

# **Implementation of the Structural funds in Bulgaria**

## **Monthly Brief, September 2015**

### **Horizontal issues and legislative procedures**

- During the month were prepared the 2nd set of changes of the Partnership Agreement of Bulgaria. The changes reflect the amended Financial Framework for the 2014-2020 period as well as other financial changes in order to align the Partnership Agreement with the already approved programmes. It also reflects the development of the 10th Bulgarian Operational programme, dedicated to the Initiative for Small and Medium Enterprises.
- Monthly update of the ExAC implementation status is carried out and a summarized Action plan for implementation of the ExAC that are not fulfilled is published at [www.eufunds.bg](http://www.eufunds.bg).
- Ensuring the functioning of Working group “Regional policy and coordination of Structural instruments”:
  - Bulgarian representatives in SAWP, COESIF and EGESIF were provided with comments and instructions on the discussed documents after coordination with the relevant domestic institutions.
  - Coordination and preparation of Bulgarian frame position on the amendment of Regulation 1303/2013 concerning special measures for Greece.
- The MoU and Template Agreement with the WB were officially signed on 1 September 2015. The draft MoU and Template Agreement with EBRD were further negotiated.

### ***Information and Publicity***

- In September, the Central Coordination Unit (CCU) re-launched the media campaign in national TV and radio stations. During the reported period the last of series of spots was included in the broadcast schemes. The aim of the latest spot was to provoke greater interest to the new calls proposals under the new programmes and the Network of DIPs as a main channel for information. In September nearly 300 spots were broadcasted in 4 national TV channels and 2 radio stations.
- CCU also continued the regular update of the Single information web-portal with news, information and documents about 2007-2013 and 2014-2020 programming periods as well as with information about the activities of the DIPs for EU Cohesion Policy. The Facebook profile of [Eufunds.bg](http://Eufunds.bg) has also been actively used to disseminate information about the operational programmes and the work of the DIPs.

### ***Activities of DIPs:***

- Based on the Monthly reports of DIPs, in September 2015 there were:
  - a total number of visitors in DIPs amounting to 1 202 (until now a total of 65 806)
  - a total of 1 180 requests for information received (until now a total of 62 728)
  - a total of 1 178 answers of requests of information were sent (until now a total of 62 339)
  - 427 publications in media (until now a total of 25 272)
  - 101 events with a total number of 2 237 people invited (until now a total of 4 850 events/193 317 people invited)
  - 2 606 were present at organized by DIPs events (until now a total of 154 716).

### ***Events, trainings, campaigns:***

- During 16-25 September the Network of 28 DIPs implemented a campaign dedicated to the 25th anniversary of INERREG. The motto of the initiative in Bulgaria was “Let’s celebrate together INERREG 25”. For this campaign CCU prepared special branding based on the official brand of the anniversary. Most of the activities were held via separate (created for the initiative) page in the social network Facebook. The DIPs updated the timelines of all 27 Facebook pages with the new image and published the translated flyer. On 16th of September they published more than 130 selected projects, financed under ETC programmes as good examples, announced a national contest for best project and invited all their friends and followers to visit the page, vote, comment or add a project. All users of the social network were able to vote using the “like” button under the publications until 5 p.m. on 24th of September. The project with largest number of “likes” was “Cross border center for information and communication Dolj - Vratsa” financed under Bulgaria-Romania CBC programme. During the period 16-25 Sept. all DIPs that cover regions eligible under ETS programmes organized more than 20 open air events dedicated to the anniversary. During the events the experts disseminated information and materials for INTERREG, the programmes in Bulgaria and the good examples. Thousands of citizens in Bulgaria visited the stands and the Facebook page of the initiative. The campaign gathered great media interest and provoked entirely positive feedback.
- Moreover based on the participation of the DIPs in the information campaigns OPs the Network continued to organize local events for promotion of the open calls for proposals and series of events dedicated to the work with the Unified Management and Information System for users in terms of compulsory e-submission of project proposals.

### **Certifying Authority**

- In September 2015 the Certifying Authority performed checks on Reports on Certification and Statements of Eligible Expenditure submitted by Managing Authorities for five Operational Programs: OP “Regional Development”, OP “Competitiveness of the Bulgarian Economy”, OP “Administrative Capacity”, OP “Human Resources Development” and OP “Environment” as well as and for the three IPA Cross-Border Programs.
- In September 2015 the Certifying Authority performed five on-the-spot checks at the Managing Authorities for five Operational Programs under SFC: OP “Regional Development”, OP “Competitiveness of the Bulgarian Economy”, OP “Administrative Capacity”, OP “Human Resources Development” and OP “Environment”. The findings were sent to the Managing Authorities for all programmes except for the OP “Environment”, for which the on-the-spot check continued in October.
- The Certifying Authority submitted to the European Commission in September two Certificates, as follows: one for OP “Competitiveness of the Bulgarian Economy” and one Certificate for OP “Technical Assistance”.
- In September 2015, six payments from the EC for the total amount of 165 974 771 EUR were received as a result of submitted Applications for payment, as follows: one tranche under OP “Competitiveness of the Bulgarian Economy” amounting to 41 712 460 EUR, two tranches under OP “Regional Development “ amounting to 51 920 306 EUR, one tranche under OP “Technical Assistance” amounting to 2 063 684 EUR and two tranches under OP

“Environment”- one for ERDF priority axes amounting to 38 759 532 EUR and one for CF priority axes amounting to 31 518 789 EUR.

<b>OP / FUND</b>	<b>Certified expenditures up to 30.09.2015</b>	<b>Interim payments received from EC as per 30.09.2015</b>
<b>ERDF</b>	<b>3 205 253 268 €</b>	<b>2 272 312 463 €</b>
1.OP Competitiveness of the Bulgarian Economy	1 394 978 786 €	804 922 058 €
2. OP Regional Development	1 092 398 041 €	914 081 008 €
3. OP Technical Assistance	43 330 781 €	36 831 165 €
4. OP Transport	392 289 709 €	276 560 674 €
5. OP Environment	282 255 951 €	239 917 558 €
<b>CF</b>	<b>1 843 083 892 €</b>	<b>1 420 978 660 €</b>
1. OP Environment	738 034 652 €	589 827 384 €
2. OP Transport	1 105 049 240 €	831 151 276 €
<b>ESF</b>	<b>1 208 925 943 €</b>	<b>998 835 572 €</b>
1. OP Human Resources Development	1 077 740 824 €	887 338 659 €
2. OP Administrative Capacity	131 185 119 €	111 496 913 €
<b>Total 2007-2013 SCF</b>	<b>6 257 263 103 €</b>	<b>4 692 126 695 €</b>
<b>Total IPA Cross-border Programmes</b>	<b>53 481 431 €</b>	<b>45 365 822 €</b>

### Operational programmes 2007 -2013:

#### **OP “Environment”**

- During the reporting period the following facilities, constructed under the OPE 2007-2013 were put into operation:
  - On Sept 04, 2015 - the WWTP in Kazanlak.
  - On Sept 07, 2015 - the Regional non-hazardous waste treatment center for municipalities Haskovo, Dimitrovgrad and Mineralni Bani.
  - On Sept 08, 2015 - the WWTP in Konstinbrod.
  - On Sept 10, 2015 - the water cycle of Kardzhali, which covered 41 km water supply and sewerage network and wastewater treatment plant.
  - On Sept 14, 2015 was held opening ceremony of the mechanical-biological treatment plant of in Sofia. The plant will process 410,000 tons waste annually - it will be produced fuel, recycled materials and compost.

#### **OP “Transport”**

- In the beginning of the month (1st and 2nd of September) were held a couple of meetings with OPT beneficiaries - Road Infrastructure Agency, National Company Strategic Infrastructure Projects and National Railway Infrastructure Company. The meetings were initiated by the OPT Managing Authority and aimed to follow-up the implementation of the projects and to determine if there are any problems that might put at risk some of the projects. All parties agreed that further mobilization is needed so that none of the projects is left unfinished.

- In September was completed the second stage of the construction of Gabrovo bypass. It is 3.2 km long and the construction included the rehabilitation and reconstruction of existing third class road.
- Construction works on Lot 4 of Struma Motorway between Sandanski and Kulata were finally completed in September 2015. Parts of the section were already released on 16th and 31st July, 2015, to ease the traffic to Greece.
- On September 10, 2015 was completed and officially launched the BULRIS system. The established telecommunications infrastructure ensures full and continuous transmission of data along the entire Bulgarian coast of the Danube River.
- On September 24, 2015 the Managing Authority organized an Annual public event of the results achieved so far from the OPT implementation. The event was attended by the Minister of Regional Development and Public Works, representatives of the beneficiaries of the programme, of the executive and the local authorities, of NGOs, experts and others.

### ***OP “Development of the competitiveness of the Bulgarian economy”***

- Gas Interconnector Project Bulgaria-Serbia. Organizational and management activities of the project: On September 8, 2015 a meeting was held in Brussels for the Central and South Eastern Europe Gas Connectivity (CESEC) where the roadmap for project implementation coordinated with the Serbian side was considered in order to assuring the financing of the Gas Interconnector Project of Serbian territory. The meeting was attended by experts from the Ministry of Economy, “SRBIJAGAS” and “Bulgartransgaz” EAD.

### **Programming period 2014-2020:**

#### ***OP Regions in Growth***

- On Sept 08, 2015 a discussion forum “The nine ways towards EU funds”, organized by national media and the Confederation of the employers and manufacturers in Bulgaria took place in Sofia. The Minister of regional development and public works presented the main focus of the Operational Programme “Regions in Growth” 2014-2020 addressing the policy for sustainable and integrated urban development in 39 big and medium towns in Bulgaria.
- On Sept. 14, 2015 an information day took place addressing 28 towns –municipal centers in peripheral areas from the 4-th level of the National polycentric system. The Deputy Minister of regional development and public works presented the requirements for preparation and evaluation of project proposals on this procedure. The deadline of submission of project proposals is May 31, 2016. Until March 15, 2016 each municipality should submit project proposals for at least 50% from the budget of the town as set in the procedure.

#### ***OP Environment***

- The second Monitoring Committee of the OP Environment 2014-2020 was held on 10 September 2015. The Committee has approved the Strategic Plan for TA, the methodology and evaluation criteria for proposals through budget line by TA, as well as methodology and evaluation criteria for proposals under direct award procedures for institutional capacity, conducting the water sector reform and for elaboration of EA for adoption of river basin management plans and the Maritime strategy.

## ***OP Transport and Transport Infrastructure***

- Upon acceptance of the work of the commission appointed for the conduct of the tender procedure via public invitation with subject: “Road safety audit of the preliminary design of Struma Motorway Lot 3.1 and Zheleznitsa Tunnel”, “Injconsultproekt“ OOD has been appointed as a contractor for this tender. The price for the services offered by the participant, appointed as a contractor, is EUR 4 550 excluding VAT and the time for completion is 56 days.
- On September 24, 2015 National Company Strategic Infrastructure Projects and the MA of OPTTI signed a grant contract for the implementation of project „Struma Motorway Lot 3.1, Lot 3.3 and Zheleznitsa Tunnel“. The total value of the financing under the grant contract is MEUR 378.
- On September 25, 2015 National Company Strategic Infrastructure Projects and Consortium „Struma – LOT 3.3“ signed a contract based on a restricted tender procedure with subject: „Design and build of Struma Motorway, Lot 3.3“. The term of the signed contract is three and a half years. The maximum contract value is MEUR 143 including VAT.
- On September 25, 2015 National Company Strategic Infrastructure Projects and „Patinvest Engineering“ JV signed a contract based on an open tender procedure with subject: „Supervision of the design and build of Struma Motorway, Lot 3.3“. The maximum admissible remuneration for the services offered by the participant, appointed as a contractor, is EUR 1 839 523 including VAT and the time for completion is 60 months.

## ***Operational Program “Innovations and Competitiveness” (OPIC)***

- On 8th September, 2015 was the second deadline for submission of project proposals for applicants with codes of major economic activity within the high-technology and medium high-technology industrial sectors under the procedure: BG16RFOP002-2.001 „Improving the Production Capacity of SMEs”, Priority Axis 2 “Entrepreneurship and Capacity for Growth of SMEs”, Investment Priority 2.2 “Capacity of SMEs to Grow”.
- On 15th September, 2015 following Art. 7, Para. 3 of Decree № 107/2014 of the Council of Ministers, the Managing Authority of Operational Program “Innovations and Competitiveness” 2014-2020 published for a public discussion a draft version of an Indicative Annual Work Program for 2016.
- On 23th September, 2015 the Managing Authority of OPIC submitted to the EK request for amendment of the Operational Program in regards with new Operational Program “Initiative for Small and Medium Enterprises” 2014-2020.
- On 30th September, 2015 by Implementing Decision C (2015) 1699 of the European Commission the amendments of the OPIC 2014-2020 were approved.

## ***OP Human Resources Development***

- OPHRD MA launched a procedure for direct awarding BG05M9OP001-1.005 “Trainings and employment for young people”. The objective is to integrate unemployed young people up to 29 years of age, registered in public employment office at the National Employment Agency in employment with an employer by providing training and subsidy for continuous employment. The direct beneficiary is the National Employment Agency. The budget is 115

mln. leva, the deadline for submission of application is 30.09.2015. Only e-application is foreseen.

- OPHRD MA published a draft 2016 Indicative annual work programme (IAWP) for public discussion. The deadline for submission of comments and suggestions on the draft IAWP is 16 October 2015.
- On 17 September 2015, the contracts under the scheme “Independent Living” were awarded to the first 81 municipalities for implementation of approved social projects. The envisaged activities cover a wide range of social services, including personal assistants for the elderly and people with disabilities. The total value of the contracts is nearly 40 mln. leva.
- OPHRD MA launched a procedure for direct awarding BG05M9OP001-1.006 “Trainings and employment”. The objective is to integrate unemployed young people up to 29 years of age, registered in public employment office at the National Employment Agency in employment with real business employer or local government institutions through trainings tailored to individual needs of the workplace and subsidy for employment. The direct beneficiary is the National Employment Agency. The budget is 50 mln. leva, the deadline for submission of application is 15.10.2015. Only e-application is foreseen.

### ***OP Science and Education for Smart Growth***

- OPSESG MA started an information campaign. Its objective is to promote among the potential beneficiaries in six cities (Sofia, Sliven, Kardjali, Vidin, Silistra and Veliko Tarnovo) the new opportunities for applying under the following two operations – “Educational integration for students from ethnic minorities and/or for seeking or granted international protection” and “Support for preschool education and preparation of vulnerable children”.
- OPSESG MA published a draft 2016 Indicative annual work programme (IAWP) for public discussion. The deadline for submission of comments and suggestions on the draft IAWP is 12 October 2015.
- OPSESG MA launched a grant procedure BG05M20P001-3.001 “Support for preschool education and preparation of vulnerable children”. The objective is to help children from ethnic minorities and / or marginalized social groups / and families seeking or granted international protection. The budget is 10 mln. leva, the deadline for submission of applications is 30.11.2015. Only e-application is foreseen.
- OPSESG MA launched a grant procedure BG05M20P001-3.002 “Educational integration for students from ethnic minorities and/or for seeking or received international protection”. The objective is to create conditions for successful socialization of students from ethnic minorities and / or marginalized social groups / and families seeking or granted international protection. The budget is 25 mln. leva, the deadlines for submission of applications are 30.11.2015 and 29.04.2016. Only e-application is foreseen.

### ***OP Good Governance***

- OPGG MA published a draft 2016 Indicative annual work programme (IAWP) for public discussion. The deadline for submission of comments and suggestions on the draft IAWP is 15 October 2015.

### ***OP under the Fund for European Aid to the most deprived 2014-2020***

- Tendering procedure for selection of supplier of food products is ongoing.
- Distribution of individual food packages is expected to start in mid-November 2015.

*Data on OPs financial progress is attached.*

**OP Implementation as of 30.09.2015**  
**EURO**

OPERATIONAL PROGRAMME	Programme budget *			Contracted		Payments		Received payments from EC	
	Total	EU Funding	National co-funding	Total as of 30.09.2015	% implementation	Total as of 30.09.2015	% implementation	Received payments from the EC (EU part) as of 30.09.2015	% implementation
OP Transport	2 003 481 166 €	1 624 479 623 €	379 001 543 €	2 028 127 390 €	101,23%	1 585 317 518 €	79,13%	1 272 750 164 €	78,35%
OP Environment	1 717 164 786 €	1 395 379 676 €	321 785 110 €	2 112 001 310 €	122,99%	1 663 230 956 €	96,86%	977 133 730 €	70,03%
OP Regional Development	1 601 274 759 €	1 361 083 545 €	240 191 214 €	1 671 931 919 €	104,41%	1 382 450 200 €	86,33%	1 036 578 527 €	76,16%
OP Competitiveness	1 162 215 551 €	987 883 218 €	174 332 333 €	1 183 511 900 €	101,83%	1 048 126 417 €	90,18%	893 831 549 €	90,48%
OP Technical Assistance	54 658 454 €	46 459 686 €	8 198 768 €	58 366 415 €	106,78%	51 764 708 €	94,71%	41 177 850 €	88,63%
OP Human Resource Development	1 213 869 575 €	1 031 789 139 €	182 080 436 €	1 258 316 359 €	103,66%	1 129 760 871 €	93,07%	980 199 682 €	95,00%
OP Administrative Capacity	174 057 556 €	147 948 923 €	26 108 633 €	193 967 131 €	111,44%	156 930 769 €	90,16%	125 327 278 €	84,71%
<b>TOTAL SCF</b>	<b>7 926 721 847 €</b>	<b>6 595 023 810 €</b>	<b>1 331 698 037 €</b>	<b>8 506 222 425 €</b>	<b>107,31%</b>	<b>7 017 581 438 €</b>	<b>88,53%</b>	<b>5 326 998 779 €</b>	<b>80,77%</b>
Rural Development	3 166 565 492 €	2 551 518 762 €	615 046 730 €	3 219 105 150 €	101,66%	2 548 471 653 €	80,48%	2 148 324 577 €	84,20%
OP Fisheries	83 710 891 €	62 783 168 €	20 927 723 €	97 938 073 €	117,00%	63 993 791 €	76,45%	47 274 559 €	75,30%
<b>TOTAL AGRICULTURAL FUNDS</b>	<b>3 250 276 383 €</b>	<b>2 614 301 930 €</b>	<b>635 974 453 €</b>	<b>3 317 043 223 €</b>	<b>102,05%</b>	<b>2 612 465 445 €</b>	<b>80,38%</b>	<b>2 195 599 136 €</b>	<b>83,98%</b>
<b>TOTAL</b>	<b>11 176 998 229 €</b>	<b>9 209 325 740 €</b>	<b>1 967 672 490 €</b>	<b>11 823 265 647 €</b>	<b>105,78%</b>	<b>9 630 046 883 €</b>	<b>86,16%</b>	<b>7 522 597 915 €</b>	<b>81,68%</b>

\* The budgets of OPE, OPTA, OPAC, RDP and OPF are decreased with the amounts of decommitments for 2013 and 2014