid** is aid that does not distort or threaten competition, due to its minimum size, as defined in the current EC regulations on the application of Articles 107 and 108 of the Treaty on the Functioning of the EU with regard to de minimis aid. The state aid and de minimis aid regimes are applicable only regarding undertakings.

An **“undertaking”** within the meaning of the competition rules is any entity pursuing an economic activity, regardless of its legal status and the way in which it is financed.

**“Economic activity”** is any activity of offering goods and services on the market, as well as any activity, the results of which are intended for exchange on the market, regardless of whether it forms and distributes profits or other revenue. The provision of tangible and intangible property and rights for use is also considered an economic activity.

According to Article 1 of Regulation (EU) № 1407/2013 applies to aid granted to undertakings in all sectors, with the exception of:

(a) aid granted to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No 104/2000 (14);

(b) aid granted to undertakings active in the primary production of agricultural products;

(c) aid granted to undertakings active in the sector of processing and marketing of agricultural products, in the following cases:

(i) where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;

(ii) where the aid is conditional on being partly or entirely passed on to primary producers;

(d) aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;

(e) aid contingent upon the use of domestic over imported goods.

Where an undertaking operates in the sectors referred to in Article 1 (1) (a), (b) or (c), as well as in one or more of the sectors or activities covered by Regulation (EU) № 1407/2013, it shall apply to aid granted to the one or more sectors or activities concerned, provided that the Member State concerned ensures by appropriate means, such as segregation of activities or cost-sharing, that the activities in the excluded sectors do not benefit from *de minimis* aid granted pursuant to Regulation (EU) № 1407/2013.

**IMPORTANT!** The total amount of *de minimis* aid granted in each Member State to the same undertaking shall not exceed EUR 200 000 (BGN 391 166) for a period of three fiscal years (the current one and the previous two), in accordance with the provision of Article 3 (2) of Regulation (EU) № 1407/2013. The total amount of funds granted under the procedure in the form of minimum aid to a single undertaking, which carries out road freight transport for hire or reward, may not exceed the BGN equivalent of EUR 100,000 (BGN 195,583) for a period of three fiscal years. This *de minimis* aid cannot be used for the acquisition of road freight transport vehicles.

If an undertaking carries out road freight transport for hire or reward, as well as other activities to which the ceiling of EUR 200 000 applies, it shall apply to the undertaking, provided that the aid for the road freight transport activity does not exceed EUR 100 000 and that the *de minimis* aid is not used for the acquisition of road freight transport vehicles.

The amount of the granted *de minimis* aid for the applicants and/or the partners will be recorded in the administrative grant award contract (the project contract).

The ceilings referred to in Article 3 (2) of Regulation (EU) № 1407/2013 shall apply regardless of the form of the *de minimis* aid or the objective pursued and whether the aid granted by the Member State is financed in whole or in part by funds, originating from the Union. The period of three fiscal years is set for the current year and the previous two.

Regulation (EU) № 1407/2013 only applies to aid where the gross grant equivalent can be calculated accurately and in advance without the need for any risk assessment ('transparent aid'). Aid under the procedure is expressed as a cash grant and is therefore considered to be transparent aid.

For the purposes of the ceilings referred to in Article 3 (2) of Regulation (EU) № 1407/2013, the aid shall be expressed as cash grant. All values used are in gross terms, i.e. before taxes and other charges. Where the granting of new *de minimis* aid may exceed the relevant ceiling, no part of that new aid may fall within the scope of Regulation (EU) № 1407/2013.

To the extent that a public entity pursues an economic activity which can be separated from the exercise of official authority, the entity in question acts as an undertaking in respect of that activity and should be treated as a recipient of a *de minimis* aid under the procedure.

When preparing a project proposal under this procedure, you should keep in mind that the entire amount of the requested grant will be considered as *de minimis* aid. The aid will be charged respectively to the applicant and the partners according to what the respective entity will receive according to the project budget.

**IMPORTANT! For the partners from the Donor States the thresholds of received d*e minimis* aid will be monitored only for the territory of the Republic of Bulgaria.**

The amount of the granted *de minimis* aid is determined as the sum of the aid[[4]](#footnote-5) for which it is applied for and the received *de minimis* aid on the territory of the Republic of Bulgaria from:

1. The applicant/partner undertaking;
2. The undertakings with which the applicant/partner forms a "single undertaking" within the meaning of Article 2(2) of Regulation (EU) No 1407/2013;
3. All undertakings which have merged in, merged with, or were acquired by, one of the undertakings forming "single undertaking" with the applicant/partner under Article 3(8) of Regulation (EU) No 1407/2013;
4. undertakings "forming single undertaking" with the applicant/partner who have benefited from *de minimis* aid received prior to division or separation, according to Article 3(9) of Regulation (EU) No 1407/2013.

Pursuant to Regulation (EU) No 1407/2013, “single undertaking” means all enterprises which have 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.

Enterprises/undertaking that maintain one of the relationship, indicated in the letters a) – d) through one or various other enterprises shall also be reviewed as one and the same undertaking.

Undertakings that maintain one of these relationships through an individual or a group of co-operating individuals are also considered to be related undertakings. In this case, a natural person is equated to an undertaking within the meaning of Regulation (EU) No 1407/2013 only if he/she carries out an economic activity in some form, i.e. is a sole trader and/or exercises a free profession and/or participates in the management and control over the activity of any of the enterprises.

**IMPORTANT! All circumstances concerning 'the same undertaking' are subject to declaration in the De Minimis Aid Declaration (*Annex № 12* to the Application Guidelines).**

Applicants/project partners **are not eligible for *de minimis* aid[[5]](#footnote-6)** **if they fall under the prohibitive aid schemes** in accordance with Regulation (EU) № 1407/2013, namely:

(а) aid granted to undertakings active in the **fisheries and aquaculture sector** covered by Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organization of the markets in fishery and aquaculture products, amending Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000 (OJ L 354 of 28.12.2013);

(b) aid granted to undertakings active in the **primary production of agricultural** **products** ('agricultural products' means products listed in Annex I to the Treaty (TFEU), with the exception of fishery and aquaculture products falling within the scope of Regulation (EU) № 1379/2013).

Under the current call, aid will not be provided to applicant/partner(s) when its provision leads to the violation of the terms of Regulation (EU) № 1407/2013 including art.1, letter c), d), e) of the Regulation.

(c) aid granted to undertakings active in the sector of processing and marketing of agricultural products, in the following cases:

(i) where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;

(ii) where the aid is conditional on being partly or entirely passed on to primary producers.

In assessing the fulfillment of the conditions for granting *de minimis* aid, the definitions in Article 2 (1) of the Regulation[[6]](#footnote-7) shall be taken into account.

No aid shall be granted under the procedure to applicants/partners where its granting infringes the provisions of Regulation (EU) № 1407/2014, including Article 1 (1) (c), (d) and (e) of the Regulation.

(d) aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;

(e) aid contingent upon the use of domestic over imported goods.

Aid granted in tranches shall be discounted to its amount at the time 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 shall be the discount rate applicable at the time the aid was granted in accordance with Article 3 (6) of Commission Regulation (EU) № 1407/2013 of 18 December 2013.

*De minimis* aid may be cumulated with *de minimis* aid granted under Commission Regulation (EU) № 360/2012 up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted under other *de minimis* regulations up to the relevant ceiling set out in Article 3 (2) of Regulation (EU) № 1407/2013.

De minimis aid shall not be cumulated with State aid granted for the same eligible costs or with State aid for the same risk finance measure, if this cumulation can exceed the maximum applicable aid intensity or aid amount specified in the specific circumstances on a case-by-case basis by a block exemption regulation or by a decision adopted by the Commission. *De minimis* aid which is not granted for specific eligible costs or cannot be linked to such may be cumulated with other State aid granted under a block exemption regulation or by a decision adopted by the Commission.

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

Member States shall grant new *de minimis* aid in accordance with Regulation (EU) № 1407/2013 only after verifying that the total amount of *de minimis* aid granted to the undertaking concerned will not exceed a level exceeding the relevant ceiling in Article 3 (2) and that all the conditions laid down in the Regulation are met.

Data on previous *de minimis* aid received should be duly indicated by the applicants/partners in the Declaration on de minimis/state aid (***Annex № 12*** to the Application Guidelines). The Declaration for *de minimis*/state aid is submitted by the applicants/partners at the application stage and subsequently, in case of approval of the project proposal – before concluding the project contract.

**Prior to concluding a contract, the PO will verify the merits of the *de minimis* aid declared by the approved applicants/partners. In the event that an incorrectly declared amount exceeding the relevant ceiling set out in Article 3 of Commission Regulation (EU) № 1407/2013 is found, the grant will be refused to the applicant concerned. The inspection is carried out by comparing all the information about the received minimum aid that the PO has, incl. verification in the De Minimis Register maintained with the Minister of Finance.**

The state aid administrator is responsible for compliance with the conditions of the *de minimis* aid regime, who is obliged to make sure and create conditions for the applicants and partners to comply with these conditions.

The PO is not responsible for an incorrectly declared amount of received minimum aid, which led to the refusal to sign a contract.

**De minimis aid shall be deemed to have been granted from the time of signing the project contract, irrespective of the date on which it is paid to the undertaking.**

In connection with the adopted Commission Regulation (EU) № 2020/972 of 2 July 2020 amending Regulation (EU) № 1407/2013 as regards the extension of its duration and amending Regulation (EU) № 651/2014 with regard to the extension of its validity and relevant changes, the deadline for concluding contracts/annexes related to the provision of d*e minimis* aid under this procedure may not be later than 31.12.2023.

It is not allowed to grant new *de minimis* aid to an undertaking that has not complied with a decision of the European Commission and has not recovered illegally received state aid.

In case of non-compliance with the requirements of Regulation (EU) № 1407/2013, the undertaking shall reimburse the full amount of the funds provided under the procedure with the legal interest from the moment of receipt until their final payment. The recovery of illegally provided *de minimis* aid shall be carried out by the order of Article 5, items 4 et 5 of the Project Contract.

The project promoter/partner and the State Aid administrator are required to document and collect all information regarding the application of the Regulation. The documents thus drawn up must contain all the information necessary to demonstrate that the conditions laid down in Regulation (EU) № 1407/2013 have been complied with. Documentation concerning individual *de minimis* aid shall be kept for a period of 10 fiscal years from the date on which it was granted. Documentation concerning *de minimis* aid schemes shall be kept in accordance with Article 6 (4) and (5) of Regulation (EU) № 1407/2013 for a period of 10 fiscal years from the date on which the last individual aid was granted under such scheme. The PO informs the project promoter about the start date of the period.

The administrator of the aid is the Programme Operator of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme.

Obligation of the aid administrator arising from Art. 34, para. 1 of the State Aid Act and Art. 9, para. 4 of the Regulations for its implementation, is to inform the Minister of Finance within 3 working days from the provision of any *de minimis* aid through the Information System “De minimis Register” (http: //minimis.minfin.bg).

Where the project promoter/partner(s) to whom the *de minimis* aid scheme applies has provided incorrect or incomplete information related to the receipt of the *de minimis* aid under the procedure, which has led to a breach of the requirements of Regulation (EU) №1407/2013 and/or the Application Guidelines for the procedure, the whole grant, determined by the project contract, is considered inadmissible, and all funds paid by the PO are subject to reimbursement in full. In this case, a person who has legally received part of the grant under the contract (regardless of whether he has the status of a beneficiary or a project partner), is also obliged to reimburse the relevant part in full.

Unlawfully received *de minimis* aid, within the meaning of Regulation (EU) № 1407/2013, by the project promoter and/or its partner is subject to reimbursement in full by the respective recipient under the conditions and by the order of Art. 37 of the State Aid Act.

The EC does not issue acts for recovery of illegally paid or incorrectly used *de minimis* aid. The illegally received *de minimis* aid is a public receivable, which is established by the administrator of the aid by issuing an act for establishing the public receivable under the Administrative Procedure Code. The receivable is subject to collection in accordance with the Tax and Social Insurance Procedure Code by the authorities of the National Revenue Agency. The administrator of the aid is obliged to inform the Minister of Finance within three working days from the issuance of the act.

Following the publication of these Application Guidelines, no amendments are allowed that may affect the compliance of the Call with the requirements of Commission Regulation (EU) № 1407/2013 of 18 December 2013.

## Sustainability of the Project Proposals

The sustainability of the results of the project is of main significance for the assuring long-term benefits. For the PO it is necessary to guarantee sustainability of the results from the projects.

The Application Form must include information on the concrete measures for utilization of the project results within the period of sustainability and information on how the results of the project will be replicated by the applicant/partner or by other entities.

According to Article 8.14 of the Regulation, the minimal term for sustainability of the projects is:

* 3 years following the approval of the final project report by the Programme Operator if the project does not include the acquisition of fixed assets, intangible assets whose expenditures for acquisition have been covered under the project or CAW;
* 5 years following the approval of the final project report by the Programme Operator if the project includes CAWs or acquisition of fixed and intangible assets, whose expenditures for acquisition have been covered under the project. The project promoter has the responsibility to use the material and the intangible assets as well as the premise/building subject to repairs solely for the aims of the project. The premise/building must function for the whole period of sustainability of the project.

## Partnerships under Projects and Partnership Agreements

According to Article 4.5 of the Regulation, projects can be prepared and implemented in cooperation with one or more organizations from the Donor States in order to contribute for the achievement of the overall aim of enhancing the relations between the Donor States and the Beneficiary states (Article 4.1.1. of the Regulation). Under the current Call, as eligible partners are also considered organizations from the Republic of Bulgaria. The legal form of eligibility of the organizations which can be partners under the Call have been defined in it.8 “Eligible Partners”.

On the application stage, the applicants need to submit in EUMIS 2020 (Section 12) a **Letter of partnership intent** (***Annex № 5 in Bulgarian and*** ***Annex № 5A in English***) **signed** **and stamped** by all participating partners (**partners from the Donor States are not required to place a rubber stamp on the letter of partnership intent**), which proves the partners’ intention for joint participation within the project. The letter describes the roles and the specific activities that each of the partners intents to perform if the project proposal is approved.

There is no limitation on the maximum number of partners per one project proposal. The establishment of a partnership consisting of two organizations is considered favorable. The partnerships must be balanced and the activities must be implemented actively by all sides in the partnership including in the use of the financial resources. In view of achieving balance and effectiveness during the implementation of the project activities, each project partner must receive funding and this needs to be reflected in section 5 “Budget” in the Application Form. If there is more than one partner that will receive funding under the project, the applicant should provide a breakdown of the funds foreseen for the different project partners in the Financial Argumentation(***Annex № 2***). Within Section 7 of the Application Form – “Plan for Implementation/Project Activities”, the applicant shall explicitly and in detail describe the participation of each party in the partnership. In Section 12 of the Application Form, the applicant shall justify the need for the partnership by tying the expertise and the experience of the partners in relation to the future achievement of the project’s aims. ***The partnerships, its expertise, its experience and justification will be subject to assessment during the assessment process and the degree of detail and developed justification will give additional points.***

After received approval for funding of a project, according to Article 7.7 of the Regulation, before signing the Project Contract, a partnership agreement shall be signed for each partnership (***Annex № 15 in Bulgarian / Annex № 15A in English***).

The agreement must at minimum contain the following:

- provisions on the roles and the responsibilities of the sides;

- provisions on the funding relations between the sides including but not limited to which expenditures of the partners will be for the expense of the project budget;

- provisions on the methods for calculation of the indirect expenditures and their maximum size;

- rules on the currency exchange, proof and eligibility;

- provisions on the audits of the project partners;

- detailed budget;

- provisions on the settlement of disputes;

- provisions on the methods for including the partner when the Project Promoter has intentions to amend the Project Contract and actively involving the partner in the amendments when those may affect the roles, rights or obligations of the project partner. All amendments should be agreed upon between the relevant parties involved.

- provisions on the methods for informing the partner when amendments of the Project Contract have happened.

The partnership agreement shall be signed in Bulgarian and in English if at least one of the sides in the partnership is registered in any of the Donor States; in such cases the text in English is the leading one.

The establishment and realization of partnership[[7]](#footnote-8) relations between a Project Promoter and a partner shall be implemented in accordance with the applicable national and European legislation in the area of public procurement in accordance with Article 8.15 of the Regulation as the type of activities executed by the partner and their worth shall be assessed.

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| **IMPORTANT!** The Programme Operator does not require the partnership agreements that are signed regarding the current Call to have a notary certification of the signatures, or other registration regime. |

The partners participate during the implementation of the project and the expenditures done by them are eligible in the same way as the expenditures done by the Project Promoter.

The eligibility of the expenditures executed by the partner are subject to the same limitations as the expenditures done by the beneficiary.

## Contractors of the Project Promoter

The Project Promoter is entitled to conclude contracts with contractors for the implementation of project activities. The contractors are not partners and are subject to selection according to PPA or Decree of the Council of Ministers 118/20.05.2014 depending on whether the applicant is considered assignor according to PPA or not.

The assigning of public procurement shall be done in accordance with the applicable national legislation.

Documentation relating to procurement procedures for the supply of goods / services / works is subject to verification by the Programme Operator.

When spending funds from the EEA FM, **two specific arrangements** are established for the designation of contractors under contracts for the award of works, services, supplies of goods:

1) In cases where the beneficiaries fall within the scope of the addressees under Article 5 of the Public Procurement Act, the designation of a contractor shall be carried out in accordance with the PPA and the Regulation for implementation thereof.

2) When the beneficiaries under Project Contracts do not appear to be contracting authorities under Article 5 of the PPA, Decree No. 118/2014 is applied.

Project Promoters/partners are required to implement the relevant regulatory act as described above and to monitor possible changes to the applicable legislation.

At the application stage, applicants complete Section 10 "Outsourcing Plan" of the EUMIS 2020 Application Form, describing the procedures envisaged, the type of orders, their sites, the estimated value and a short description.

## Duration of the Projects

The planned duration of each project in respect to the grant, including the foreseen activities **cannot be less that 6 months and cannot exceed 24 months.**

The duration of a specific project should be taken into account during the preparation of the project proposal as the applicant should foresee a realistic term for the implementation of the activities.

The activities of the project must be concluded **not later than 30.04.2024** when it is the final eligible term for implementation of the projects under the “Cultural Entrepreneurship, Heritage and Cooperation” Programme.

The start and the final date of eligibility of a given project are being indicated in the Project Contract.

**According to Articles 8.6 and 8.3.2 of the Regulation:**

- Project Promoters/partners whose projects include investment in immovable property (incl. renovation) must guarantee that the sites will be in exploitation for at least 5 (five) years following the approval of the final project report and they will be used for the aims of the project;

- the Project Promoter commits itself not to change the ownership and the purpose of the acquired equipment/asset for a period of at least 5 (five) years following the approval of the final project report and within the same period, the equipment/asset will be used for the aims of the project;

- the Project Promoter commits itself to insure the acquired equipment/asset for the usual insurance risks (theft, fire and others) during the implementation of the project as well as for a period of at least 5 years following the approval of the final project report;

- the Project Promoter commits itself to assure enough resource for maintenance of the acquired equipment/asset for a period of at least 5 years following the approval of the final project report.

## Information and Communication

The requirements for effective communication and dissemination of project results will be included in the Project Contracts to be concluded between the Programme Operator and the Project Promoters under this Call for Proposals.

According to Article 1.7, Chapter 3, Annex 3 of the Regulation for Implementation of the European Economic Area Financial Mechanism 2014-2021 and the Communication and Design Manual of the EEA FM and the Norwegian Financial Mechanism 2014-2021, all project promoters and partners must cover the following information and communication requirements in their project proposals:

1. All Project Promoters share the responsibility to carry out information and communication activities in accordance with the principle of proportionality by ensuring the widest possible dissemination of information, raising public awareness and enhancing transparency on project activities, the “Cultural Entrepreneurship, Heritage and Cooperation” Programme and the contribution of the EEA FM 2014-2021 and the Donor States at national, regional and/or local level.
2. All Project Promoters have the obligation to attach to their project proposals a communication plan, which includes all the activities/measures envisaged for information and communication of their project proposals. Plans must include clear measures to ensure visibility of the programme, EEA FM 2014-2021 and public awareness of projects, including indicators to assess the effectiveness of the project communication activities, their objectives, the impact of the EEA FM and the role of the donor states. Project Promoters ensure that project information is accessible to the widest possible audience, including in the Donor States. The Communication Plan (***Annex № 11***) has to be approved by the official representative of the Project Promoter and should be attached in Section 12 "Attached Electronically Submitted Documents" in EUMIS 2020*.* The structure and content of the Communication Plan must be consistent with the requirements set forth in Annex 3 and the Communication and Design Manual and also correspond to the content of the mandatory publicity and information activity described in Section 7 of the “Implementation plan/Project activities“.
3. Obligation to clearly highlight the contribution of Iceland, the Principality of Liechtenstein and the Kingdom of Norway through the EEA FM 2014-2021 grant in all publications and activities for which financing under the Programme is used. This includes mentioning the names of the three Donor States and the EEA FM logos in all publications, posters, webpages and other products and infrastructure as well as all events realized on the projects.
4. Obligation to clearly highlight the bilateral cooperation between the applicant and the partner(s) from the Donor States on the basis of which the project proposal is implemented.
5. Each Project Promoter is obliged to inform in writing (via email and/or a notification letter) the PO at least two weeks before the event. After the events, the Project Promoter is obliged to send electronically to the PO press materials and photos from the event.
6. The Project Promoter should provide the necessary assistance in conducting events at Programme or national level, presenting the results of the project or promotional materials and products, including after the end of the project, until the end of the Programme.
7. Mandatory arrangements for publishing information on the funded project on the Internet through a dedicated website or through a dedicated webpage on the organisation’s existing website with linking between the two pages. All projects that receive a minimum financial support of € 150,000 under the Programme and/or have a partner from the donor states, must necessarily maintain information in English on the relevant site. The information published in Internet should include information on the project, its progress, achievements and results, cooperation with donor partners, appropriate photo/ visualization material, contact information and a clear reference to the Programme and the EEA FM 2014-2021.
8. For projects receiving grant funding exceeding € 50,000, the beneficiary must provide a billboard when the project activities include financing of a physical site or minor repairs. The billboard should be positioned near the object of intervention. Within 6 months of completing the project, the beneficiary must replace the notice board with a commemorative plaque; the commemorative plaque must be visible and comply with the requirements of the Communication and Design Manual.
9. Obligation to organize at least two information activities on the progress, achievements and results of the funded project such as a seminar or stakeholder conference, a press conference or a press event, including a start-up event and/or a closing event for the project.
10. All promotional materials produced under the supported projects must comply with the visualization requirements laid down in the Communication and Design Manual of the EEA FM and the Norwegian Financial Mechanism 2014-2021.
11. In view of the specifics of the priority area, each beneficiary shall include in its communication activities the development of a video clip that represents the results from the project activities including events funded under the project. The video clip should have the duration of at least 2 minutes, include embedded English subtitles and be of high quality in view of its usage for later activities during the reporting of the results on Programme and on the national level.

## Manner of application and procedure

### Common Rules

Applicants who wish to participate with project proposals under the current Call must prepare and submit a project proposal by filling a web based application form with an electronic signature in the EUMIS 2020 system (<http://eumis2020.government.bg>). The project proposals under the call can be submitted by legal representatives of the applicants or by authorized persons.

The preparation and submission of the Application Form in EUMIS shall be done in the following way: the applicant registers in EUMIS, logs in with a username and a password, selects the current call from “Open Procedures” and creates a new project proposal.

The application form under the call shall be filled by the applicant according to the instructions of the Programme Operator given in the Guidelines for Electronic Application (Annex № 9 to these Guidelines). EUMIS allows the correction and the further supplementing of the Application Form when it is in a draft regime and consequently the done work is being stored on the system’s servers.

All documents indicated in it. 20.2, 20.3 and 20.4 of these Application Guidelines are attached to the Application Form by obligation.

Before submitting the project proposal, the application form must be signed by QES with detached signature by at least one person empowered to represent the applicant or by authorized/commissioned person.

If the applicant is represented **together** by several entities, the form is signed with QES by all of them.

In case the QES is of authorized person, a scanned power of attorney certified by a notary must be attached to the project proposal (in Section 12 of the Application Form). The power of attorney must explicitly state that the person is authorized to submit a project proposal under Outcome 2 "Access to Arts and Culture Improved", PA14 "Cultural Entrepreneurship, Heritage and Cooperation" Programme. The power of attorney must be issued as of the date of submission of the project proposal. If the same is not attached in Section 12 of the form, the Evaluation Commission shall request it from the applicant. If the power of attorney is not presented or submitted but the date of issue is later than the date of submission of the project proposal, the project proposal shall be rejected.

The applicants fill in the Application Form in Bulgarian and provide an English translation as an attached file in Section 12 of the Application Form.

Each applicant must indicate the official email address of its organization with which to register and log in EUMIS 2020. This email address shall be retrieved automatically and shall be displayed in the field „E-mail“ in Section 2 „ Applicant Data“ of the application form. Once indicated, this email address should not change during the application and evaluation period until the conclusion of the administrative agreement for the grant award under the programme with the respective applicant. During the evaluation of the project proposal - the communication with the applicant on the submitted project proposal shall be done electronically through the applicant account in EUMIS 2020 from which the project was submitted.

### List of the documents which shall be submitted on the application phase:

1. **Application Form.** The Application Form in Bulgarian language must be submitted in the format in EUMIS 2020, signed by a QES by the person entitled to represent the applicant or by a person authorized by the applicant. An identical English version of the Application Form (***Annex № 1A***) is submitted as an attached file in Section 12. In case of non-submission of a fully completed Application Form in English, the project will not be considered.
2. **Financial Argumentation of the project’s budget (*Annex № 2*),** filled in according to the *Instruction for Completing the Financial Argumentation* (***Annex № 2.1***)

*\*The document should be completed in Excel format and attached in Section 12 of the Application Form.*

In case a Financial Argumentation is not submitted or is not presented in the required template, the document(s) cannot be further requested by the applicants, as their additional submission will lead to an improvement in the quality of the project proposal. Failure to submit the document in the required template leads to rejection of the project proposal.

1. **Annexes to the Financial Argumentation** according to these Application Guidelines and the Instruction for completing the Financial Argumentation – the annexes are attached by the applicant in Section 12 of the Application Form, and the offers are attached in .RAR or in .ZIP format. *Documents that are on paper should be scanned and attached in Section 12 of the Application Form,* ***certified by signature and stamp and “True to the Original” text on each page****.*
2. **Detailed Financial Plan -** *signed and stamped by the applicant in WORD and PDF formats. The applicant attaches in Section 12 of the Application Form. The financial plan is applicable only to project proposals which envision generating revenue.*
3. **Decision of the Municipal Council** of the municipality for application under the current Call, in the cases when the applicant is a municipality or a secondary spending unit towards the municipality.
4. **Declaration by the Applicant/Partner *(Annex № 3 in Bulgarian / Annex № 3A in English)***

*Each person who represents the applicant/partner signs a separate declaration. The Declaration by the applicant/partner cannot be signed by authorized persons as it declares personal data or data for the legal entity concerned and for their authenticity there is a criminal responsibility, which is also personal. The Declaration is submitted in English (****Annex № 3A****) in case the partner is from a Donor State. The declaration(s) shall be submitted in one of the following ways: 1. The declaration(s) shall be signed on paper, scanned and attached in Section 12 of the Application Form; 2. The declarations shall be signed with electronic signature[[8]](#footnote-9) and shall be attached in section 12 of the Application Form.*

1. **Declaration on the identity of information (Annex № 4).**
2. **Letter of Partnership Intent** (if it is applicable) – ***Annex № 5 in Bulgarian / Annex № 5A in English.***

*\*The letter of partnership intent is filled in by the persons representing the relevant partner. In case the partner is from a Donor State, the letter should be submitted in English (****Annex № 5A****).* *It is acceptable to submit one letter signed by all partners, as well as to submit separate letters with identical text according to the template from every partner.*

*\*\* When the partnering legal entity is being represented by two or more people, each representative of the partner should sign the Letter of partnership intent.*

1. **Curriculum Vitae (CV) of the project manager and each member of the** **project management team** (***Annex № 6 in Bulgarian***/***Annex № 6A in English)***

*The CV shall be filled in* ***only according to the provided template*** *and attached in Section 12 of the Application Form.*

1. **Declaration for information on the consultants participating in the preparation and writing of the project proposal and the accompanying documentation**(***Annex № 7***)**.**
2. **Declaration on provision of data from the National Statistical Institute** (***Annex № 8***).
3. **Notarized power of attorney for authorization of a person representing the applicant** (if applicable) in relation to the submission of the project proposal and the signing by QES of the Application Form.

*The document is required only in case the project proposal is submitted by a person, different than the legal representative of the applicant. The document should be scanned and attached in Section 12 of the Application Form.*

1. **Technical Specification** (***Annex № 9***) **for Fixed Tangible Assets/Fixed Intangible Assets/Services.**

*The completed and signed document is scanned and attached in Section 12 of the EUMIS 2020 Application Form, and the same is also attached completed in Word format.*

**In case the project proposal provides for the purchase of Fixed Tangible Assets, Fixed Intangible Assets or for the use of services and a Technical Specification is not submitted or is not submitted in the required template, the project proposal is not considered.**

1. **Budget in euros** *(****Annex №10 in Bulgarian and Annex № 10A in English***)

*The document should be filled in Bulgarian and in English in Excel format and attached in Section 12 of the Application Form.*

**In case of differences between the two budgets - the one in BGN from Section 5 of the Application Form and the attached Budget in EUR, the one in the Application Form in BGN will have priority.**

1. **Communication plan of the project proposal (*Annex № 11)***

*The Communication Plan must be signed by the head of the Project Promoter organization that has approved it and then attached in Section 12 of the Application Form.*

1. **De Minimis/State Aid Declaration** (shall be submitted by the Applicant and the Partner(s) (if any) including donor partners, who should declare whether they have received grants in Bulgaria) – ***Annex № 12 in Bulgarian / Annex № 12A in English****.*

*\*The declaration shall be signed by at least one of the persons who represent the applicant/partner in any of the following ways: 1. The declaration is signed on paper, scanned and attached in Section 12 of the Application Form; 2. The declaration is signed with electronic signature[[9]](#footnote-10) and is attached in section 12 of the Application Form.*

*\*\*When the legal entity – applicant or partner is being represented by two or more persons together, each person representing the applicant/partner signs a separate declaration.*

1. **Letter of support** from the primary budget spending unit in the cases where the applicant is a secondary budget spending unit or a lesser spending unit.
2. **Bill of quantity for the CAW** (BoQ) – value breakdown of materials and works required for on-going repairs of a particular site –the document shall *be filled in Excel and attached* in *Section 12 of the Application Form* – **applicable only to project proposals that provide for such type of activities and costs.**

Certificate (s) of current status of the applicant/partner(s), balance sheet for the last completed financial year and certificate of economic activity code are not required, as they will be checked ex officio. In case some of the above documents are not publicly available, they will be requested ex officio by the applicant/partner(s).

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| **IMPORTANT!** The documents indicated in **it. 1, 2, 6-11, 13-16** shall be filled according to the example provided by the Programme Operator. **When a sample is provided for the presentation of the respective document, the presentation of the information in another format is inadmissible!** |

**IMPORTANT!** Each applied file shall be signed by the person who represents the applicant or by authorized person with electronic signature as each file shall be published in EUMIS 2020, section 12 “Attached Electronically Submitted Documents” of the Application Form, fields “File” and “Signature”.

**IMPORTANT!** In case the project proposal is submitted by an authorized person, it shall be taken into account that the declarations which certify the absence or availability of circumstances in relation to the persons that represent the applicant shall be filled in and signed personally by the legal representative(s).

Applicants shall put number and put the name of the applied documents in Latin so that the content is understandable (for instance – “declaration\_Annex\_5”) in view of facilitating the review of the documentation.

### Supporting Documents, submitted by the applicant and the partner(s):

а) Court decision for registration or relevant founding documents (Statute or Articles of association of the applicant organization (s) – a copy certified by the applicant/partner and text "True to the original".

*The document shall not be presented if it is published and the data in it / them are accessible through a public register, or can be provided through direct and free access to Member States' national databases.*

b) Registration under BULSTAT (UIC, if applicable) - a copy certified by the applicant / partner and text "True to the original";

*The document shall not be presented if it is published and the data in it / them are accessible through a public register, or can be provided through direct and free access to Member States' national databases.*

*In case the applicant is registered under the Commercial Register Act and under the Register of NGOs, this circumstance will be checked by the PO according to art.23, par.6 of the Commercial Register Act.*

c) Certificate of registration under Article 104 of the VAT Act - a copy certified by the applicant / partner and text "True to the original" – if applicable;

*The document shall not be presented if it is published and the data in it / them are accessible through a public register, or can be provided through direct and free access to Member States' national databases.*

**Note:** The documents under it.20.3 shall be presented by the partners based on the territory on Republic of Bulgaria.

### Mandatory documents to be presented by the Donor States partners

**Partner organizations from Kingdom of Norway:**

* Register transcript, certifying the legal status and the main activities, executed by the organization – excerpt from the official Register of Kingdom of Norway - Brønnøysundregisteret.

**Partner organizations from Iceland:**

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

**Partner organizations from Principality of Lichtenstein:**

* Registration transcript certifying the legal status and the main activities, executed by the organization – excerpt from the official Register of Principality of Lichtenstein -Handelsregisterauszug

**If not already provided by the previous documents, the partner organisation should present a document clearly stating the legal representative of the organization, in correspondence with the national legislation.**

**IMPORTANT! The supporting documents shall be presented in Bulgarian when provided by the applicant and Bulgarian partners and in English when provided by Donor State partners .**

**IMPORTANT!** Each applied document 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 put number and put the name of the applied documents in Latin so that the content is understandable (for instance – “deklaratcia\_Prilojenie\_5”) in view of facilitating the review of the documentation.

### Deadline for Submission of Project Proposals

Deadline for receipt of project proposals is **23 August 2021, 5:30 PM (UTC+2).** Project proposals are submitted only through the EUMIS 2020 system, as when submitted, the system generates a project proposal number and registers the exact date and time of submission.

Any project proposal submitted after the deadline shall not be considered under this call.

Project proposals submitted on paper shall not be considered.

## Additional Information

Before submitting the project proposal, the applicants may request clarifications in response to the Call. The questions can be sent to the Programme Operator of the “Cultural Entrepreneurship, Heritage and Cooperation” Programme via e-mail: [pa14culture@mc.government.bg](mailto:pa14culture@mc.government.bg)

The questions and answers will be published on the internet site of the Programme, part of the unified web portal of the FM of EAA in Bulgaria as well as in EUMIS 2020.

The questions can be asked **no later than 21 days before the deadline for submission of the project proposals.**

**The clarification shall be published within 10 days of their receipt on the above cited e-mail address, but not later than 14 days before the deadline for submission.**

**Clarifications will be provided concerning the Application Guidelines and their respective Annexes, and shall not contain opinion on the quality of the project proposals. The clarifications are mandatory for all applicants.**

**The requests for clarifications will be published together with the clarifications on the internet site of the Programme, part of the unified web portal of the FM of EEA in Bulgaria as well as in EUMIS 2020.**

In order to ensure equal treatment of applicants, the PO will not issue preliminary opinions on the compliance of an application or an applicant with the application conditions.

## Signing of Project Contracts

### Notification on the Decision of the Programme Operator

The Programme Operator issues Decision on the funding of the suggested for funding project proposals and set a deadline for provision of all necessary documents for the signature of contract.

Through the “Communication” module in EUMIS 2020, the Programme Operator sends a notification letter to the approved applicant. The notification letter is signed by the Head of the PO or by authorized person and shall contain guidelines on the necessary documents, the deadline and the way of their submission. The letter shall at the minimum indicate the following information:

* the final amount of the approved project budget;
* the changes in the budget which have been done by the Selection Committee (if applicable)
* the documents which the applicant needs to present as well as the number of copies;
* The deadline for submission of the necessary documents.

The approved for funding applicants send the indicated documents in the way and the deadlines, indicated in the notification letter.

In case discrepancies in some of the documents are found, the Programme Operator sends a letter through EUMIS2020 with a request for correction of the documentations and sets a new deadline for their submission.

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| **IMPORTANT! The Programme Operator cannot request the same documents twice.** |

In case that during the revision of the submitted documents, the PO ascertains that a given applicant does not correspond to the requirements of eligibility and does not present in the indicated deadlines the necessary documents for the signature of the contract including if the applicant has not given the documents after a second request, the Head of the PO issues a motivated decision for rejection of the funding. The decision can be subject to objection before the competent administrative court under the Administrative Procedural Code.

In case that, when carrying out a substantive examination of the documents submitted by the applicants, a discrepancy/false declaration is found between the data declared by the applicant and the information given in the official documents he /she has submitted no contract shall be concluded with the applicant. In this case, the persons conducting the inspection recommend, through a motivated report, transmitted via EUMIS 2020 to the Head of PO, decision for refusal to be issued for this applicant.

### Documents Submitted Before Conclusion of Project Contract

**Annex № 15 in Bulgarian / Annex № 15A in English:** Partnership Agreement for projects under Outcome 2 “Access to Arts and Culture Improved” under the PA14 “Cultural Entrepreneurship, Heritage and Cooperation” Programme (example provided), signed by the Applicant and the Partner(s) (if applicable).

**Annex № 16 in Bulgarian / Annex № 16A in English:** Declaration for Consent on the Provision of Information (shall be submitted by the Applicant and the Partner(s) (if any).

*The declaration shall be signed by at least one of the persons that represent the applicant/partner and shall be submitted to PO by the applicant.*

**Financial Identification** (certified template of the servicing bank, issued not later than 7 days before submission of the documents for signing the contract).

**Annex № 12 in Bulgarian / Annex № 12A in English:** De minimis/State Aid Declaration, signed towards the date of signature of the Project Contract (shall be submitted by the Applicant and the Partner(s) (if applicable).

*The declaration shall be signed by at least one of the persons representing the applicant/partner.*

In view of following the de minimis aid rules together with the declaration, the applicant shall provide also the statue or the articles of association of the applicant and the partner(s) (if any) and documents which certify the composition of the management and control organs of the applicant/partner (if any) [[10]](#footnote-11) as well as a list of the members of the legal entity – applicant or partner (in case it is an NGO). In case of necessity, the PO can request from the applicant other relevant documents.

*On the basis of Article 23, par.6 of the Commercial Register Act and the Register of NGOs, the Programme Operator will not require the proof of circumstances that have been inscribed in the commercial Register and in the Register of NGOs.*

**Annex № 14** *-* **Declaration for irregularities and fraud.**

**Annex № 13** *-* **Request for access of the Project Promoter to EUMIS 2020 -** for the project manager and/or authorized person*.*

**Annex № 18 – Payment Plan.**

**In case of changes in circumstances declared during the application before concluding the project contract, the respective declarations shall be submitted again.**

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| Persons cannot participate in the Call for project proposals and grant cannot be awarded to them if there are circumstances for rejection from participation in a procedure for public procurement according to the PPA or persons who have not implemented a decision of the European Commission for reimbursement of the provided to them unlawful and incompatible state aid. In case of an approval of a project proposal under the current call, before the signature of the Project Contract, **the applicant will be requested to submit also the following documents:**   1. Certificate of Good Standing by the Applicant/ Partner(s) from Bulgaria (if any);   *The certificate of good standing of the applicant/partner (if any) will not be requested if the data in it are accessible through a public free of charge Register.*  *Before the signature of the Project Contract, the applicant is required to announce to the PO any change in the data related to the good standing of the applicant/partner(s) (if any); change that is relevant towards the Project Contract, regardless of whether the same change is inscribed in the respective public Register. Furthermore, the applicant will be required to submit proof of the same change.*   1. Certificate (or notarized copy) issued by the competent court which proves that in respect to the applicant/partner(s) (if any) there is no court case for insolvency;   *The certificate will not be requested if the data in it are accessible through a public free of charge Register. Not applicable for public entities*.   1. Certificates for the presence or absence of obligations of the applicant /partner (s) (if any) for taxes and compulsory social security contributions within the meaning of Art. 162, para. 2, item 1 of the Tax-Insurance Procedure Code and the interests thereon, to the state or to Sofia Municipality and the municipality as per the applicant’s/partner’s registered address, issued by the competent revenue authorities; 2. Criminal Record Certificate of all persons who have the right to represent the applicant/partner regardless of whether they represent together or separately or in any other way (issued not earlier that 6 months before the date of its submission) – original or copy certified by the applicant.   **IMPORTANT:** Provided that the abovementioned persons were born in Bulgaria, have not been convicted and no administrative penalty has been imposed, the Program Operator will carry out an official check for them. In this case, it is not necessary to present a Criminal Certificate to the persons empowered to represent the applicant. Where, for any of the abovementioned persons, a criminal record is subject to issuance by a foreign authority, it shall be presented in a certified translation - an original or a copy certified by the applicant. Where a criminal record or equivalent document is not issued in the foreign country concerned, the person concerned shall provide a declaration under the law of the State in which he/she is established.   1. A Certificate by the authorities of the “Chief Inspection on Labor” Executive Agency for the presence or absence of the circumstances under art.54, par.1, it.6 of the PPA in respect to the applicant/partner(s) if any).   *The documents under it.1 – 5* ***will not be requested by the applicant*** *in case that towards the date of the sending of the notification for the signature of the contract the absence of such circumstance can be detected through a regulatory act or the PO has the technical ability to execute an ex officio check.* |

### Project Contract

The applicants approved for funding as well as applicants from the reserve list, in cases where residual financial resources are available, are invited to provide evidence that they meet the requirements for being beneficiaries, including the requirements set out in the Guidelines and/or other documents endorsed by the Head of the PO if they are not attached to the application form.

Applicants send the listed documents through the “Communication” module of the EUMIS2020 in the manner and within the deadlines specified in the notification letter.

In case of inconsistencies with some of the contract documents, the PO sends a letter via EUMIS 2020 with a request for correction of the documents and sets a new deadline within 3 working days for their submission. The applicant prepares the documents and sends them through the “Communication” module of the EUMIS 2020.

In the event that it is established that an applicant does not meet the eligibility requirements or does not submit within a specified time the documents necessary for the conclusion of the contract, including at the second request or does not present the necessary documents in full, the Program Operator's Head shall issue a motivated decision for rejection of funding. A decision for rejection of funding is also issued in cases where, when carrying out a substantive examination of the documents submitted by the applicants when concluding Project Contracts, a discrepancy/false declaration is found between the information declared by an applicant and the information given in the official documents submitted by him / her.

The decision for rejection of funding is subject to objection before the competent administrative court in the order of APC.

If an applicant for a project approved for funding refuses to conclude a Project Contract, a contract with the applicants from the reserve list (if applicable) will be made in order of their ranking, until the available budget for the procedure is exhausted.

The Project Contract is being prepared by the Programme Operator and is available as an example in the annexes towards the current Guidelines.

The Project Contract sets out the conditions for the award of the grant, as well as the roles and responsibilities of the parties, and in particular clauses are included ensuring that the beneficiary commits to comply with the legal framework of the EEA FM 2014 – 2021 referred to in point 1.5 of the Regulation, which is relevant to the implementation of the project, including any obligations that are valid after the project completion. The Project Contract contains a clear reference to the Programme Agreement and the Regulation and, as a minimum, contains the following clauses:

- The maximum amount of project grant in euros and the maximum project grant rate for the project;

- The applicable state/de-minimis aid scheme and the amount of aid granted;

- The first and last date of eligibility of costs;

- The method of calculating indirect costs and their maximum amount;

- Eligibility of expenditure and requirements for proof of expenditure;

- Reporting obligations, reporting periods;

- Way of payment;

- Conditions for changing the project and the contract;

- Obligations to comply with information and publicity requirements;

- Obligations to provide access to monitoring, audit, on-the-spot verification and evaluation;

- Reporting that shall allow the POs to fulfill their reporting obligations to the FMC and the NFP;

- The PO’s right to suspend payments and to require reimbursement by the beneficiary in the event that such action is decided by FMC, PO or NFP;

- Conditions for terminating the project;

- Dispute settlement and jurisdiction;

- Reference to a partnership agreement or partnership intent letter;

- Provisions that ensure that project partners are informed in advance about the changes in the project affecting them.

The following attachments are an integral part of the contract:

* General terms and conditions (Word format)
* Application Form generated from EUMIS 2020.
* Current and detailed project budget.
* Financial Argumentation generated from EUMIS 2020.
* Payment plan generated from EUMIS 2020.
* Financial plan generated by ЕUMIS 2020 (if applicable).
* Current implementation plan.
* Current external procurement plan.
* Current risk reduction plan.
* Current audience plan(s) (if applicable).
* Technical specification.
* Declaration of state/de minimis aid.
* Partnership agreement(s) (if applicable).
* Declaration by the applicant/partner.
* CVs of the project management team.
* Financial identification form
* Declaration of irregularity and fraud
* Application(s) for creation of profile(s) of the beneficiary for access in EUMIS 2020.
* Template of Request for advance/interim/final payment under a project contract
* Template of Bank Account Declaration
* Template of Interim and Final Financial Report
* Template of Interim and Final Technical Report
* Template of Inventory of supporting documents to financial reports.
* Template of Declaration of VAT Circumstances
* Template of Work Time Table
* Template of Declaration of Eligible Costs
* Template of Record of fixed tangible/intangible assets

The obligations of the applicant imputed by the project contract are valid and enforceable in accordance with relevant national and European legislation.

On the part of the PO, the contract is signed by the Head of PO or a person authorized by it, as well as by the person entitled to a second signature in assuming financial obligations from the PO.

On the part of the applicant the contract shall be signed by the person who, by virtue of a legal or other act, has the right to represent him/her or by a person authorized by him/her, with a notarized power of attorney in connection with the signing of a contract. If the contract is also signed by a person entitled to a second signature, the applicant shall provide a certified copy of an authorization to make a second signature.

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| **IMPORTANT!**  **INDICATIVE TERMS :**  Deadline for submission of project proposals: Within three months from the date of announcement of the Guidelines.  Beginning of the assessment process: Immediately after the deadline for submission of project proposals  End of the assessment process: Within eight months from the deadline for submission.  Signing of the contracts: After the issuing of the decision for funding and after all the documents necessary for the signature of the Project Contracts are submitted before the PO. |

### Technical and Financial Implementation of the Projects

Beneficiaries shall report their costs to the PO with at least two mandatory reports in the year, respecting the following deadlines:

1. For costs incurred from 1 January to 30 April, an interim report with all supporting documents must be submitted to the Program Operator on or before May 15;

2. For costs incurred from May 1 to August 31, an interim report with all supporting documents must be submitted to the Program Operator on or before September 15;

3. For costs incurred from 1 September to 31 December, an interim technical report with all supporting documents must be submitted to the Program Operator on or before January 15;

For reporting purposes, the EUMIS 2020 reporting system is used. Reporting is done electronically by the project manager or a person authorized by the beneficiary. In EUMIS 2020, an interim report on the project, a technical report, a financial statement is filled in as part of the reporting documents package and accruals are automatically considered by the system and a payment request. In the electronic system EUMIS 2020, electronic copies of the original financial and accounting documents signed by the project manager or a person authorized by the beneficiary shall be uploaded, certifying that the expenditure has been incurred in the respective project. The Project Report should be completed according to the activities carried out, supported by the financial and accounting documents and the necessary technical evidence of the activity carried out. The costs included in the statement should meet the basic eligibility principles, be invoiced, paid and have actual delivery, service or repairs to the final date of eligibility for the reporting period concerned.

# ANNEXES TO THE APPLICATION GUIDELINES

# I. DOCUMENTS FOR APPLICATION:

1. Application Form in English – Annex **№ 1A;**
2. Financial Argumentation of the budget of the project and Guidelines for Filling of the Financial Argumentation – **Annex № 2**;
3. Declaration by the Applicant/Partner – **Annex № 3 in Bulgarian / Annex № 3A in English;**
4. Declaration on the Identity of Information **– Annex № 4**
5. Letter of Partnership Intent (if applicable) – **Annex № 5 in Bulgarian / Annex № 5A in English**;
6. C.V of the project manager and each project management team members – **Annex № 6 in Bulgarian / Annex № 6A in English;**
7. Declaration for Information on the Consultants Participating in the Preparation and Writing of the Project Proposal and the Accompanying Documentation– **Annex** **№ 7**;
8. Declaration for data provided by the National Statistical Institute – **Annex № 8**
9. Technical Specification – **Annex № 9**
10. Example of a budget in English, filled in euros **– Annex № 10 in Bulgarian / Annex № 10A in English**
11. Communication Plan of the Project **- Annex № 11;**
12. De Minimis/State Aid Declaration – **Annex № 12 in Bulgarian / Annex № 12A in English.**

# II. DOCUMENTS FOR INFORMATION:

1. Methodology for Assessment of Project Proposals:

* Annex A – Table for Administrative Compliance and Eligibility;
* Annex B – Table for Technical and Financial Evaluation;

1. Instructions for filling in the financial justification of the project budget - **Annex № 2.1**;
2. Instruction for Preparation of the Budget **-Annex №10.1;**
3. Request for Access to EUMIS 2020 – Annex **№ 13** (for correspondence purposes and for the reporting of the project**)[[11]](#footnote-12);**
4. Declaration of irregularities and fraud - **Annex № 14;**
5. Partnership Agreement - **Annex № 15 in Bulgarian / Annex № 15A in English**;
6. Declaration for Consent on the Provision of Information (shall be submitted by the Applicant and the Partner(s) (if any)) - **Annex № 16 in Bulgarian / Annex № 16A in English;**
7. Project Contract - **Annex № 17**;
8. General conditions for granting financial aid - **Annex № 17.1**;
9. Payment Plan - **Annex № 18**.

1. Focus over non formal training - workshops, training during work and others. [↑](#footnote-ref-2)
2. At the level of the municipality as per the Administrative-territorial Structure of the Republic of Bulgaria. [↑](#footnote-ref-3)
3. At the level of the region (“oblast”) as per the Administrative-territorial Structure of the Republic of Bulgaria. [↑](#footnote-ref-4)
4. The verification of the accumulation of EUR 200 000 ceilings shall take into account any *de minimis* aid granted, regardless of the form, purpose and source of funding. [↑](#footnote-ref-5)
5. In assessing the eligibility of the applicant/partner, the activity and the fulfillment of the conditions for granting *de minimis* aid, the definitions in Article 2 (1) of the Regulation shall be taken into account. [↑](#footnote-ref-6)
6. - ‘*agricultural products’* means products listed in Annex I to the Treaty, with the exception of fishery and aquaculture products covered by Regulation (EC) No 104/2000;

   - ‘*processing of agricultural products’* means any operation on an agricultural product resulting in a product which is also an agricultural product, except on-farm activities necessary for preparing an animal or plant product for the first sale;

   - ‘*marketing of agricultural products’* means holding or display with a view to sale, offering for sale, delivery or any other manner of placing on the market, except the first sale by a primary producer to resellers or processors and any activity preparing a product for such first sale; a sale by a primary producer to final consumers shall be considered as marketing if it takes place in separate premises reserved for that purpose. [↑](#footnote-ref-7)
7. A partnership in which the partner from the Donor States has only a consultative role (supplier of services) will not be considered as a partnership. [↑](#footnote-ref-8)
8. The signing should be done according to the “Attached Signature” scheme in which a new file is created containing two files – the original document plus the digital signature. The new file is attached. [↑](#footnote-ref-9)
9. See the footnote 6. [↑](#footnote-ref-10)
10. For instance – protocols/excerpts of protocols which contain the decisions of the organs of the applicant and the partner(s) (if any) which have chosen the respective management and control organs or other that contain the respective information documentation [↑](#footnote-ref-11)
11. Access rights to the EUMIS 2020 related to the specific project are granted on the basis of an application for access to EUMIS 2020 submitted by the Project Promoter (***Annex № 13***) after the signing of the project contract, and at his/her discretion the Project Promoter can request access rights to be granted to more than one person (at least two persons are recommended). The legal representative of the Project Promoter or a person authorized by him/her submits the application along with the official correspondence in hard copy to the PO. When the application is signed by an authorized person, the authorization document also must be presented. After the PO has created a profile in EUMIS 2020 for the person indicated in the application, that person receives a confirmation email from the system. If it is necessary to change the person initially indicated in the application, a new application should be submitted. [↑](#footnote-ref-12)