

Implementation of the Structural funds in Bulgaria

Monthly brief, February 2012

Horizontal issues and legislative procedures

- In accordance with the provisions of Article 53b(3) of the amended Financial Regulation, on 14 February 2012 the CCU submitted through the SFC 2007 the Annual Summary in relation to Structural Actions and the European Fisheries Fund;
- In February was launched the procurement procedure for selection of a contractor to support the preparation by the Central coordination unit of the Bulgarian Partnership Contract for the next programming period.
- The selection procedure for non-governmental organizations whose representatives will take part in the working group for the preparation of Bulgaria's Partnership Contract for the next programming period has been launched. A total of 77 NGOs have submitted their applications. The selection procedure was organized according to a mechanism, approved by the minister on the EU funds management. The organizations were classified in 4 categories according to their activities: (1) social organizations, (2) ecological organizations, (3) organizations working in the field of education, science and culture and (4) organizations working in the field of the development policies. The approved NGOs under each of the four categories are to nominate one representative of the group to take part in the working group on the preparation of the Partnership Contract.
- A Decree for amendment of CoM Decree 55/2007 laying down the rules on grants award and selection of contractors by private bodies has been drawn up. The draft Decree was sent for interministerial coordination procedure. The proposed amendments are aimed at taking into account the changes in the legal framework, introduced with the amended Public Procurement Act.

National Development Plan

- In February, the Secretariat of the Inter-institutional Working Group for the elaboration of the NDP: Bulgaria 2020 together with the consultants under the project for analytical support of the preparation of the NDP organized the next four meetings at expert level with the representatives of line ministries responsible for the elaboration of priorities of the NDP: Bulgaria 2020 and other ministries concerned by the relevant priorities. All line ministries submitted a second version of the relevant sector strategies. On the basis of the revised detailed strategies submitted by the ministries, the consultants' team elaborated the overall strategy of the NDP: Bulgaria 2020. The document was sent for approval at expert level. The approval of the first version of the strategy by the Inter-institutional Working Group for the elaboration of the NDP: Bulgaria 2020 is previewed for the beginning of March.
- In mid February a public presentation of the two contracts supporting the NDP elaboration and evaluation, namely: "Analytical support of the preparation of the NDP and strategic assessments" and "Ex-ante evaluation of the NDP: Bulgaria 2020" was made. At the event were invited the Members of the Interinstitutional Working Group for the elaboration of the NDP as well as representatives of the socio-economic partners and NGOs. The presentation included also an indicative timetable for finalization of the NDP.

- In addition, the executor of the contract “Ex-ante evaluation of the NDP: Bulgaria 2020” presented in February a Methodology for elaboration of the ex-ante evaluation of the NDP: Bulgaria 2020. After several revisions according to the beneficiary’s comments the document was approved and the start of the process of ex-ante evaluation was given.

Information and Publicity, February 2012

- Members of the National Network of Information and Publicity Officers of the Operational Programmes in Bulgaria participated in the first coordination meeting of information networks, organized by the Central Information and Coordination Office, which was held on 27 and 28 February 2012 in Sofia. The Central Information Office (CIO) presented the structure, functions and cooperation between the National Network and other EU networks in Bulgaria. All participants in the meeting declared their readiness to join efforts to ensure maximum publicity and transparency in informing the citizens of Bulgaria about the opportunities provided by the EU.
- In February the CIO continued to coordinate the forthcoming events of the Operational Programmes through the National Network as well as to update regularly the Single information web-portal www.eufunds.bg. Information about the activities and events of the District Information Points (DIP) was uploaded in separated subpages of the portal dedicated to each DIC.
- During the previous month, the tender procedure for the further development of the Single information web-portal www.eufunds.bg was launched.

Central Information and Coordination Office (CICO)

- **Site visits:**

In February 2012, the Central Information and Coordination Office (CICO) continued the activities related to personnel selection procedures for DIPs and the verification of the procedures after. The appointment of personnel continued gradually.

In the same month the first site visits aiming at verifying the quality of services provided by DIPs were also conducted. Representative of CICO visited the District Information Points of Gabrovo and Pleven.

- **Activities of DIPs:**

Based on the monthly reports of DIPs, in February the total number of visitors in DIPs amounted to 240; a total of 280 requests for information were received, a total of 253 answers of requests of information were sent, there were 115 publications in the media, 18 events with a total number of 437 people invited were held, of which 316 were present at events organized by DICs.

- **Coordination meeting:**

CICO conducted the First Coordination Meeting for DIPs, as per Activity 5 of Project № 0039-CIO-3.3. The event took place on 27-28 February and was opened by Mr. Tomislav Donchev, Minister of EU Funds Management, and Mrs. Zinaida Zlatanova, Head of the European Commission Representation to Bulgaria. Ms. Zlatanova expressed her support for cooperation between networks. There were guest-speakers from the European Commission: Mrs Elitsa Beyska from DG REGIO and Mr Kiril Kiryakov from DG Employment, Social Affairs and Inclusion as well as

representatives of most EU information networks in Bulgaria: the entire network of District Information Points, the Europe Direct Network, Europe Enterprise Network, the National Network of Information and Publicity Officers of OPs, the National Rural Network and also the “Global Libraries Bulgaria” Programme. The total number of participants was around 130. After the presentations of all networks, their location, range and main activities, on the second day of the meeting the participants worked in four separate working groups on the following topics:

1. Cooperation of information networks in Bulgaria – groups 1 and 2
2. Strategic information priorities and sub-priorities for 2012 – group 3
3. The Procedural Manual for the work of DIPs: questions and suggestions – group 4

The outcomes of the group discussions were presented in a common panel, after which the programme was closed by a presentation of the Annual Plan of Activities of the Central Information and Coordination Office followed by a discussion.

- **Trainings preparation:**

In the beginning of February the Introductory training for first two groups was held. Also the preparation of the Introductory training for the third group of officers, recently appointed to DIPs started.

- **Tender procedures:**

Two tender procedures related to the implementation of the activities within Project № 0039-CIO-3.3 were announced in February:

- ✓ „Logistics for the implementation of activities connected with the organization of trainings, seminars and working meetings on projects, carried out by the Council of Ministers under Technical Assistance Operational Programme and the Bilateral Framework Agreement between Bulgaria and Switzerland” and
- ✓ “Supply of computer and office equipment”

The tender evaluation of the two procedures shall start in March.

UMIS

- In February was completed the first major call for proposals “Development of electronic forms of distance learning in higher education”, in which electronic submission of applications was used. The call was launched under OP “Human Resource Development” and a total of 69 applications were received. There were no registered problems with the use of the services. This fact shows that the application is easy to use and should be implemented in more procedures.
- Representatives of the MA of OPRD and the CCU carried out training for the applicants to the "Support for the development of a regional tourism product and marketing of destinations” call for proposals.
- The tender procedure for the further development of UMIS was launched in mid February as well as the tender for providing trainings of UMIS users.

Certifying Authority

- Certifying Authority carried out **desk checks** on Reports on Certification and Statements of Eligible Expenditures, submitted by Managing Authorities of OP “Administrative Capacity”, OP “Environment” and OP “Transport”.

- Certifying Authority performed in February **on-the-spot checks** at the Managing Authorities and the relevant Intermediate Body of OP “Technical Assistance”, OP “Administrative capacity”, and OP “Environment”. Report from the on-the-spot check under OP “Technical Assistance” was prepared and submitted to MA for implementation of recommendations. Reports from the on-the-spot check for the two other OPs are under preparation.
- The Certifying Authority performed **one on-the-spot check at the level of beneficiary** – under OP “Technical Assistance”. Report from the on-the-spot check will be sent to the Managing Authority for implementation of the recommendations.
- The Certifying Authority submitted to the European Commission **three Certificates** under the following OPs: **one** for “Human Resources Development”- amounting to **7 072 623** EUR, **one** for OP “Technical Assistance” amounting to **1 456 239** EUR and **one** for OP “Development of the Competitiveness of the Bulgarian Economy” amounting to **15 216 090** EUR.
- In February 2012 the Certifying Authority sent to the EC the Annual statements on withdrawn and recovered amounts, pending recoveries and irrecoverable amounts for the reporting 2011 for all Operational Programmes, in accordance with art. 20(2) of Commission Regulation (EC) No.1828/2006.

OP / FUND	Certified expenditure up to 29.02.2012	Interim payments received from EC as per 29.02.2012
<i>ERDF</i>	686 612 336 €	531 600 579 €
1.OP Competitiveness of the Bulgarian Economy	300 009 934 €	204 893 250 €
2. OP Regional Development	178 856 776 €	151 960 849 €
3. OP Technical Assistance	8 031 841 €	5 589 261 €
4. OP Transport	182 133 373 €	154 213 869 €
5. OP Environment	17 580 412 €	14 943 350 €
<i>CF</i>	343 267 127 €	274 613 702 €
1. OP Environment	67 735 591 €	54 188 473 €
2. OP Transport	275 531 536 €	220 425 229 €
<i>ESF</i>	164 161 068 €	130 241 508 €
1. OP Human Resources Development	127 305 542 €	98 922 111 €
2. OP Administrative Capacity	36 855 526 €	31 319 397 €
<i>Total SCF</i>	1 194 040 531 €	936 455 789 €
<i>Total IPA Cross-border Programmes</i>	349 419 €	119 290 €

Operational Programmes

OP Transport

- On 15 February 2012 a coordination meeting among MAs, EC, JASPERS, EBRD, WB and EIB were held in the premises on the Council of Minister of Republic of Bulgaria. The meeting was chaired by the Minister Tomislav Donchev. The aim of the event was to discuss the assistance to be given by the three IFIs regarding technical assistance for preparation of future measures in Water, Transport, Energy Efficiency and Innovations sectors.
- On 16 February 2012 meeting regarding the implementation of OPT projects was held at the premises of MTITC between DG Regio and MA of OPT representatives.

- On 22 February 2012 the European Commission approved the Application Form for Maritsa Motorway project.
- On 24 February 2012 a tender procedure for design and construction of Struma Motorway project, Lot 2 was announced.
- The tender procedures for Works and Supervision for Vratza and Montana bypasses projects were announced on 27 February 2012.

OP Environment

- The Municipalities of Plovdiv and Dobrich announced their tenders under water major projects. The total estimated value of both contracts in Plovdiv is EUR 43 million. The estimated value of both contracts in Dobrich is at about EUR 34 million. Currently, both projects are under evaluation by the EC. Total project amount for Plovdiv is EUR 63, 4 million and for Dobrich - EUR 58,8 million.
- During the reported period 29 projects for biodiversity conservation have been submitted for evaluation (under Priority Axis 3 of the OPE). Their total value is EUR 82, 57 million. Actions that are foreseen to be implemented over the next three years will have a significant effect on biodiversity conservation and sustainable management of protected areas, which constitute an essential element of the ecological network in Bulgaria.
- During the reported period 10 contracts for design and build of water infrastructure projects were signed in the municipalities of Elhovo, Balchik, Kavarna, Dulovo, Burgas, Sofia, Galabovo, Primorsko, Sandanski, Kyustendili. Their total value is 351 million leva.
- During the period under the procedure for water and wastewater development in agglomerations of more than 10 thousand PE, 54 projects for construction of water infrastructure were submitted for evaluation.

OP Regional Development

- The evaluation committee under the scheme BG161PO001/3.3-01/2008 "Support for effective national marketing of tourists' products and improvement of information services" under OP "Regional Development with a concrete beneficiary Ministry Economy, Energy and Tourism has completed its work. Under the scheme was approved a mid-term framework investment programme with 5 projects amounting to 10.5 MEUR.
- On 27 February 2012 were signed 28 grant contracts within the reserve list under the scheme BG161PO001/4.1-03/2010 "Support for implementation of energy efficiency measures in municipal educational infrastructure of 178 small municipalities". With these contracts the total amount of the grant scheme is approximately 10 MEUR. The funds are focused on activities regarding energy efficiency measures in municipal educational institutions - schools and nurseries, kindergartens, primary and secondary schools.
- A Decision № EO-4/2012 of the Minister of Environment and Water was published in order to assess the need for environmental assessment of the changes of OP "Regional Development" 2007-2013.
- The Managing Authority of OPRD have published new guidelines for implementation of grant contracts and a new package of documents relating to claims which are valid from 15 February 2012.

OP Technical Assistance

- During the period in Sofia was held the first training for employees of the District Information Points. On the training was presented all the operational programs and the role and functions of the CICO.
- On 27 February 2012 was held the first coordination meeting of the District Information Points, Network "Europe Direct" network of employees for information and publicity of the Operational Programmes Network Enterprise Europe Network - Bulgaria, the National Rural Network, the network "Global Libraries."
- During the period the process of verifying costs received for payments requests of the beneficiaries continued.

OP Development of the competitiveness of the Bulgarian economy

- On 29th of February was held meeting with the consultants (OVE ARUP and Partners Ireland), appointed by JASPERS and Managing Authority of OPC for discussion of main issues, concerning the preparation of Sofia Tech Park as landscape specifics, state aid issues etc. The team visited the potential landscapes for the construction of the Park
- On 27.02.2012 MA of OPC, acting as contracting authority launched the direct invitation to State Agency for Metrological and Technical Surveillance for submission of project proposal under the Direct Grant Procedure: BG161PO003-4.3.02 „Improvement of the business environment of the Bulgarian enterprises – improvement of national quality infrastructure” under Priority 4 of OPC.
- In the period 20-22nd of February 2012 were held several technical meeting with representatives of DG REGIO, DG Enterprises and DG Research on issues related with the preparation of smart specialization strategy, Sofia Tech Park preparation, Energy Efficiency Calls and JEREMIE Initiative. The meetings were organized under the initiative of Mr. Atanasos Sofos from DG REGIO.
- On 22 of February 2012 was launched open public procurement procedure with the subject "Selection of project assistant and verification assistant for the call “Energy efficiency and green economy”. The procedure is part of the Memorandum with EBRD for the implementation of energy efficiency calls under the OPC.
- On 24.02.2012 MA of OPC published Decision № EO-5/2012, concerning the assessment of the need for environmental assessment of proposed modifications in the Operational Programme "Development of the Competitiveness of the Bulgarian Economy" 2007-2013. The document is dated 17th of February 2012 and is signed by Minister of Environment and Water – Mrs. Nona Karadjova. The main conclusion of the Decision is that it is no need for environment assessment of the planed modifications of OP Competitiveness due to the reason that application of them are unlikely to have significant impact on environment and human health.
- In February 2012 were launched three public procurement procedures for the implementation of the Communication Plan of OPC. The activities are under the project of MA of OPC for implementation of the Communication Plan of the Programme, financed under Priority Axis 5 “Technical Assistance” and are as follows:
 - Public Procurement with subject "Organization of events related to the Operational Programme" Development of the Competitiveness of the Bulgarian Economy "2007 - 2013" launched on 24.02.2012;

- Public procurement with subject "Development of information tools for the implementation of the Communication plan of the Operational Programme" Development of the Competitiveness of Bulgarian Economy "2007-2013, launched on 27.02.2012; and
- Public Procurement with subject "Development of informational and promotional materials for the implementation of the Communication plan of the Operational Programme" Development of the Competitiveness of the Bulgarian Economy "2007-2013", launched on 27.02.2012.

OP Human Resources Development

- On 01 February were conducted regular working meetings under Priority Axis 1, 2, 3 and 4 organized by MA with representatives from the respective IBs, most of the direct beneficiaries and CCU. At the meetings were discussed the progress and problems detected in the implementation of the respective Priority Axis, results from management verifications conducted by MA, quality of the information uploaded in UMIS, financial forecasts for the payments in the forthcoming months. Based on the discussions were identified relevant corrective measures with set deadlines for their implementation.
- On 22 February, the Managing Authority launched a written procedure for decisions of the Monitoring Committee which is related to approval of use of savings under 5 completed operation under Priority Axis 3 and 4 for three new operations under the same PAs. The new operations are targeted to strengthening of the system for professional education as well as on measures for integration in the educational system. In addition to these three new operation to the Monitoring Committee were proposed changes in 5 existing operations, which amendments are mainly of technical nature. The deadline for comments expired on 29 February and the respective official decisions are expected in due time.
- In the beginning of February was signed the contract with the direct beneficiary under one of the major operations under OPHRD, namely BG051PO001-3.1.06 "Improvement of the quality of education in the community schools through daily organization of the educational process", which budget is 180 mln.leva. The implementation of project activities already started.
- In February 2012 the following procedures with e-application were launched:
 - BG051PO001-6.2.17 "Support for institutional development of the institutions on the labor market, social inclusion and healthcare". The objective is to increase the effectiveness of the respective institutions through creation of additional capacity for realization of the main functions and development/implementation of trainees' programmes in the respective administrations. Direct beneficiary is the Ministry of Labor and Social Policy. The budget of the operation is 3 mln.leva, the deadline for submission of project proposal is 12th March 2012.
 - BG051PO001-6.1.11 „Evaluation of the effect from the active policies on labor market, financed with resources from the state budget". The objective is to improve the quality and effectiveness of the policies on the labor market. Direct beneficiary is the Ministry of Labor and Social Policy. The budget of the operation is 0,75 mln.leva, the deadline for submission of project proposal is 30th March 2012.
- According to the requirements of CoM Decree No121, in February the Managing Authority published Draft Guidelines for applicants for consultation with the general

public on the procedures BG051PO001-3.1.07 “Modernization of the educational programs in the higher education in compliance with the requirements of the labor market” and BG051PO001-3.1.08 “Improvement of the management systems in the high schools”. The deadline for provision of comments on the guidelines expires respectively on 21st February 2012 and 15th March 2012. The procedures should be launched by the end of March.

OP Administrative Capacity

- In February were approved amendments in the OPAC Annual Working Programme for 2012. The first change is related to the exclusion of the district administrations as eligible beneficiaries under the procedure BG051PO002/12/1.1-04 “Effective structure of the state administration” due to possible double financing with completed OPAC project for functional analysis within the state administration where one of the districts was a pilot administration, having in mind that all district administration have one and the same Rules of Procedures, therefore same functions and responsibilities. The second change is related to postponement of the procedure BG051PO002/12/2.2-05 with direct beneficiary – National Association of the Municipalities in the Republic of Bulgaria, due to the expected official standpoint of DG Competition of the European Commission on the possible state aid under the respective procedure.
- In February 2012 the following procedures were launched:
 - BG051PO002/12/3.2-03 “Standard informational-communication environment and interoperability”. The objective is to improve the informational-communication environment for better service delivery to the citizen and business. Potential beneficiaries are the central administrations. The budget of the operation is 7 mln.leva, the deadline for submission of project proposal is 17th April 2012.
 - BG051PO002/12/1.1-04 “Effective Structure of the State Administration”. The objective is to optimize the structure of the municipal administrations in order to ensure better effectiveness and avoidance doubling of functions within the state administration. Potential beneficiaries are the municipal administrations. The budget of the operation is 5 mln.leva, the deadline for submission of project proposal is 17th April 2012.
 - For these procedures, the Managing Authority organized intensive information/training days for representatives of the potential beneficiaries.
- According to the requirements of CoM Decree No121, in January the Managing Authority published Draft Guidelines for applicants for consultation with the general public on the procedure BG051PO002/12/1.5-04 “Transparent and Effective Judiciary System” with potential beneficiaries – the Courts in the Republic of Bulgaria. The deadline for provision of comments on the guidelines expires on 05th March 2012 and the procedures will be launched in due time.
- In the course of the month the Managing Authority concluded a contract with external company which to support the process of monitoring and verification under the Programme. The main objective is to assist the Managing Authority in the on-the-spot monitoring of the projects’ implementation.
- Intensive work (jointly with EC) is ongoing related to amendments in the OPAC system of indicators as per the recommendations of the Programme mid-term evaluation. The process should be completed by the end of March 2012.

Bulgaria - Turkey IPA Cross-Border Programme

- The assessment of the received project proposals under the Second Call for project proposals of Bulgaria - Turkey IPA CBC Programme has started on the 30th of January, 2012 in the Joint Technical Secretariat (JTS)-Haskovo. After the administrative compliance and eligibility checks, only proposals that satisfy all the criteria set up in the Applicant's Guide will be evaluated on technical and quality evaluation stage.
- The updated version of the Project Implementation Manual (PIM) - Version 2/ February 2012 has been published on the web page of the Programme.
- Explanation of Managing Authority (MA) in relation to recent changes in the Practical Guide to contract procedures for EU external actions (PRAG), on "Competitive negotiated procedure" and a "Single tender procedure" for service contracts was published on the web page also.

Bulgaria – Serbia IPA Cross-Border Programme

- The deadline for submission of project proposals under the 2nd Call for proposals under Bulgaria-Serbia IPA Cross border Programme expired on 20th of January 2012. The total number of project proposals received is 262.
- The updated version of the Project Implementation Manual (version 2) was published on the web page of the Programme.
- Based on the decision from 15th of February 2012 of the Joint Monitoring Committee of the Bulgaria-Serbia IPA Cross-border Programme, the Guidelines for Applicants for the Second Call for Proposals have been revised.

Bulgaria – the former Yugoslav Republic of Macedonia IPA Cross-Border Programme

- The updated version of the Project Implementation Manual (PIM) - Version 2/ February 2012 has been published on the web page of the Programme.

Implementation of ex-ISPA/CF 1164

- On 21 February 2012 the NCU initiated the process of preparation of the Yearly Progress Reports in Environment and Transport sectors. The documentation will be coordinated on behalf of NCU and PA and will be send to EC in the deadlines required.

Data on OPs financial progress is attached.

**OP IMPLEMENTATION AS OF 29.02.2012
EURO**

OPERATIONAL PROGRAMME	Programme budget			Contracted				Payments			
	Total	EU Funding	National co-funding	Total as of 29.02.2012	% implementation	EU funding	% implementation	Total as of 29.02.2012	% implementation	EU funding	% implementation
OP Transport	2 003 481 166 €	1 624 479 623 €	379 001 543 €	1 698 009 945 €	84,75%	1 370 050 805 €	84,34%	495 648 972 €	24,75%	404 615 944 €	24,91%
OP Environment	1 800 748 085 €	1 466 425 481 €	334 322 604 €	1 157 470 229 €	64,28%	938 475 841 €	64,00%	205 032 613 €	11,39%	166 265 560 €	11,34%
OP Regional Development	1 601 274 759 €	1 361 083 545 €	240 191 214 €	1 233 415 578 €	77,03%	1 048 403 241 €	77,03 %	344 358 821 €	21,51%	294 907 189 €	21,67%
OP Competitiveness	1 162 215 551 €	987 883 219 €	174 332 332 €	501 278 368 €	43,13%	426 086 613 €	43,13%	281 197 780 €	24,19%	239 018 113 €	24,19%
OP Technical Assistance	56 819 427 €	48 296 513 €	8 522 914 €	31 999 829 €	56,32%	27 199 850 €	56,32%	12 445 515 €	22,57%	10 561 410 €	21,87%
OP Human Resource Development	1 213 869 575 €	1 031 789 139 €	182 080 436 €	846 268 870 €	69,72%	719 329 175 €	69,72%	217 512 354 €	17,92%	184 885 501 €	17,90%
OP Administrative Capacity	180 789 087 €	153 670 724 €	27 118 363 €	115 148 645 €	59,56%	97 903 237 €	59,56%	53 086 182 €	29,34%	45 123 255 €	29,34%
TOTAL SCF	8 019 197 650 €	6 673 628 244 €	1 345 569 406 €	5 583 591 464 €	69,58%	4 627 448 762 €	69,33%	1 609 282 237 €	20,07%	1 345 376 972 €	20,16%
Rural Developmnt	3 278 771 726 €	2 642 248 596 €	636 523 130 €	1 716 814 022 €	52,36%	1 400 205 902 €	52,99%	1 049 686 574 €	32,01%	845 942 410 €	32,02%
OP Fisheries	106 679 611 €	80 009 708 €	26 669 903 €	34 270 965 €	32,13%	25 703 224 €	32,13%	13 525 399 €	12,68%	10 144 049 €	12,68%
TOTAL AGRICULTURAL FUNDS	3 385 451 336 €	2 722 258 304 €	663 193 032 €	1 751 084 987 €	51,72%	1 425 909 126 €	52,38%	1 063 211 973 €	31,41%	856 086 460 €	31,45%
TOTAL	11 404 648 986 €	9 395 886 548 €	2 008 762 438 €	7 334 676 451 €	64,28%	6 053 357 888 €	64,39%	2 672 494 210 €	23,43%	2 201 463 432 €	23,43%