

Implementation of the Structural funds in Bulgaria

Monthly brief, March 2013

Horizontal issues and legislative procedures

- On 18 March 2013 was held the sixth meeting of the Working Group for the preparation of the Partnership Agreement of the Republic of Bulgaria for the programming period 2014 – 2020. During the meeting the following topics and documents were discussed: the selection of the thematic objectives for the Partnership Agreement; the evaluation of existing systems for the electronic exchange of information and basic needs for development; presentation of draft guidance on ex-ante conditionalities for the European Structural and Investment Funds, discussed during the ad hoc expert meeting, 6 March 2013, Brussels;
- Several meetings and consultations on the financial methodology for financial table of the Partnership Agreement were held. The methodology will provide the basis for decision-making concerning the financial distribution among thematic objectives and Operational Programmes for 2014-2020;
- On 15th of March the first draft Evaluation Report of the Partnership Agreement was presented to the Central Coordination Unit. The report was produced by the external evaluator of the Partnership Agreement.
- On 1 March 2013 was adopted a CoM Decree No 69/2013 which regulates the Rules on Grants Award and Selection of contractors by private bodies. The Decree provides cancellation of CoM Decree No 55/2007 and optimization and simplification of the process related with contractor selection by the private bodies in order to improve the effectiveness and efficiency of spending of EU funds by these beneficiaries.
- The prepared amendment of the CoM Decision No 110/03/06.2010 for establishing a Council for Development was sent to the Ministries for consulting. With the amendment a Coordination Committee will be established to control, monitor and report the implementation of the National Development Programme: Bulgaria 2020.
- Further simulations with the econometric model SIBILA were made to support the process of the Partnership agreement elaboration.
- Information was prepared about the absorption of EU funds and was sent to the Ministry of Finance for the annual update of the National Reform Programme.
- The self-assessment on the fulfillment of the ex-ante conditionalities was made by the CCU and the relevant ministries and afterwards the received information was prepared in order to be incorporated in the draft Partnership contract.
- The information on the progress in the achievement of the ex-ante conditionalities was updated.
- The adopted by the Council of Ministers as a basis for negotiations Addendum of the Memorandum of Understanding between the Government of the Republic of Bulgaria and the World Bank on Partnership and Support in the implementation of the EU Structural Instruments was signed by the World Bank. Afterwards a procedure was launched for provisional application of the Addendum until there is a functioning National Assembly to ratify by law the Addendum.
- In the period 14-15.03.2013 was held regular meeting of DG Regio Evaluation Network. The main topics of the discussions were on the draft definitions for selected common

indicators for the new programming period; the updated Synthesis report on analysis of pilot projects; the Draft guidance on the Performance Framework and the quality of the quantification reporting in the Strategic reports.

Information and Publicity

- In March 2013 the working group for the elaboration of the new National Communications Strategy for the next programming period 2014-2020 held three meetings thus initiating the intensive work on the elaboration of the strategy. The meetings were attended by representatives of the professional organizations in the field of PR, communications, sociology and marketing research. They were briefed about the Partnership Agreement for the next Programming Period and the new operational programmes. The group began the elaboration of two of the chapters of the strategy – “Targets and Target groups of the Communication Strategy” and “Implementation of the Communication Strategy”. They will be finalized in April 2013.
- In March continued the regular update of the Single information web-portal www.eufunds.bg with news, information and documents about the next programming period 2014-2020 and the new Operational Programmes as well as information about the activities of the District Information Points.

Central Information and Coordination Office (CICO)

Activities of DIPs:

Based on the Monthly reports of DIPs, in March 2013 there were:

- a total number of visitors in DIPs amounting to 1188 (until now a total of 14 577);
- a total of 1510 requests for information received (until now a total of 14 669),
- a total of 1538 answers of requests of information were sent (until now a total of 14 487),
- 620 publications in media (until now a total of 7 961),
- 148 events with a total number of 4512 people invited (until now a total of 1224 events/44 066 people invited),
- 3480 were present at organized by DIPs events (until now a total of 33 521).

Trainings, study visits, events, organized by CICO:

Two trainings took place in March: “The new programming period and the role of DIPs” and “Conflict management”.

25 managers attended the first seminar. It took place in Kiustendil (4-6 March 2013).

Total of 59 employees of DIPs (including all managers) divided in three groups participated in the second training. The seminars took place on the 13-15 March in Shumen, 20-22 March in Haskovo and 27-29 March in Varna.

UMIS

- In March the technical specification for information system to be used in the next programming period was presented to the Managing Authorities, the Certifying Authority and the Audit Authority. In addition the plans for the development of the E-services in the next programming period were presented to the working group for the partnership contract.
- A new version of the public module of UMIS was introduced. The public module now has an English version and can be used by people outside Bulgaria, who do not speak Bulgarian. The public module is compliant with most of the requirements for information and publicity for the next programming period.
- 6 trainings for UMIS users were organized in March. A total of 53 people took part in them.

Certifying Authority

- Certifying Authority finalized in March 2013 **five desk checks on** Reports on Certification and Statements of Eligible Expenditures submitted by Managing Authorities of OP “Administrative capacity”, OP “Transport”, OP “Regional Development”, OP “Environment” and OP “Technical assistance”. **One desk check** on Report on Certification and Statements of Eligible Expenditures submitted by Managing Authority for OP “Human Resources Development” has been started in Certifying Authority.
- Certifying Authority performed in March 2013 **three on-the-spot checks** at the Managing Authorities of OP “Regional Development”, OP “Environment” and OP “Human Resources Development”. The findings of the OP “Environment” and OP “Regional Development” are submitted to the responsible Managing Authorities. The report of OP “Human Resources Development” is finalized in April.
- The Certifying Authority performed **two on-the-spot checks at the level of beneficiary** for the OP “Development of the Competitiveness of the Bulgarian Economy”. The report from the on-the-spot checks under is submitted to Managing Authority in April.
- The Certifying Authority submitted to the European Commission **seven Certificates** under the following OPs: **one** for OP “Regional Development”- amounting to **57 639 799** EUR, **one** for OP ”Technical assistance” amounting to **544 316** EUR, **one** for OP “Administrative capacity” amounting to **4 750 190** EUR, **two** for OP “Transport”- **one** for Priority axes co-financed by the Cohesion fund amounting to **40 648 198** EUR and **one** for Priority axes co-financed by the European regional development fund amounting to **1 615 365** EUR and **two** for OP “Environment” – **one** for Priority axes co-financed by the Cohesion fund amounting to **8 518 735** EUR and **one** for Priority axes co-financed by the European regional development fund amounting to **5 667 476** EUR.
- In March 2013, **one interim payment from the EC** was received as a result of submitted Application for payment under OP “Human Resources Development” amounting to **19 065 056** EUR.

OP / FUND	Certified expenditures up to 31.03.2013	Interim payments received from EC as per 31.03.2013
ERDF	1 359 100187 €	921 241 162 €
1.OP Competitiveness of the Bulgarian Economy	589 260 971 €	394 174 010 €

2. OP Regional Development	440 755 234 €	306 658 782 €
3. OP Technical Assistance	13 489 724 €	11 003 597 €
4. OP Transport	263 514 083 €	169 953 978 €
5. OP Environment	52 080 175 €	39 450 795 €
CF	792 654 594 €	592 501 766 €
1. OP Environment	144 091 208 €	106 498 885 €
2. OP Transport	648 563 386 €	486 002 881 €
ESF	344 955 019 €	285 338 464 €
1. OP Human Resources Development	288 520 794 €	241 416 134 €
2. OP Administrative Capacity	56 434 225 €	43 922 330 €
Total SCF	2 496 709 800 €	1 799 081 392 €
Total IPA Cross-border Programmes	10 065 957 €	8 555 127 €

Operational Programmes

OP Transport

OP Transport

- The price bids of the eligible applicants in an open procedure for awarding of a contract for "Reconstruction and renovation of the entrance building station of Pazardjik railway station - stage II." were opened in NRIC on 03.28.2013.
- On 27.03.2013 was launched an open procedure for awarding of a contract for "Rehabilitation of the Burgas railway complex station for passengers." The deadline for submission of tenders is 05.13.2013.

OP Environment

- Currently, the total amount of the commercial contracts signed by the beneficiaries of OPE is nearly 40% of the program's. It is expected another 65% to be signed, but that depends to the procurement process, including appealing the assessment. Practically, even after the signing of the contracts savings are realized.
- On 1 March 2013 the construction under the "Expansion and reconstruction of WWTP Tervel, reconstruction and completion of the sewerage network and reconstruction of the water supply network of Tervel" has been started. The project is worth to MEUR 9.05.
- On 6 March 2013, an agreement was signed to provide grants for the implementation of the second phase of the integrated waste treatment system of Sofia Municipality. The total amount of the mechanical-biological waste treatment worth to MEUR 98.47, integrated system has a total value of MEUR 184 out of which MEUR 153.39 grants, provided by the ERDF and the national budget.
- On 08.03.2013 have signed 2 contracts under the measures against forest fires and floods. The beneficiary is Directorate General for Fire Safety and Civil Protection at the Ministry of Interior almost MEUR 51.13. Measures against forest fires and floods, are included in

the proposal for extension of the scope of the OP, approved by the EC on 14 February 2013.

- On 19.03.2013 the construction activities for water project Rakovski have been started. The project is worth MEUR 58.8. It is expected to be completed by 2015.
- On 21.03.2013 the construction of the water cycle project in Knezha has been started. The project has a total value of MEUR 16.97. It is expected the construction works to be completed till the end of 2014.
- On 28.03.2013 the construction under the water projects of Sozopol has been started. The total project is worth over MEUR 38.35.

OP “Regional Development”

- On 25-26 March 2013 was held the seventh meeting of the Thematic Working Group for the preparation of the OP Regions in growth for the programming period 2014 – 2020.

During the meeting were discussed and presented the following topics: the progress of the negotiation process with EC; the progress in preparation of OPRG 2014-2020; the results of the 4 stage of drafting the socio-economic analyses; the progress of the preparation of the PA; presentation of the last comments received after the sixth meeting of the TWG and the main recommendations given during the ex-ante evaluation of OPRG 2014-2020. Some decisions were taken as: adopting the second draft of the OPRG; dividing the regional and social infrastructure PA into two separate PAs; dropping out the PA regarding the risk prevention from OPRG; enabling the EE measures to be implemented on the whole areas of the 67 towns; establishment the FEI in PA Sustainable urban development OPRG.

OP “Technical Assistance”

- During the period the process of verifying the costs of beneficiaries from the received requests for payments continued.
- In March, the regional information centres continued to provide information to their visitors as well as to perform information campaigns in the municipalities throughout the whole country.
 - 2 educational events held with 81 participants;
 - 148 information campaigns carried out with a total of 3480 participants;
- During the regarded period there were held the following events:
 - On 19 March 2013 - Discussion on the integrated plans for urban regeneration and development was made.
 - 21 March 2013 - Building a resource-coordination center and an electronic system for the development, management and reporting of municipal EU projects will be funded under the Operational Programme "Technical Assistance".

OP “Development of the Competitiveness of the Bulgarian Economy”

- On 4 March 2013 seven additional project proposals, submitted under the eleventh session of the procedure without fixed deadline for application BG161PO003-1.1.03 „Development of innovative start-up companies through support for introduction of innovative products, processes and services” were approved for funding. The total requested amount of the grant is EUR 2 068 994.
- During the period 11-13 March 2013, Information days on the promotion of the procedure BG161PO003-2.4.02 „Support for development of clusters in Bulgaria” were held in three cities as follows: Sofia (11.03.), Stara Zagora (12.03.) and Varna (13.03.). The deadline for submission of the applications is 16 April 2013.
- During the period 29 March-5 April 2013 Information days concerning the new conditions for selecting the subcontractors by the beneficiaries, set in the new Decree 69/2013, were held in Sofia (29 March), Plovdiv (4 April) and Varna. The new moment is that only one procedure for selection of subcontractors is introduced – public notice.

OP “Human Resources Development”

- In the reporting period the following procedure was launched:
 - BG051PO001-5.2.15 “Chance for happy future”, Component 2 “Introduction of innovative integrated services for deinstitutionalization and prevention of abandoning of children aged 0-3 years”. The procedure was opened on 29.03.2013 and its objective is to realize sustainable model for deinstitutionalization of children through provision of integrates socio-health services for support of families and prevention of the risk of abandoning. The activities will be implemented in 8 Municipalities-beneficiaries under Component 1 – Gabrovo, Montana, Pazardjik, Pernik, Plovdiv, Sofia, Ruse and Turgovishte. The deadline for submission of project proposals expires on 02.05.2013. The total budget of the procedure is 4,800 mln.leva;
- With written procedure in the period 07-28.03.2013, the Council for Coordination in EU Funds Management approved Annual Indicative Working Programme of OPHRD for 2013. The Programme consists of only one procedure - “Chance for happy future”, Component 2. It was planned for launching in the fourth quarter of 2012 but its start was delayed due to the necessity to accumulate progress under the Component 1 of the same operation, as well as under other related operations in the field of deinstitutionalization.
- On 06.03.2013 in Sofia was conducted a joint meeting between OPHRD MA and representatives of three out of four beneficiary-municipalities under INTEGRA operation. At the meeting were discussed the technical aspects of the conclusion of the contracts with the beneficiaries and other operational issues for prompt start of the activities under the respective projects.

OP “Administrative Capacity”

- The proposed amendments in the Operational Programme related to reallocation of 11,683 MEUR from PA2 to PA1 (1,908 MEUR) and PA3 (9,775 MEUR) and changes in the target values of the indicator “Total number trained administration employees” as well as completion of the reporting under two PA3 indicator, were officially submitted to EC for approval on 15.03.2013 through SFC2007.

- The proposed amendments in the OPAC Annual Working Programme for 2013 with inclusion of three new procedures and to increase the budgets of the procedures 1.1-07 and 1.3-07 (both for Municipalities) were officially approved by the Minister for EU Funds Management.
- In the reporting period the following procedures were launched:
 - BG051PO002/13/3.2-04 “Standard information-communicational environment and interoperability”. The objective is support the extension of the functionality of the unified portal for provision of electronic administrative services, as well as to ensure interoperability of the information systems of the administrations at central level. The call for proposals is oriented to Central Administration. The deadline for submission of project proposals is 31.05.2013, the total budget of the procedure is 179 000 euro;
 - BG051PO002/13/1.2-06 “Transparent and decent State Administration”. The objective is support the improvement of the existing legislation, structures and mechanisms for ensuring control over the management and functioning of the administration in the view of the fight against corruption. The call is for direct awarding for the Council of Ministers’ Administration. The deadline for submission of project proposals is 31.05.2013, the total budget of the procedure is 1,534 MEUR;
 - BG051PO002/13/2.2-11 “Competent and Effective State Administration”. The objective is to enhance the qualification of the servants at all levels of the State Administration through trainings within the country. The call for proposals is open for the administrations at central, district and local level. The deadline for submission of project proposals is 15.05.2013, the total budget of the procedure is 3,580 MEUR;
- Under the procedure BG051PO002/12/2.2-10 “Competent and effective State Administration” the check on potential overlap and double financing was completed and no such cases were detected. Thus the Contract with the direct beneficiary - Council of Ministers’ Administration amounting to 330 000 euro will be signed in due time.
- Under the procedure BG051PO002/12/2.2-09 “Competent and effective State Administration” the check on potential overlap and double financing was completed and no such cases were detected. Thus the contract with seven beneficiary administrations amounting to 3,775 MEUR will be signed in due time.
- Under the procedures BG051PO002/12/2.2-08 “Competent and effective state administration” the check on potential overlap as the requested information from the potential beneficiaries was submitted showing lack of double financing. Thus, the conclusion of the respective contracts will be done in due time.

Programming period 2014-2020:

OP Human Resources Development – the fourth meeting of the Thematic Working Group took place on 05.03.2013. There were presented the second draft of the Operational Programme as well as the comments that had been received so far and their outline in the text of the OP. Also were presented the draft template and model of Operational Programme for the period 2014-2020. In conclusion was discussed the level of implementation of the ex-ante conditionalities applicable to the OPHRD 2014-2020.

OP Education and Science for Intelligent Growth - in the reporting period were conducted three meetings (14.03, 22.03, 29.03) of the respective Thematic Working Group which was established in late February 2013. There were presented and discussed the draft template and model of Operational Programme for the period 2014-2020 as well as drafts of the texts of the main Priority Axis of the future Programme. Prior to the first meeting of the TWG, on 07.03 was conducted a working meeting between the Central Coordination Unit and Ministry of Education, Science and Youth for discussions and clarifications on the technical aspects of the elaboration of the future OP.

OP Good Governance – the first meeting of the respective Thematic Working Group took place on 21.03.2013, as the respective order for its creation was issued in early March 2013. There were presented and discussed the draft template and model of Operational Programme for the period 2014-2020 as well as the initial Concept of OP Good Governance.

OP Implementation as of 31.03.2013

EURO

OPERATIONAL PROGRAMME	Programme budget			Contracted		Payments		Received payments from EC	
	Total	EU Funding	National co-funding	Total as of 31.03.2013	% implementation	Total as of 31.03.2013	% implementation	Received payments from the EC (EU part) as of 31.03.2013	% implementation
OP Transport	2 003 481 166 €	1 624 479 623 €	379 001 543 €	1 906 709 859 €	95.17%	911 085 208 €	45.48%	820 995 073 €	50,54%
OP Environment	1 800 748 085 €	1 466 425 481 €	334 322 604 €	2 749 330 759 €	152.68%	359 908 455 €	19.99%	293 338 467 €	20,00%
OP Regional Development	1 601 274 759 €	1 361 083 545 €	240 191 214 €	1 455 852 702 €	90.92%	631 987 690 €	39.47%	429 156 301 €	31,53%
OP Competitiveness	1 162 215 552 €	987 883 219 €	174 332 333 €	970 852 824 €	83.53%	526 510 526 €	45.3%	483 083 500 €	48,90%
OP Technical Assistance	56 819 427 €	48 296 513 €	8 522 914 €	54 474 170 €	95.87%	20 465 049 €	36.02%	15 350 283 €	31,78%
OP Human Resource Development	1 213 869 575 €	1 031 789 139 €	182 080 436 €	1 081 427 809 €	89.09%	451 076 527 €	37.16%	315 212 100 €	30,55%
OP Administrative Capacity	180 789 087 €	153 670 724 €	27 118 363 €	140 193 251 €	77.55%	75 399 121 €	41.71%	57 752 695 €	37,58%
TOTAL SCF	8 019 197 651 €	6 673 628 244 €	1 345 569 407 €	8 358 841 373 €	104.24%	2 976 432 576 €	37.12%	2 414 888 420 €	36,19%
Rural Development	3 231 293 532 €	2 603 319 188 €	627 974 344 €	2 413 039 473 €	74,68%	1 498 541 280 €	46,38%	1 169 314 096 €	44,92%
OP Fisheries	101 168 996 €	75 876 747 €	25 292 249 €	84 440 629 €	83,46%	30 333 115 €	29,98%	24 502 674 €	32,29%
TOTAL AGRICULTURAL FUNDS	3 332 462 528 €	2 679 195 935 €	653 266 593 €	2 497 480 103 €	74,94%	1 528 874 396 €	45,88%	1 193 816 770 €	44,56%
TOTAL	11 351 660 179 €	9 352 824 179 €	1 998 836 000 €	10 856 321 476 €	95,64%	4 505 306 972 €	39,69%	3 608 705 190 €	38,58%