

Project Implementation Manual

**Restricted Call for Strategic Project Proposal
No 2021TC16IPCB007 – 2022 – 1**

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LIST OF ACRONYMS

AA	<i>Audit Authority</i>
AB	<i>Accounting body</i>
AF	<i>Application Form</i>
CBC	<i>Cross-border cooperation</i>
CfP	<i>Call for Proposals</i>
EC	<i>European Commission</i>
ETC	<i>European Territorial Cooperation</i>
FPPR	<i>Final Project Report</i>
IPA	<i>Instrument for Pre-Accession Assistance</i>
IA	<i>Implementing Agreement</i>
MC	<i>Monitoring Committee</i>
JS	<i>Joint Secretariat</i>
LP	<i>Lead Partner</i>
MA	<i>Managing Authority</i>
MRDPW	<i>Ministry of Regional Development and Public Works of Bulgaria</i>
NA	<i>National Authority</i>
NC	<i>National Control</i>
OJEU	<i>Official Journal of the European Union</i>
PA	<i>Partnership Agreement</i>
PIM	<i>Project Implementation Manual</i>
PP	<i>Project partner</i>

PPA	<i>Public Procurement Act of the Republic of Bulgaria</i>
PR	<i>Project Report</i>
PPR	<i>Project Progress Report</i>
PRAG	<i>Practical Guide for Procurement and Grants for European Union external actions</i>
SC	<i>Subsidy Contract</i>
TA	<i>Technical Assistance</i>
ToR	<i>Terms of Reference</i>
VAT	<i>Value Added Tax</i>

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1. INTRODUCTION

The purpose of the Project Implementation Manual (PIM) is to provide detailed guidance to Lead Partner (LP) and Project Partners (PPs) of the approved projects within the Restricted Call Strategic Project Proposal under the (INTERREG VI-A) IPA Bulgaria Serbia Programme (hereinafter the Programme) on the full project life cycle, starting from contracting to closure, including reporting obligations, public procurement procedures, payments, publicity measures, etc.

The PIM and its annexes may be amended during the project implementation period. Any amendment of the PIM will be announced at the Programme's web site: <https://ipa-bgrs.mrrb.bg> and the latest version will be uploaded.

The Lead Partner should ensure that the project is implemented according to the actual version of the PIM, and the latest versions of Annexes are used. In case of specific problems related to particular operations, the Joint Secretariat and the Managing Authority should be contacted for advice.

The language of the Programme is English. All official communication, including the reporting, has to be done in English. Exceptionally, in some case, communication within the project between the project partners and Programme bodies may take place in national languages.

2. INSTITUTIONAL FRAMEWORK

The Territorial Cooperation Management Directorate, appointed as the **Managing Authority (MA)** for the (Interreg VI-A) IPA Bulgaria Serbia Programme, is a part of the specialized administration at the Ministry of Regional Development and Public Works of the Republic of Bulgaria.

The **National Authority (NA)** – the Ministry of European Integration of the Republic of Serbia, cooperates in the joint programming, management and implementation of the Programme and provides assistance to the Managing Authority, Accounting Body and Audit Authority in their respective duties.

The **Monitoring Committee (MC)** consists of representatives appointed by the partnering

countries, according to the partnership principle. Representatives of the European Commission, the Accounting Body and the Audit Authority or other relevant bodies participate in the work of the MC in advisory capacity.

The main competencies and responsibilities of the MC are as follow:

- ✓ review the overall effectiveness, quality and coherence of the implementation of all actions towards meeting the objectives set out in Programme, the financing agreements and the relevant strategy paper(s). It may make recommendations for corrective actions whenever needed;
- ✓ monitoring by reference to indicators laid down in the Programme in accordance with Article 34 of Regulation (EU) No 2021/1059.

Detailed information on composition, chairmanship and decision taken by the MC is available on the Programme's website: <https://ipa-bgrs.mrrb.bg/>

The **Joint Secretariat (JS)** of the Programme assists the MA / NA and the MC of the Programme in carrying out their respective duties. The JS takes part in all phases of the programme's lifecycle - launching of Call for proposals, evaluation and contracting of the approved projects, monitoring and control of the subsidy contracts, etc. The main office of JS is located in Sofia, Republic of Bulgaria, and the branch office - in Nis, Republic of Serbia.

The **Accounting Body (AB)** of the Programme is the "National Fund" Directorate at the Ministry of Finance of the Republic of Bulgaria.

The **Audit Authority (AA)** for the Programme is the "Audit of European Union Funds" Executive Agency at the Minister of Finance of the Republic of Bulgaria, and is assisted by a Group of Auditors. The Group of auditors is chaired by the AA and comprises equal number representatives of each country participating in the Programme.

3. INITIAL ACTIVITIES AND PROJECT SETTING UP

Once a project has been selected for funding, a subsidy contract between the Programme's MA and the Project's LP will be concluded. The Subsidy Contract establishes the rights and responsibilities of the Lead Partner and the MA.

The formal project implementation starts once the Subsidy Contract is signed. The project implementation period starts on the day following the date the Subsidy Contract enters into force (the date of registration in the administrative system of the MA).

Example: If the Subsidy contract is registered on 22.05.2023 (Contract No RD-02-xx-xxx/22.05.2023), the first day of project implementation should be the day after - 23.05.2023.

The first phase of the project implementation period is tremendously important since it may influence the whole implementation process - delays incurred in this phase may be difficult to be caught up later.

3.1. Project management staff and internal control system

The appointment of the project staff is to be carried out by all project partners as soon as the project starts. The proper appointment of the project team members is sole responsibility of the project partners, and should be carried out in accordance with the applicable European and national legislation.

Within 10 (ten) days from the beginning of the project implementation period the Lead Partner has to send to the Joint Secretariat:

- Declarations in free format signed by the legal representative of each project partner that the necessary and qualified project staff for the successful implementation of the project activities will be kept throughout the whole implementation period;
- Copy of an administrative order or a letter for nomination of the project team members by each project partner with a short description of tasks;

Staff costs shall be reimbursed as a flat rate of up to 5 % of the eligible costs under BC 4, BC 5 and BC 6 of the operation. The exact percentage of the flat rate for each project partner is indicated in the Application form (PART B, partner budget) and will remain unchanged for the entire project implementation period

After appointment/establishment of the project management team and submission of the above mentioned documents, it is not necessary to provide any other documents as employment/work contract / order, time sheets or proofs of payment of salaries. An administrative order/a letter for nomination of the project team members shall be provided to the National Controllers /MA / NA /

Auditors on request.

3.2. Advance payment

The advance payment is at the rate of 20% of the total contract amount. The MA transfers advance payment in two tranches. In order to receive an advance payment, the LP must send a request for an advance payment (see section 7.3 “Submission of Request for payment”).

The LP must send the first request for advance payment to the MA no later than 45 days after the Subsidy Contract enters into force.

3.3. Procurement plan

The LP has the obligation after signing of the Subsidy Contract to collect information about the procurement procedures to be carried out by all PPs and to summarize the information in the Project Procurement Plan (PPP) (Annex 2) along with the Declaration for Project Procurement Plan (Annex 2.1), submitted simultaneously in the JeMS.

- ✓ In the process of preparation of the PPP, the LP should take into consideration the set-up rules in the following documents: Public procurement act of the Republic of Bulgaria (PPA) and the normative acts on its application;
- ✓ Act on the Management of Resources from the European Funds under Shared Management
- ✓ Decree of No. 4 of January 11, 2024 determining the rules for the review and evaluation of offers and the conclusion of contracts in the procedure for the selection with a public invitation of beneficiaries of free financial assistance from the European funds in SPO deer management (Decree of No. 4/11.01.2024) Regulation (EU, Euratom) 2024/2509: Title VII-Procurements and concessions and especially Chapter 3-Provisions applicable for procurements in the field of external actions;
- ✓ Annex II of the Financing Agreement between EC and Serbia for beneficiaries from Serbia and until further notice, the Practical Guide on Contract Procedures for EU External Actions (PRAG) will be used;
- ✓ “Procurement procedures” section of this Manual.

Project partners are advised to consult the preparation of the PPP with the JS.

The LP has an obligation to prepare and submit to the JS a PPP within 10 (ten) working days after the Subsidy Contract enters into force. The plan is to be signed and stamped by the official representative of the Lead Partner and sent to the JS by e-mail.

Bulgarian beneficiaries, which are contracting authorities, within the meaning of the PPA, have to plan their public procurement in accordance with the requirements of the Public procurement act of the Republic of Bulgaria and the normative acts on its application.

Bulgarian beneficiaries, which are not contracting authorities, have to plan their public procurement in accordance with the requirements of the Act on the management of European funds under shared management and Council of Ministers Decree № 4/11.01.2024.

All Bulgarian beneficiaries have the obligation to amend their annual plans of public procurements and to include the expenditures under the project within 10 working days after the Subsidy Contract enters into force. Certified copy of the amended annual plan for public procurements of each Bulgarian partner should be provided to the JS.

Procedures must not be split artificially to circumvent the procurement thresholds. Services / supplies / works of the same /similar nature should be included in one procurement procedure.

When planning their procurement procedures, the Bulgarian beneficiaries should respect the following:

- **In case of expenditures that could be included in the procurement procedures not launched by the date of signature of the Subsidy contract**, the respective procedures should be amended and all relevant expenditures from the CBC project should be included into them;
- **In case of expenditures, that could be included in the procurement procedures already launched by the date of signature of the Subsidy contract**, new procurement procedures should be planned, based on the respective expenditures from the CBC project;
- **In case of expenditures that could not be included in the procurement procedures already launched by the date of signature of the Subsidy contract**, new procurement procedures should be planned, based on the respective expenditures from the CBC project;

For Serbian beneficiaries, except for requirements related to procurement rules for European Union External Actions, in the process of preparation of the Procurement plan and implementation of procurement procedures the partners should respect the following:

- **In case of two or more single tender procedures** with identical or similar subject matter, concerning the same group of economic operators, they must be awarded in accordance with their total value. If, during the project implementation, the project partner decides to award two or more identical or similar activities, and if the combined amounts of these awards exceed the threshold for the simplified procedure, an amendment to the Public Procurement Plan (PPP) should be requested..
- **In case Project partner implements simultaneously** more than one project under the Instrument for Pre-accession Assistance, i.e. other contracts will be awarded under the provisions for EU external actions, they are obliged to plan and implement the respective tender procedures so that the applicable procurement rules and thresholds to be respected. (For beneficiaries in Serbia, this rule is applicable in case a project partner implements simultaneously more than one project under the (Interreg VI-A) Bulgaria-Serbia 2021-2027 Programme only, and only under this Call).

All expenditures which could be grouped together in procurement procedures, because of similarity of their nature, should be included in the Procurement plan. Expenditures under BC 1, 2 and budget subcategories 3.2, as well as all expenditures below the minimal thresholds, which could not be grouped together with other similar expenditures, could be ordered without initiating procurement procedures. There is no need to include the expenditures which will be treated as expenses not to be procured (others) in the Procurement plan.

Within 5 (five) working days after receiving the PPP the JS shall review and comment or approve the submitted plan. If of comments are sent by the JS, the Beneficiary has to submit the revised PPP up to 3 (three) working days after receiving the comments. The deadline for approval of the respective PPP by JS starts running again on the date the required information is received.

Within 5 (five) working days of the PPP's approval, the JS will notify the LP on the approval of the PPP.

NB!

The Beneficiary can proceed with the preparation and launching of the procurement procedures only after the PPP has been approved by the JS.

If there is a necessity for further amendment of the already approved PPP, the LP has to consult the amendment procedure with the JS in advance.

The project partners bear sole responsibility for the implementation of the procurement procedures in conformity with the Programme rules, their project proposal, the PPA, the Act on the Management of Resources from the European Funds under Shared Management, Decree of the Council of Ministers No. 4/11.01.2024, for beneficiaries from Bulgaria, and the Annex II of the Financing Agreement between EC and Serbia for beneficiaries from Serbia and the Practical Guide for Procurement and Grants for European Union external actions (until further notice), will be used by Serbian beneficiaries.

The Serbian beneficiaries have an obligation to publish tender dossiers under forthcoming tender procedures on official Programme web site: <https://ipa-bgrs.mrrb.bg>. All documents intended for publication, depending on the type of procurement procedure, must be accompanied by a scanned official cover letter and sent via e-mail to the Joint Secretariat at js_sofia@mrrb.government.bg. Both the electronic documents and the cover letter must be submitted by an official representative of the Contracting Authority (Lead Partner or Project Partner) for each procurement procedure. The documents must be received by the Joint Secretariat at least 5 days prior to the requested publication date. To ensure simultaneous publication on the Programme's website and in other media, Beneficiaries should clearly indicate the desired publication date, a contact e-mail, and any relevant additional information in the cover letter. Confirmation of the publication date for the Programme's website will be sent to the contact e-mail provided.

Beneficiaries declare that procedures listed in the PPP are in line with the annual procurement plan of the organizations and are not subject to artificial splitting of tenders.

JS / MA / NA are not going to provide ex-ante control on the preparation and launching of procurement procedures.

3.4. Initial online monitoring meeting

In order to receive a realistic view of the readiness of the project teams for implementations of their part of the project, the JS performs initial meetings with all project partners, within two months after of the Subsidy contract.

During the initial meeting following issues have to be checked and discussed with the project team:

- **Beneficiary's capacity and resources** - the JS expert checks whether the project team is aware of the terms and conditions of the Subsidy contract - readiness for the tender procedures, visualization requirements, reporting, etc., whether there are sufficient resources for the project implementation as well as financial resources.
- **Project management and coordination** - the purpose of the check is to ascertain the level of management skills of the Project manager and LP's team for implementation of CBC projects, to assess if the LP is aware of its role and to assess the partnership relations between the PPs. The JS experts check whether the roles and responsibilities between the PPs are clearly defined, whether the coordination/communication between the PPs is good, and whether the PPs has enforced common monitoring and evaluation rules/ reporting system in support of smooth project management. During the visit/meeting, the documents for appointment of the project team will be checked as well.
- **Record keeping** - the purpose of the check is to verify that project documentation is kept separately from the other documentation of the organisation, in a properly filed and organized project dossier containing all relevant documents, providing sufficient information on the project activities.
- **Time schedule and progress of activities** - the purpose of the check is to verify the progress of the project activities in comparison with project time schedule and if the implemented activities correspond to these in the subsidy contract. The JS experts will check the project progress and the measures undertaken by the PPs concerning the planned services, supplies and construction works.
- **Public procurement** - the purpose of the check is to verify that the public procurement procedures are implemented in accordance with the approved Project Procurement Plan and the specified types of procedures, deadlines, maximum available budgets, etc.

- **Information and publicity** - The purpose of the check is to verify whether the information and publicity activities are carried out in accordance with subsidy contract and whether the programme Communication and Visibility rules are properly respected.

Additionally, the meeting gives the opportunity to the project partners to consult with the JS experts some matters of the project implementation.

4. PUBLIC PROCUREMENT

Where the implementation of an operation requires procurement of service, supply or works contracts by a beneficiary, the procurement rules set in Article 58 of Regulation (EU) No 2021/1059 shall be applied.

- 1) When the project partner is located in Bulgaria and
 - **is a contracting authority within the meaning of the Public Procurement Law (PPA), must apply one of the following procurement procedures:**
 - open procedure;
 - restricted procedure;
 - competition procedure with agreement;
 - agreement with preliminary calls for participation;
 - negotiation with publication of call for procurement;
 - competition dialogue;
 - partnership for innovations;
 - agreement without preliminary call of proposals;
 - agreements without preliminary call for participation;
 - agreement without publication of call for procurement;
 - competition for a project;
 - public competition;
 - direct agreement.

- **is not a contracting authority within the meaning of the PPA, must necessarily apply the implementation of Chapter Four of Act on management of EU funds under shared management and the relevant Council of Ministers Decree or other procurement according to the national laws, regulations and administrative provisions into force.**

For all project partners located in Bulgaria - contracting authority or contracting entity within the meaning of the Union law shall apply the public procurement procedures according with the national laws, regulations and administrative provisions.

Publication of Documentation for Selecting a Contractor on the Unified Information Portal:

When the beneficiary is not the contracting authority as defined by the Public Procurement Act (PPA), they must apply Chapter IV, "Special Rules for Determining the Contractor by Beneficiaries of Non-Reimbursable Financial Assistance," from the Act on management of EU funds under shared management. The rules for reviewing and evaluating offers and for concluding contracts in the selection procedure with a public invitation are defined by **Decree of the Council of Ministers No. 4/11.01.2024** (Постановление № 4 от 11 януари 2024 г. за определяне на правилата за разглеждане и оценяване на оферти и сключването на договорите в процедурата за избор с публична покана от бенефициенти на безвъзмездна финансова помощ от Европейските фондове при споделено управление).

According to Article 52, paragraph 1 of the Act on management of EU funds under shared management, the public invitation for selecting a contractor for construction activities, services, and/or delivery of goods – the subject of the procurement, is prepared by the beneficiaries under Article 49, paragraph 2, item 2 of the law and is published on the Unified Information Portal (<https://www.eufunds.bg/>). The publication is not direct but is carried out through the Joint Secretariat of the INTERREG VI-A Cross-Border Cooperation Program Bulgaria-Serbia for the period 2021-2027, Directorate for Territorial Cooperation Management, Ministry of Regional Development and Public Works (MRDPW).

In the upcoming procedure for selecting a contractor, the beneficiary must send all documentation to: Joint Secretariat, Directorate for Territorial Cooperation Management at the email address is_sofia@mrrb.government.bg, phone number 02/9405 666.

Documents should be sent by email only from the official correspondence address provided by the beneficiaries and must contain the following minimum information in Bulgarian:

- Name of the beneficiary and project code;
- Description of the subject of the procurement;
- Deadline for submitting offers.

The invitation, along with all documentation, should be sent in PDF format, with each document scanned separately and named. All documents should be archived in a single common folder. After publication, the Joint Secretariat sends electronic confirmation to the beneficiary and a link to the publication on the portal. The documentation for selecting a contractor prepared by beneficiaries under the territorial cooperation programs is not subject to prior control by the JS and MA . The responsibility for compliance with the deadlines and content of the public invitation rests entirely with the beneficiary.

NB!	JS / MA are not going to provide ex-ante control on the preparation and launching of procurement procedures. The Beneficiaries bear sole responsibility for the content and the quality of tender documents, published on the Unified Information Portal as well as for the simultaneous publication to all other media (web site of the OJEU, Beneficiary's website and/or official journal of the partner country or equivalent national media)
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2) When the project partner is located in the Republic of Serbia for the award of goods, works or services the procurement procedures shall refer to Annex II of the Financing Agreement for the programme“ (Interreg VI-A) IPA Bulgaria Serbia and the Practical guide on contract procedures for European Union external action (PRAG), untill further notice.

NB!	In case of modification of PRAG rules/annexes, the procedures launched before the new version was officially published shall be procured and contracted following the previous version of the Guide until further notice
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The basic principle governing the awarding of the contracts is competitive tendering. The purpose is twofold:

- to ensure the transparency of operations, proportionality, equal treatment and non-discrimination; and
- to obtain the desired quality of services, supplies or works at the best possible price.

There are several different procurement procedures, each allowing for a different degree of competition. The basic principles, types of procedures and rules apply to the procurement of all project partners.

In the event of failure to comply with the procurement rules, expenditure relating to the operations in question is not eligible for EU financing or might be subject to irregularity proceeding.

In order to facilitate efficient management and control of the procurement process carried-out by the Beneficiaries under the Programme, the MA requires the Beneficiaries to duly prepare and submit for approval the Project Procurement Plan immediately upon signing of the Subsidy Contracts (see section 3.3 “Procurement Plan”).

4.1.1. Modifying sub-contracts

The contracts, concluded in result of a procurement procedure, may need to be modified during their execution period. The procedure for modification has to be launched in exceptional cases. Contract modifications must be formalized through:

- **an administrative order** to the contract; or
- **an addendum** to the contract.

Substantial modifications to the contract must be made by means of an addendum. Such an addendum must be signed by the contracting parties. The purpose of the addendum or administrative order must be closely connected with the nature of the project covered by the initial contract.

In the table below are given some examples of changes:

Type of changes		
Changes with addendum	Changes with administrative order	Inadmissible changes
Changes of the contract duration	Changes of address	Changes post factum
Amendment in project team (experts in service contracts)	Changes of bank account	Changes (extending) in the implementation period of the contract over the maximum period for completion of the project.

NB!	Modifications, which will lead to substantial changes of the scope of works (for works contracts), delivered supply/equipment (for supply contracts) and project scope and objectives (for service contracts) are not allowed. Addenda with retroactive effect are not allowed.
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A request for contract modifications should not automatically be accepted by the Contracting Authority (Beneficiary). There must be a justified reason for modifying a contract. The Contracting Authority (Beneficiary) must examine the reasons given and reject requests which have little or no substantiation. Contracts can only be modified within the execution period of the project.

In the event of failure to comply with the applicable legislation, the expenditures related to the operation might be considered ineligible for EU financing or subject to irregularity proceedings.

Where the implementation of an operation requires procurement of service, supply or works contracts by a beneficiary, the procurement rules set in Article 58 of Regulation (EU) No 2021/1059 shall be applied.

4.1.2 Basic rules

➤ Nationality (Annex A2a of PRAG)

Participation in the award of procurement procedures, for the benefit of third parties, is open to all

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natural persons who are nationals of, and legal persons who are effectively established in, one of the following eligible countries/ territories / Beneficiaries:

- EU Member States;
- Beneficiaries listed in the Annex I of the IPA III;
- European Economic Area;
- Partner countries and territories covered by ENI Instrument;
- Countries for which the Commission has adopted a decision approving the request for reciprocal access to external assistance.

How to verify compliance with the nationality rules?

- The nationality of experts and other natural persons employed or legally contracted does not have to follow the nationality rules. Therefore, experts recruited or otherwise legally contracted by an eligible contractor/sub-contractor, may be of any nationality.
- For the purpose of verifying compliance with the nationality rules, the tender dossier requires the following from candidates and tenderers:
 - ✓ natural persons must state the country of which they are nationals;
 - ✓ legal persons must state the country in which they are established and provide evidence of such establishment by presenting the documents required under that country's law.

If the contracting authority (or evaluation committee) suspects that a candidate, tenderer or applicant does not comply with the nationality rules, it must ask the candidate/tenderer/applicant to provide evidence demonstrating actual compliance with the applicable rules.

To demonstrate their actual compliance with the 'establishment' criterion, legal persons have to demonstrate that:

- The legal person is established under the law of an eligible State, and
- Its real seat is within an eligible State. 'Real seat' must be understood as the place where its managing board and central administration, or its principal place of business, are located.

NB!	The decision on whether or not candidates/tenderers/applicants are eligible is taken by the Contracting authority (usually on the basis of the information and evidence provided during the evaluation).
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➤ **Origin of goods**

Goods and materials supplied under a procurement or a grant contract, financed **under the new Multiannual Financial Framework for the years 2021-2027** are fully untied and can originate in any country, with the exception of procurement and grant contracts financed by the INSC Regulation 2021/948 of 27 May 2021 where goods and materials must originate from an eligible country as designated by the financing instrument.

➤ **Grounds for exclusion**

The exclusion criteria aim at excluding from receiving European Union funds or participating in grant or procurement procedures the entities or persons found in specific exclusion situations (also called 'exclusion grounds').

The contracting authority must reject from a given award procedure a candidate, tenderer or applicant who:

- a) is in one of the exclusion situations established under Section 2.4.2.1 of PRAG;
- b) has misrepresented the information required by the contracting authority as a condition for participating in the procedure or has failed to supply that information;
- c) was previously involved in the preparation of procurement documents used in the award procedure where this entails a breach of the principle of equality of treatment, including distortion of competition that cannot be remedied otherwise.

All candidates, tenderers and applicants should declare the circumstances related to these criteria in relevant annexes, parts of the tendering documentation, or through documentary evidence, when specifically requested.

In connection with the restrictive measures introduced pursuant to Article 5k of Council Regulation (EU) No. 833/2014 of July 31, 2014, it is necessary to ensure adequate control for their

compliance in the implementation of projects, the beneficiary has to apply a Declaration from the legal representative of the chosen contractor, with which he confirms that the circumstances limited by Article 5k of Regulation (EU) No. 833/2014 of July 31, 2014 on restrictive measures in view of Russia's actions destabilizing the situation in Ukraine (Annex 14).

For more details, please refer to points 2.4.2 and 2.6.11, as well as 2.5.4 and 2.5.7 of the PRAG.

➤ **Visibility**

All Beneficiaries and contractors, managing EU funds, must ensure the visibility of EU financing. The visibility requirements and guidelines are provided in the Communication and Visibility Manual for EU External Actions, published at: https://ec.europa.eu/international-partnerships/communication-visibility-requirements_en

All of these requirements are explained and illustrated with practical examples, included in the Chapter 10 Information and Publicity at the present PIM.

➤ **Other essential points**

“Irregularity” means any breach of applicable law, resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the budget of the Union by charging unjustified expenditure to that budget; ;

Detailed definitions are lay down in: Article 2 (31) of Commission Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy.

Every action which was not performed in line with above definition could be considered an irregularity irrespective of whether it is related to losses or potential losses of resources.

“Suspected fraud” is an irregularity giving rise to instituting administrative or judicial proceedings against national level in order to determine the existence of a certain intentional conduct, in particular fraud, as referred to in Article 1 (1) of the Convention for the Protection of Financial

Services interests of the European Communities, on the basis of K.3 of the Treaty on European Communities .

The European Union is 'deliberate in terms of costs' action or inaction related to: use or presentation of false, false or incomplete reports or documents, leading to abuse or misappropriation of funds from the general budget of the European communities or budgets managed directly by or on behalf of The European Communities; concealment of information in violation of certain liabilities with the same effect; spending such funds for purposes other than those for which they were originally provided.

Everyone has the right to report fraud arising in connection with the implementation of projects and programs, funded by EU funds, and signals can be written or oral, and to be submitted anonymously..

Fraud shall consist of any intentional act or omission relating to:

1. the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the general budget of the European Communities or budgets managed by, or on behalf of, the European Communities;
2. non-disclosure of information in violation of a specific obligation, with the same effect;
3. the misapplication of such funds for purposes other than those for which they were originally granted.

Relevant legislation: Article 2, point 20 and Article 61 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union.

Conflicts of interest

A conflict of interest occurs when the impartial and objective exercise of the functions of the contracting authority, or observance of the principles of competition, non-discrimination against or equality of treatment of candidates, tenderers, applicants and contractors, is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with a Beneficiary of EU-funded programmes. A conflict of interest may arise where, for instance, a member of the evaluation committee or someone in the contracting authority

or others involved in the procedure grant themselves, or others, unjustified direct or indirect advantages by influencing the outcome, or allow an expert or company to obtain information leading to an unfair advantage in subsequent or related procedures.

For instance, any firm or expert involved in preparing a project (e.g. drafting the terms of reference) must, as a rule, be excluded from being awarded a services contract that are based on those preparations, unless they can prove to the contracting authority that their initial involvement does not constitute unfair competition.

Candidates/tenderers/applicants that have a conflict of interest in relation to a particular contract are excluded from this contract award. The grounds for exclusion must be considered case by case. Any automatic exclusion deprives the candidate/tenderer/applicant of the right to present supporting evidence which might remove all suspicion of a conflict of interest.

Detailed definitions are lay down in: Article 61 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union .

Each project partner, before signing contract with the selected contractor, should check the selected contractor and his representatives, members or other persons involved in its management for presence of a conflict of interest, in the sense of Article 61 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union . In that relation, for all procedures carried out or directly assigned activities the project partner must provide to MA filled and signed Annex 14 with the first request for payment under the current contract.

NB!	Where a conflict of interest might occur with regard to on-going contracts, measures must be adopted to prevent or to resolve such a conflict, including cancelling the contract if necessary.
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4.1.3 Type of contracts

➤ Service contracts

IPA contracts in the context of EU External aid include specific support in form of studies or technical assistance.

Study contracts include studies for identification and preparation of projects, feasibility studies, economic and market studies, technical studies, evaluations and audits.

Technical assistance contracts are used where a service provider is called on to provide a service, such as organizing events, or to play advisory role, to manage or supervise a project, or to provide the experts specified in the contract.

Generally a service contract may be concluded in two different ways:

- **Global price** - where specified outputs are defined. The service will be paid on the basis of the delivery of the specified outputs. Examples for the global price contracts are service contracts for studies, evaluations, audits, organization of events such as conferences, trainings, etc. Global price always specifies the output, i.e. the consultant must provide a given product.
- **Fee-based** - where the output is unpredictable, or where the workload to achieve the specified output is impossible to quantify in advance. Therefore, it is economically more advantageous to pay the services on the basis of time actually worked. The examples for fee-based contracts are the service contracts for Project supervision, Resident Technical assistance, Facilitation in a multi-stakeholder process (depending of the complexity of the environment), etc.

➤ Supply contracts

Supply contracts cover the purchase, leasing, rental or hire purchase, with or without option to buy, of products. A contract for the supply of products and, incidentally, for sitting and installation shall be considered a supply contract. Generally, this includes supply of vehicles, IT equipment, furniture, audio visual equipment, promotional materials, etc.

Specific provisions and challenges in purchasing supplies depend on the type and scope of equipment.

➤ **Works Contracts**

Works contracts cover either the execution, or both the execution and design, of works or a work related activities, such as:

- Building site preparation;
- Building of complete constructions or parts thereof; civil engineering;
- Building installation;
- Building completion;
- Renting of construction and demolition equipment, etc.

The notion 'works' includes the outcome of building or civil engineering works taken as a whole that is sufficient of itself to fulfil an economic or technical function.

4.1.4. Procurement procedures

As it was already stated above in point 4, the stipulated rules for awarding contracts for the Bulgarian beneficiaries are set in the following national legislation:

1. The Public Procurement Law and the normative acts on its application - when the Beneficiary is a contracting authority within the meaning of the PPA;
2. Chapter four "Special rules for determining an executor from Beneficiaries of grant-in-aid" of the LMFEFSM - when the Beneficiary is not a contracting authority within the meaning of the PPA.

The above rules do not apply when the contracting authority is Serbian beneficiary, in this case applicable is the Practical Guide for Contractual Procedures for External Action of the European Union (PRAG) and the following procedures:

➤ **Which procurement procedure to apply?**

Where the implementation of an operation requires procurement of service, supply or works contracts by a beneficiary, the procurement rules set in Article 58 of Regulation (EU) No 2021/1059 shall be applied.

In the definition of the type of procurement procedure, the following key elements are particularly

important:

- **Financial thresholds** - the financial thresholds define which procedure needs to be applied.
- **Procedure** - depending on the type of the contract, different procedures are applied. Concerning tendering public procurements applicable are the national legislation into force, regulations and administrative provisions. The Practical Guide for Contractual Procedures for External Action of the European Union (PRAG) is applicable to the Public Procurement Procedures provided for in Articles 181 and 182, and points 37 to 42 of Chapter 3 of Annex I, of the Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union
- **Use of standard format of documents** - in order to enable comparison and control on the implementation of the public procurement, the PRAG provides a number of standardized documents, covering every step in the procedure. They are obligatory for use by all Beneficiaries, in order to simplify and unify tender dossiers under the Programme. The standardized documents are considered to provide sufficient basis for preparation of tender documentation in compliance to the rules and procedures of the PRAG.
- **Evaluation procedure** - evaluation procedure largely depends on the type of contract. In some cases, the price is the exclusive selection criteria and in other cases the selection is based on the combination of price and technical quality of offers.

Regardless of which procedure is used, the Beneficiaries must ensure that all the basic principles are respected (including eligibility, exclusion and selection criteria).

NB!	<p>Note that procedures must not be split artificially to circumvent the procurement thresholds. Services / supplies / works of the same / similar nature should be included in one procurement procedure.</p> <p>Example: <i>In general, elaboration of web sites and web portals; supply of computer equipment and computer software; repairs and construction works; etc.). In accordance with this requirement the project partners should submit Annex 5.1 with the request for payment under the specific contract.</i></p>
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➤ Thresholds for public procurement procedures

The thresholds for public procurement procedures can be summarized as follows:

SERVICES	≥ € 300,000 <i>International restricted or open tender procedure</i>	≤ EUR 999 999 <i>- Framework contract SIEA 2018, Events 2020</i> < € 300,000 but > € 20,000 <i>- Framework contracts (EVA 2020)</i> <i>- Simplified procedure</i>		≤ € 20,000 Single tender
	≥ € 300,000 <i>International restricted or open tender procedure</i>	< € 300,000 but ≥ € 100,000 <i>Local open tender procedure</i>	< € 100,000 but > € 20,000 <i>Simplified procedure</i>	
WORKS	≥ € 5,000,000 <i>International open tender procedure</i> Or <i>International restricted tender procedure</i>	< € 5,000,000 but ≥ € 300,000 <i>Local open tender procedure</i>	< € 300,000 but > € 20,000 <i>Simplified procedure</i>	A payment may be made against invoice without prior acceptance of a tender if the expenditure is ≤ 2 500 €

The thresholds given in the table are based on the maximum budget for the contract in question, including any co-financing.

SERVICES, SUPPLIES and WORKS ≤ EUR 2 500,00

NB!	Payments for services, supplies and works less than or equal to EUR 2 500 may be made against invoice without prior acceptance of a tender.
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This concerns only expenditures for services, supplies and works, with amount less than or equal to EUR 2 500, which cannot be merged with other similar expenditures. However, when the complexity or duration of the service/supply requires it, Beneficiaries are recommended to conclude simplified service/ works contracts with Terms of reference (ToR) / Technical specification (TS). The annexes for single tender procedures, are applicable in such cases.

SINGLE TENDER

Under the single tender procedure, the Beneficiary (in its role of Contracting Authority) invites candidate/s to submit an offer (or more than one). The Contracting Authority checks whether the offers correspond to the requirements (Terms of references) in case of services, or whether they are technically compliant to the specifications, in case of supply and works tenders.

Even though one offer is formally enough, the Beneficiary, i.e. Contracting Authority, should prepare a detailed justification of the choice of contractor and to include it in the Negotiation report. Moreover, the Beneficiary **has the obligation to strictly observe the principle of best value for money** and to take all necessary measures (e.g. internet research of prices, comparison between similar contracts, etc.).

Publication: No publication is required.

Submission of tenders: The tenderer/s is/are normally given 15 days for submission of offers.

Tender dossier:

NB!	In order to ensure high level of competition, beneficiaries could invite more than one tenderer. In such case, the respective PRAG tender dossier for Simplified procedure (simplified tender dossier) is to be used.
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The Beneficiary in its role of Contracting Authority **shall prepare tender dossier, containing:**

Single tender dossier for service:

For the single tender procedure the specific annexes for simplified tenders must be used (administrative compliance grid, contract, contract notice, invitation letter, instructions to tenderer, terms of reference and tender form) for this procedure. They can be adjusted to the procedure, including deleting non-relevant sections, without this requiring derogation.

One of two possible scenarios could be followed:

1. One tender invited:

Based on the complexity, amount and the nature of the tender, the Beneficiary may choose to invite **ONLY ONE TENDERER** under a single tender procedure..

2. More than one tenderer invited:

In case the Beneficiary, i.e. the Contracting Authority, decides to invite MORE THAN ONE TENDERER/PUBLISHES THE TENDER DOSSIER, the respective PRAG tender dossier for Simplified procedure (simplified dossier – B8o) is to be used.

Templates for single tender procedures for service(minimal set of documents recommended)			
One tenderer invited		More than one tenderer invited	
Tender dossier			
Invitation to Tender	PRAG, Annex <i>b8o4_invit_simp_neg_en.doc</i>	Invitation to Tender	PRAG, Annex <i>b8o4_invit_simp_neg_en.doc</i>
Instructions to tenderers	PRAG, Annex <i>b8o5_itt_simp_neg_en.doc</i>	Instructions to Tenderers	PRAG, Annex <i>b8o5_itt_simp_neg_en.doc</i>
	PRAG, Annex <i>B8o3_Contractnotice_simp_neg+en.docx</i>	Contract notice	PRAG, Annex <i>B8o3_Contractnotice_simp_neg+en.docx</i>
Terms of Reference	PRAG, Annex B8e - Draft contract: Terms of reference Fee-based (Annex II) or B8f Draft contract: Terms of reference Global (Annex II)	Terms of Reference	PRAG, Annex B8e - Draft contract: Terms of reference Fee-based (Annex II) or B8f Draft contract: Terms of reference Global (Annex II)
Draft contract	PRAG, Annex <i>b8o2_contract_simp_neg_en.doc</i>	Organisation and Methodology (to be submitted by the	PRAG, Annex B8g Draft contract: Organisation & methodology (Annex III)

		tenderer using the template provided)	
		Key experts (including templates for the summary list of key experts and their CVs) (For contracts requiring key experts)	<i>PRAG, Annex B8h Draft contract: List and CVs of key experts (Annex IV)</i>
		Budget (to be submitted by the tenderer as the Financial offer using the template provided)	<i>PRAG, Annex B8i1 Budget for a global-price contract or B8i2 Budget breakdown for a fee-based contract</i>
		Forms and other supporting documents	<i>PRAG, Annexes: B8j1 Bank account notification form B8j2 Financial guarantee template B8j3 Legal Entity File (individual) B8j4 Legal Entity File (private companies) B8j5 Legal Entity File (public bodies)</i>
		Expenditure verification: Terms of Reference and Report of Factual Findings (to be deleted for global price contracts)	<i>PRAG, Annex B8k1 Expenditure verification: Terms of Reference and Report of factual Findings (Annex VII)</i>

Tender submission form	PRAG, Annex b8o7_tenderform_simp_neg_en.doc	Service Contract Notice	PRAG, Annex b8o3_contractnotice_simp_neg_en.doc
Administrative Compliance Grid	PRAG, Annex b8o1_admingrid_simp_neg_en.doc	Draft Contract	PRAG, Annex b8o2_contract_simp_neg_en.doc
		General Conditions for service contracts	PRAG, Annex B8d Draft contract : General conditions (Annex I)
		Tender Submission Form	PRAG, Annex b8o7_tenderform_simp_neg_en.doc
		Declaration of honour on exclusion and selection criteria	PRAG, Annex A14a Declaration of honour on exclusion and selection criteria for procurement
		Administrative Compliance Grid	PRAG, Annex b8o1_admingrid_simp_neg_en.doc
		Evaluation grid	PRAG, Annex B8m1 Evaluation grid (fee- based) or B8m2 Evaluation grid (global price)

For single tender for supply the respective PRAG tender annexes should be used:

Templates for single tender procedures for supply (minimal set of documents recommended)			
One tenderer invited		More than one tenderer invited	
Tender dossier			
Invitation to tender	PRAG, Annex c4a_invit_en.docx	Invitation to Tender	PRAG, Annex c4a_invit_en.docx
Instructions to tenderers	PRAG, Annex c4b_itt_en.docx	Instructions to Tenderers	PRAG, Annex c4b_itt_en.docx
		Contract notice	PRAG, Annex a5e_contractnotice_enotices_en.docx A5f Additional information about the Contract Notice (e-notices)
Draft contract	c4c_contract_en.docx	Draft contract	c4c_contract_en.docx
Draft contract : special conditions	PRAG, Annex c4d_specialconditions_en.docx	Draft contract : special conditions	PRAG, Annex c4d_specialconditions_en.docx
Draft contract : general conditions (Annex I)	PRAG, Annex c4e_annexigc_en.pdf)	Draft contract : general conditions (Annex I)	PRAG, Annex c4e_annexigc_en.pdf)
Technical specifications (Annex II) & technical	PRAG, Annex c4f_annexiitechspeciitechoffer_en.docx	Technical specifications (Annex II) & technical	PRAG, Annex c4f_annexiitechspeciitechoffer_en.docx

offer (Annex III)		offer (Annex III)	
Financial offer (Annex IV)	PRAG, Annex C4g	Financial offer (Annex IV)	PRAG, Annex C4g
Tender submission form	c4i tenderform en.docx	Tender submission form	c4i tenderform en.docx
Legal entity file (individual)	PRAG, Annex c4o2_lefind_en.pdf	Legal entity file (individual)	PRAG, Annex c4o2_lefind_en.pdf
Legal entity file (private companies)	PRAG, Annex c4o3_lefcompany_en.pdf	Legal entity file (private companies)	PRAG, Annex c4o3_lefcompany_en.pdf
Legal entity file (public bodies)	PRAG, Annex C4o4	Legal entity file (public bodies)	PRAG, Annex C4o4
		Award decision	PRAG, Annex c7b_awardecision_en.docx
Notification letter to tenderers	PRAG, Annex c8a_notifletter_supply_en.docx	Notification letter to tenderers	PRAG, Annex c8a_notifletter_supply_en.docx
Letter to unsuccessful tenderers	PRAG, Annex C8b	Letter to unsuccessful tenderers	PRAG, Annex C8b
Administrative compliance grid	PRAG, Annex c4j_admingrid_en.docx	Administrative compliance grid	PRAG, Annex c4j_admingrid_en.docx

	Evaluation grid	<i>PRAG, Annex C4k</i>
	Tender opening checklist	<i>PRAG, Annex c5_openchecklist_en.docx</i>
	Tender opening report	<i>PRAG, Annex c6_openrecord_en.docx</i>
	Evaluation report	<i>PRAG, Annex C7a</i>

For single tender for works, the respective PRAG tender dossier for Simplified procedure (simplified dossier – DS1 “Tender dossier for simplified tender procedure”) is to be used

Additionally, Declaration of honour on exclusion and selection criteria (Annex A14a of PRAG) could be included in the tender dossier for Single tender (service, supply or works). For procurement contracts with a value of EUR 15 000 or less, the contracting authority may refrain from requiring a declaration depending on its risk assessment.

SELECTION PROCESS ON THE BASIS OF SINGLE TENDER PROCEDURE

The selection process for single tender contracts is by definition not about comparison of different tenders, rather than assessment whether the received tender is **in line with basic technical requirements** as described in the tender dossier.

Single tender procedure evaluation is based on p. 2.6.8 of the PRAG.

Establishment of Evaluation committee is not required in case of single tender procedures.

The Beneficiary shall describe the selection process in Annex A10b of the PRAG for all type of contracts, explaining the manner in which the participant(s) in the negotiations were identified and the price was established, and the grounds for the award decision. The Contracting Authority must follow the negotiation steps shown in the negotiation report template and ensure that basic principles relating to procurement procedures such as checking compliance with eligibility rules (nationality rules), capacity to carry out the contract and exclusion criteria are duly applied.

All documents, proving the declared circumstances by the tenderer should be requested and attached to the Annex A10b, in order to support the final decision of the Beneficiary. The additional documents should be requested at latest at the evaluation stage and before signature of the contract.

In case of single tender procedures for services one of two possible scenarios could be followed:

1. One tenderer invited:

The assessment of the tender should be carried out under the template for Negotiation report for single tenders, annex A10b of the PRAG. Following this scenario, the assessment procedure serves only for confirming the administrative and technical compliance of the tender to the requirements, set out in the Instruction to tenders.

2. More than one tenderer invited:

The Contracting Authority has to evaluate all tenders according to the “best value for money” award criterion, by establishing best price-quality ratio, and weighing technical quality against price on an 80/20 basis. This evaluation must also be documented in the Negotiation Report for single tenders, annex A10b of the PRAG! This scenario is to be followed even though some of the invited candidates may not submit offers.

In all cases, the respective conclusions from the evaluation process must be justified in the Negotiation report for single tenders, Annex A10b of the PRAG.

Forms for the selection process for service contracts			
One tenderer invited		More than one tenderer invited	
Negotiation report for single tenders	<i>PRAG, Annex a10b_singletenderreport_en.doc</i>	Negotiation report for single tenders	<i>PRAG, Annex a10b_singeltenderreport_en.doc</i>
Notification Letter to awarded tenderer	<i>PRAG,</i>	Notification Letter to awarded tenderer	<i>PRAG, Annex b13a_notification_letter_en.doc</i>

	<i>Annex b13a_notification_letter_en.doc</i>		
		Letter to second best tenderer	<i>PRAG, Annex b13b_lettersecond_best_en.doc</i>
		Letter to unsuccessful tenderer	<i>PRAG, Annex b13c_letterunsuccessful_en.doc</i>

The Contracting Authority should send notification letter to the awarded company, as well as to the unsuccessful tenderers. Models of such letters can be found in the PRAG (sections 3, 4 and 5).

Contract with the successful tenderer could be drafted on the basis of the format provided in the tender documents.

TENDER PROCEDURES > EUR 20 000,00

NB!	For all tender procedures above EUR 20 000,00, the Beneficiary (i.e. Contracting Authority) must invite JS to observe the evaluation process by nominating observers.
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Invitations for the opening session of the tenders have to be sent to JS within 10 days before the relevant date of opening. Up to 5 days after receiving of the invitation the members of the programme structure, with a letter to the Beneficiary, may appoint its representative to observe all or part of the evaluation process.

SIMPLIFIED PROCEDURE

Under the simplified procedure, the Beneficiary (in its role of Contracting Authority) invites candidates of its choice to submit tenders. The Beneficiary draws up a list of at least three contractors with a justification of its choice and sends letters of invitation to tender accompanied by a tender dossier.

Simplified procedure applies to **service, supply and works contracts**. The procedures for services and works should be implemented using simplified tender documents (annexes B8o and DS1 of PRAG). The Beneficiary, in its capacity of Contracting Authority should prepare the tender dossier which describes in sufficient details procedures and expectations from the tenderer.

Publication: The tender dossier has to be published on the Programme website and the beneficiary's website (in its role of Contracting Authority). More details are available below in section Procurement publications.

Submission of tenders: The invited tenderers must be allowed minimum 30 days from the dispatch of the letter of invitation to tender to submit their offers.

The Beneficiary in its role of Contracting Authority shall prepare tender dossier, containing:

Simplified procedure for service	Simplified procedure for supply	Simplified procedure for works
<ul style="list-style-type: none"> - Invitation to tenderers; - Contract notice (including Additional information about the Contract Notice, where applicable); - Instructions to tenderers; - Service contract (draft), special and general conditions; - Terms of reference; - Organization and methodology; - Administrative compliance grid; - Evaluation grid; - Tender submission form; 	<ul style="list-style-type: none"> - Invitation to tenderers; - Contract notice (including Additional information about the Contract Notice, where applicable); - Instructions to tenderers; - Draft contract, Special conditions & General conditions; - Technical specifications & Technical offer; - Budget breakdown (model financial offer); - Supply contract (draft); - Tender form for a supply contract; - Declaration of honour on 	<p>Volume 1:</p> <ul style="list-style-type: none"> - Invitation to tenderers; - Instructions to tenderers; - Tender form & Tender guarantee form; - Contract notice (including Additional information about the Contract Notice, where applicable); - General information about the tenderer (Legal entity file); - Organization chart; - Power of attorney, Financial statement & Financial identification form; - Technical qualifications: overview of the tenderer's staff;

<ul style="list-style-type: none"> - Declaration of honour on exclusion and selection criteria - Budget; - Forms. 	exclusion and selection criteria <ul style="list-style-type: none"> - Administrative compliance grid; - Evaluation grid; - Forms. 	staff to be employed on the contract; professional experience of key staff; CV; <ul style="list-style-type: none"> - Plant; - Work plan and programme; - Experience as contractor; - Administrative compliance grid / Evaluation grid. - Declaration of honour on exclusion and selection criteria Volume 2: Contract form, general and special conditions; Volume 3: Technical specifications; Volume 4: Financial offer; Volume 5: Design documents, drawings.
All annexes included in the PRAG	All annexes included in the PRAG	All annexes included in the PRAG

SELECTION PROCESS UNDER SIMPLIFIED PROCEDURE

Tenders are opened and evaluated by an **Evaluation Committee** appointed timely and formally by the Contracting Authority comprising:

- **a non-voting Chairperson;**
- **a non-voting Secretary;**
- **an odd number of voting members (minimum of three).**

The Evaluation Committee members should be appointed by official nomination (Administrative order of composition) of the Beneficiary in its role of a Contracting Authority, **based on their qualifications and skills**. Each member must have a reasonable command of the language in

which the applications are submitted (English) and the technical and administrative ability to give an informed opinion on the tenders.

All members of the Evaluation Committee are obliged to sign a Declaration of Impartiality and Confidentiality. The format of the declaration is available under **Annex A4 of the PRAG: Declaration of Impartiality and Confidentiality.**

The process of evaluation includes assessment of the candidates/tenders and tenderers under four types of criteria:

Type of criteria	Description
Eligibility criteria	Assessment whether the candidates/tenderers and tenders comply with the basic rules (nationality, origin, other essentials). For more information, refer to p. 2.3 of the PRAG.
Exclusion criteria	Assessment whether the candidates/tenderers fall under one or any exclusion criteria. For more information, refer to p. 2.4.2 of the PRAG.
Selection criteria	Regardless of the type of procurement procedure used, the capacity of the candidate or tenderer to implement the contract is always assessed on the basis of objective criteria set out in the tender dossier. This includes assessment of the financial and economic capacity of candidates or tenderers and of their technical and professional capacity. For more information, refer to p. 2.6.11 of the PRAG.
Award criteria	<p>In case of service contract the award criterion is “best value for money”. The selection is based on comparison of the price and the technical quality of the received offers. The offer which provides the best value for money is awarded with the contract. Normally the ratio 20% price and 80% technical quality is used.</p> <p>In case of supply and works contracts, the selection is based on the criterion “lowest price”. The contract is awarded to the tender which,</p>

	while being in order and satisfying the conditions laid down in the tender dossier, quotes the lowest price. For more information, please refer to p.2.6.11.4 of the PRAG.
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The selection process under simplified procedure includes the following steps:

I. Receipt and registration of tenders

The Contracting Authority must register the receiving of tenders, marking the date and time of reception, and provide a receipt for those delivered by hand. The envelopes containing the tenders must remain sealed and be kept in a safe place until they are opened. The outer envelopes of tenders must be numbered in order of receipt.

II. Preparatory meeting

First meeting of the Evaluation Committee has to be held before the Tender opening session. The tender dossier should have been distributed in advance to the members of the Evaluation Committee. The Chairperson presents the purpose of the tender, the procedures to be followed by the Evaluation Committee including the evaluation grid and selection and award criteria specified in the tender dossier.

III. Tender opening session

The Tender opening session is a formal process, which for supply and works tenders is also public. Although it is public, participation in the tender opening session is restricted to representatives of the companies which are tendering for the contract. The Evaluation Committee opens the tenders in public at the place and time fixed in the tender dossier.

During the tender opening session, the **tender opening checklist** has to be filled in by the Chairperson with the assistance of the Secretary of the Evaluation Committee.

The Chairperson must check that no member of the Evaluation Committee has a potential conflict of interest with any of the tenderers (on the basis of the tenders received, consortium members and any identified subcontractor).

The Evaluation Committee must check that the tenders are complete and to decide whether or not tenders comply with the formal requirements of the tender dossier. The summary of tenders

received, which is attached to the **Tender opening report** must be used to record the compliance of each of the tenders with the formal submission requirements. The minutes of this meeting are included in the Tender Opening Report and it must be made available to the tenderers on request.

IV. Evaluation of offers

As part of the technical evaluation, the Evaluation Committee analyses the commercial aspects and, where applicable, the service component of the tenders to determine whether they satisfy the requirements set in the tender dossier. The results are recorded in a YES/NO grid for all elements specified in the tender dossier. No scoring method should be used. If the tender is divided into lots, the evaluation should be carried out lot-by-lot.

With the agreement of the other Evaluation Committee members, the Chairperson may communicate in writing with tenderers whose submissions require clarification, offering them the possibility to respond within a reasonable time limit to be fixed by the Committee.

In case of Simplified procedure for service contract:

Part 1: Checking of administrative compliance

The Evaluation Committee checks the compliance of tenders with the instructions given in the tender dossier and in particular the administrative compliance grid. Any major formal errors or restrictions affecting performance of the contract or distorting competition result in the rejection of the tender concerned.

Nationality of sub-contractors: the Evaluation Committee must check at this stage that the nationalities of any sub-contractors identified in the technical offers satisfy the INTERREG-IPA CBC programme nationality rule. If the service provider is required by the terms of reference to provide supplies in accordance with detailed technical specifications laid down in the terms of reference, the Evaluation Committee must verify that the proposed supplies satisfy the rule of origin.

The tenderers could be requested to provide proof documents for the key experts proposed. This can include copies of the diplomas mentioned in the CV and employers' certificates or references proving the professional experience indicated in the CV. If missing proofs are requested it should only be for the relevant experience and diplomas which are among the requirements in the Terms

of Reference.

The Administrative compliance grid included in the Tender Dossier must be used to record the administrative compliance of each of the tenders.

Part 2: Technical evaluation

The Evaluation Committee then examines the technical offers; the financial offers must remain sealed at this stage. When evaluating technical offers, each member awards each offer a score out of a maximum 100 points in accordance with the technical evaluation grid laid down in the tender dossier. Under no circumstances may the evaluation grid be changed.

In practice, it is recommended that tenders be scored for a given criterion one after another, rather than scoring each tender for all criteria before moving on to the next. Where the content of a tender is incomplete or deviates substantially from one or more of the technical award criteria laid down in the tender dossier (e.g. the required profile of a certain expert), the tender should be automatically rejected, without being given a score, but this should be justified in the evaluation report.

For experts the scores should be given in comparison to the requirements stated in the Terms of Reference.

Each voting member of the Evaluation Committee completes an **Evaluation grid** to record his/her assessment of each technical offer in order to establish a general appreciation of strengths and weaknesses of the individual technical offers.

On completion of the technical evaluation, the points awarded by each member are compared at the Committee's session. Besides the numerical score, a member must explain the reasons for his/her choice and defend his/her scores before the Committee.

The Evaluation Committee discusses each technical offer and each member awards it a final score. The Committee members may modify their individual evaluation grids as a result of the general discussion on the merits of each offer.

Once discussed, each Evaluation Committee member finalizes his/her evaluation grid on each of the technical offers and signs it before handing it over to the Secretary of the Evaluation Committee. The Secretary must then compile a summary of the comments of the Committee

members as part of the Evaluation Report.

In the case of major discrepancies, a full justification has to be provided by dissenting members during a meeting of the Evaluation Committee.

The Secretary calculates the aggregate final score, which is the arithmetical average of the individual final scores.

The Evaluation Committee might decide to implement interviews with proposed key experts to assess their competences, either by telephone or personally. **Depending on the type of service and the size of the contract this can be strongly recommended.**

Once the Evaluation Committee has established each technical offer's average score (the mathematical average of the final scores awarded by each voting member), any tender falling short of the 75-point threshold is automatically rejected. If no tender achieves 75 points or more, the tender procedure will be cancelled.

Out of the tenders reaching the 75-point threshold, the best technical offer is awarded 100 points. The others receive points calculated using the following formula:

Technical score = (final score of the technical offer in question/final score of the best technical offer) x 100.

	Maximum possible	Tenderer 1	Tenderer 2	Tenderer 3
Evaluator A	100	55	88	84
Evaluator B	100	60	84	82
Evaluator C	100	59	82	90
Total	300	174	254	256
Average score (mathematical average)		174/3=58,00	254/3=84.67	256/3=85.33
Technical score (actual final score/highest final score)		Eliminated*	84.67/85.33x100 = 99.22	100.00

* Only tenderers with average score of at least 75 points qualify for the financial evaluation.

Part 3: Financial evaluation

Upon completion of the technical evaluation, the envelopes containing the financial offers for tenders who were not eliminated during the technical evaluation (i.e., those which have achieved an average score of 75 points or more) are opened and all originals of these financial offers are initialed by the Chairperson and the Secretary of the Evaluation Committee.

The Evaluation Committee has to ensure that the financial offer satisfies all formal requirements. A financial offer not meeting these requirements may be rejected. Any rejection on these grounds will have to be fully justified in the Evaluation Report.

The Evaluation Committee checks that the financial offers contain no arithmetical errors. Any arithmetical errors are corrected without penalty to the tenderer. The envelopes containing the financial offers of rejected tenderers following the technical evaluation must remain unopened and retained. They must be archived by the Contracting Authority together with the other tender procedure documents.

In the case of fee-based contracts, the total contract value comprises the fees (including employment-related overheads), the incidental expenditure and the provision for expenditure verification, which are specified in the tender dossier. In the case of lump-sum contracts only total contract value is provided. The total contract value is compared with the maximum budget available for the contract. Tenders exceeding the maximum budget allocated for the contract are eliminated. For the Serbia project partners: exchange rate for conversion of financial offers to euro should be specified in Instructions to tenderers. Otherwise, InforEuro exchange rate from month of launching the tender procedure must be applied.

The Evaluation Committee then proceeds with the financial comparison of the fees between the different financial offers. The provision for incidental expenditure, as well as the provision for expenditure verification is excluded from the comparison of the financial offers as it was specified in the tender dossier. In case of lump-sum contract the total contract value is used as basis for financial evaluation.

The tender with the lowest total fees + lump sums receives 100 points. The others are awarded points by means of the following formula:

Financial score = (lowest total fees + lump sums / total fees + lump sums of the tender being

considered) x 100.

When evaluating financial offers, the evaluation committee compares only the total fees and lump sums.

Specimen Tender Evaluation Summary: Financial Evaluation *

	Maximum possible	Tenderer 1	Tenderer 2	Tenderer 3
Total fees			€ 951.322	€ 1.060.452
Financial score (lowest total fees/actual total fees x 100)		Eliminated following technical evaluation	100	$951.322 / 1.060.452 \times 100 = 89.71$

**Only tenderers with average scores of at least 75 points in the technical evaluation qualify for the financial evaluation*

Part 4: Choice of contractor

The best value for money is established by weighing technical quality against price on an 80/20 basis. This is done by multiplying:

- the scores awarded to the technical offers by 0,80,
- the scores awarded to the financial offers by 0,20.

Specimen Tender Evaluation Summary: Composite Evaluation

	Tenderer 1	Tenderer 2	Tenderer 3
Technical score x0.80	Eliminated following technical evaluation	$99,22 \times 0.80 = 79.38$	$100.00 \times 0.80 = 80.00$
Financial score x0.20		$100.00 \times 0.20 = 20.00$	$89.71 \times 0.20 = 17.94$
Overall score		$79.38 + 20.00 = 99.38$	$80.00 + 17.94 = 97.94$
Final ranking		1	2

The resulting, weighted technical and financial scores are then added together to find the tender with the highest score, i.e. the best value for money. It is essential to make the calculations strictly according to the above instructions. The Evaluation Committee's recommendation shall be to

award the contract to the tender achieving the highest overall score on the condition that the documentary evidence submitted by the tenderer for the exclusion and selection criteria are verified and accepted.

In case of Simplified procedure for supply and works contracts:

Part 1: Administrative compliance

Before conducting a detailed evaluation of the tenders, the Evaluation Committee checks that they comply with the essential requirements of the tender dossier (i.e. the Administrative compliance grid). A tender is deemed to comply if it satisfies all the conditions, procedures and specifications in the tender dossier without substantially departing from or attaching restrictions to them. Substantial departures or restrictions are those which affect the scope, quality or performance of the contract, differ widely from the terms of the tender dossier, limit the rights of the Contracting Authority or the tenderer's obligations under the contract or distort competition for tenderers whose tenders do comply.

The administrative compliance of each of the tenders must be recorded in the **Evaluation Report**.

Part 2: Technical compliance of tenders

The detailed technical evaluation of the tenders takes place after the administrative compliance check and should be formalized with the **Evaluation grid**. The criteria to be applied are those published in the tender dossier and, accordingly, the evaluation grid included in the tender dossier must be used. **Under no circumstances may the Evaluation Committee or its members change the evaluation grid communicated to the tenderers in the tender dossier.**

The purpose of this evaluation is to assess whether or not the competing tenders meet the selection criteria and the minimum technical requirements. Tenders which do not meet the selection criteria and the minimum technical requirements must be rejected.

Rule of origin: All tenders must satisfy the rule that **the goods to be supplied and the materials to be used for the construction** fulfil the requirements, set in section 2.3.4 of the PRAG. In case of any doubt as to the origin of goods, additional information must be requested. The tenderer will be required to provide, if possible prior to the signature of the contract, proof of origin in the form of a Certificate of Origin or other official documentation. To establish origin, one must determine

where the product in question has been obtained or produced. Tenders which clearly fail to satisfy the rule of origin **must be rejected**. The rule of origin does not apply to the contractor's equipment which will be used during the construction.

Nationality of sub-contractors: The Evaluation Committee must check at this stage that the nationalities of any sub-contractors identified in the technical offers satisfy the nationality rule, described in section 2.3.1 of the PRAG.

The Evaluation Committee rules on the technical compliance of each tender, classifying it as technically compliant or not technically compliant.

Part 3: Evaluation of financial offers

Once the technical evaluation has been completed, the Evaluation Committee checks that the financial offers contain no arithmetical errors. Any arithmetical errors are corrected without penalty to the tenderer.

If the tender is in one lot, the contract is awarded to the cheapest technically compliant offer.

If the tender procedure contains several lots, financial offers are compared for each lot. The financial evaluation will have to identify the best financial offer for each lot, taking into consideration any eventual discounts granted by the tenderers.

Specimen of application of discounts: Company A offers a discount of 20% if awarded Lots 1 and 3, Company B offers a discount of 10% if awarded all three Lots, Company C offers NO discount.

	Company A	Company B	Company C	Ranking without discount
LOT 1	90	80	70	Company C
LOT 2	Not bidding	40	50	Company B
LOT3	60	70	55	Company C

After applying the discount:

	Company A (20% discount)	Company B (10% discount)	Company C (no discount)
LOT 1	72	72	70
LOT 2	Not bidding	36	50
LOT3	48	63	55

The 3 combinations possible:

Combination 1: $72 + 40 + 48 = 160$

Combination 2: $72 + 36 + 63 = 171$

Combination 3: $70 + 50 + 55$, but since for Lot 2 there is a cheaper price offered, the sum becomes:
 $70 + 40 + 55 = 165$

The Contracting Authority must choose combination 1, awarding contracts for Lots 1 and 3 to company A and Lot 2 to company B for the initial price offered.

Part 4: Choice of contractor

The successful tenderer is the one submitting the cheapest tender classified as "technically compliant" during the technical evaluation. It must be declared the successful tender if it is equal to or lower than the maximum budget available for the contract. For the Serbian project partners: exchange rate for conversion of financial offers to euro should be specified in Instructions to tenderers. Otherwise, InforEuro exchange rate from month of launching the tender procedure must be applied.

In the case of abnormally low tenders, the Evaluation Committee must request any relevant information concerning the composition of the tender. If, for a given contract, tenders appear to be abnormally low, the Contracting Authority must, before rejecting such tenders on that ground alone, request in writing details of the constituent elements of the tender which it considers relevant and verify those constituent elements, after due hearing of the parties, taking account of the explanations received.

The justification for accepting or rejecting an abnormally low offer must be recorded in the Evaluation Report.

V. Conclusions of the Evaluation Committee

As a result of its deliberations, the Evaluation Committee may make any of the following recommendations:

Tender procedure for:	Award the contract to the tenderer which has submitted a tender	Cancel ¹ the tender procedure in exceptional circumstances, such as:
Service contract	<ul style="list-style-type: none"> - which complies with the formal requirements and the eligibility rules; - whose total budget is within the maximum budget available for the project; - which meets the minimum technical requirements specified in the tender dossier; and - which is the best value for money (satisfying all of the above conditions). 	<ul style="list-style-type: none"> - none of the tenders satisfies the selection/award criteria of the tender procedure; - no tenders achieved the minimum threshold during the technical evaluation; - total price (comprising both the fees, the incidental expenditure and the provision for expenditure verification) of all tenders received exceed the maximum amount available for the contract.
Supply and Works contract	<ul style="list-style-type: none"> - which complies with the formal requirements and the eligibility rules; - whose total budget is within the maximum budget available for the project; - which meets the minimum technical requirements specified in the tender dossier; and - which is the least expensive tender (satisfying all of the above conditions). 	<ul style="list-style-type: none"> - none of the tenders satisfies the selection/award criteria of the tender procedure; - all tenders received exceed the maximum budget available for the contract.

The entire procedure (technical and financial evaluation) is recorded in the Evaluation Report. The report has to be signed by the Chairperson, the Secretary and all voting members of the Evaluation Committee.

¹ For more information please refer to p. 2.6.13 “Cancellation of procurement procedures” of the PRAG.

VI. Notifications and signature of the contract

The successful and unsuccessful tenderers are informed on the results of the evaluation (format letters available at the web-page of PRAG). The successful tenderer is invited to the signature of the Contract. Format of the contract is provided in the tender documents.

RESTRICTED PROCEDURES

Calls for tender are restricted where all economic operators may ask to take part but only candidates satisfying the selection criteria may submit a tender. Under the restricted procedure, the Contracting Authority invites a limited number of candidates to tender.

Restricted procedure applies only in case of **service contracts** and in exceptional cases restricted tender procedure may be used in works contracts. The procedure follows two-step process: In the first step a public invitation for submission of expression of interest is issued. In the second step the initial offers are reviewed and a short-list of candidates is formed. The short-listed candidates are invited to submit full proposals.

For more information, please refer to points 3.4 (in case of service contracts) and 5.4 (in case of works contracts) of the PRAG.

OPEN PROCEDURES

Calls for tender are open where all interested economic operators may submit a tender. The procedure follows one step process where open invitation for submission of tenders is issued either on national or international level. The contract is given maximum publicity through the publication of a notice. Depending on whether it is a local or international open procedure the procurement notice is to be published in all appropriate media. **The open procedure is applicable to supply and works contract.**

For more information, please refer to points 4.3 and 4.4 (in case of supply contracts) and 5.3 and 5.5 (in case of works contracts) of the PRAG.

PROCUREMENT PUBLICATIONS

Beneficiaries are obliged to ensure widest possible participation in competitive tendering and the requisite transparency.

Depending on the type of tender procedure, the following documents should be published:

- For **Simplified procedures**: Completed tender dossier and Contract notice (including Additional information about the Contract Notice, where applicable) should be published on the Programme's web site and the grant Beneficiary's website (in its role of Contracting authority).
- For **Local open tender procedures for supply / works**: Complete tender dossier, Contract notice, *Additional information about the Contract Notice where applicable*, *Summary Contract notice and Contract award notice* should be published in all appropriate media, in particular on the Programme's web site and the grant Beneficiary's website (in its role of Contracting authority). Additionally, *Summary Contract notice* should be published in official journal of the partner country or any equivalent media of the country in which the action is being carried out.
- For **International open tender for supply / works or International restricted tender procedure for service**: *Complete Tender dossier; Prior information notice; Contract notice and Additional information about the Contract Notice, where applicable; Shortlist notice²; Contract award notice* for international calls should be published in all appropriate media, in particular on the Programme's web site and on the grant Beneficiary's website (in its role of Contracting authority).
- To ensure the maximum compliance with the article 163, para.1 of the Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union, the beneficiary should use several instruments, observing of the principles of transparency:
- All relevant notices should be published in official journal of the partner country or any equivalent media and on the Programme's web site and the grant Beneficiary's website (in its role of Contracting authority).
- *FAQ/Clarifications; Cancellation notice, Corrigendum and Notice for modification of contract*, if any, should be published in all appropriate media, in particular on the Programme's web site and on the grant Beneficiary's website (in its role of Contracting authority). Additionally, for

² Related to International restricted tender procedures.

International open tenders the forms of documents required by the administration of the web site of the OJEU should be used.

For more information regarding the deadlines for publications, refer to Annex A11e “Guidelines publication” of the PRAG.

All documents for publication, depending on the type of the respective procurement procedure, should be accompanied by scanned official cover letter and sent to the JS, via the Beneficiary portal. The electronic documents and the cover letter should be sent by an official representative of the Contracting authority (Lead partner or Project partner) under each procurement procedure. The documents should reach the JS at least 5 days before the date of publication needed. In order to ensure the simultaneous publication to the Programme’s web site and other media, Beneficiaries should note in the cover letter the date of publication needed, e-mail for contacts and any other specific information. Beneficiaries will receive confirmation for the date of publication to the Programme’s web site on the contact e-mail, mentioned in the cover letter.

The JS will not issue publication reference numbers, but will apply the reference numbers proposed by the Beneficiaries (in free format). Since for international tenders the reference numbers issued by the OJEU are provided after publication, the JS recommends the use of both numbers (issued by the Beneficiaries and by the OJEU) in the process of evaluation, contracting and reporting.

The publication to the Programme’s web site is carried out by the JS. All publications will be available in the “Public tenders” section of the site.

The Beneficiaries should respect all other requirements for publication, stipulated in the PRAG and the present Manual, particularly related to templates of documents and deadlines for publications.

NB!	JS / MA / NA are not going to provide ex-ante control on the preparation and launching of procurement procedures. The Beneficiaries bear sole responsibility for the content and the quality of tender documents, published on the Programme’s website, as well as for the simultaneous publication to all other media (web site of the OJEU, Beneficiary’s website and/or official journal of the partner country or equivalent national media).
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4.1.5 Modifying sub-contracts

The contracts, concluded in result of procurement procedure, may need to be modified during their execution period. The procedure for modification has to be launched in exceptional cases.

Contract modifications must be formalized through:

- **an administrative order** to the contract for minor changes; or
- **an addendum to the contract for substantial changes.**

Substantial modifications to the contract must be made by means of an addendum. Such an addendum must be signed by the contracting parties. The purpose of the addendum or administrative order must be closely connected with the nature of the project covered by the initial contract.

Type of changes		
Changes with addendum	Changes with administrative order	Inadmissible changes
Changes of the contract duration	Changes of address	Changes post factum
Amendment in project team (experts in service contracts)	Changes of bank account	Changes (extending) in the implementation period of the contract over the maximum period for completion of the project.

NB!	Modifications, which will lead to substantial changes of the scope of works (for works contracts), delivered supply/equipment (for supply contracts) and project scope and objectives (for service contracts) are not allowed. Addenda with retroactive effect are not allowed.
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A request for contract modifications should not automatically be accepted by the Contracting Authority (Beneficiary). There must be justified reasons for modifying a contract. The Contracting Authority (Beneficiary) must examine the reasons given and reject requests which have little or no

substantiation. Contracts can only be modified within the execution period of the project. For more details see point 2.11 of the PRAG.

In the event of failure to comply with the applicable legislation, the expenditures related to the operation might be considered ineligible for EU financing or subject to irregularity proceedings.

5. STATE AID AND DE MINIMIS PROVISIONS

5.1. Basic rules

According to Article 107 (ex. Article 87) of the Treaty on the Functioning of the European Union, state aid is any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods, therefore affecting trade between Member States.

It is not the legal aspect (public or private) but the nature of the activities that the applicant intends to implement that determines whether the state aid discipline has to be respected or not:

- The recipient of the aid is an “undertaking”.
- The aid comes from the State, which is always the case for Interreg programmes.
- The aid gives an economic advantage (a benefit) which an undertaking would not have obtained under normal market conditions.
- The aid is selectively favouring certain undertakings or the production of certain goods.
- The grant affects trade between Member States.

The Programme Provisions regarding the state aid are laid down in the Attachment 2 to the Guidelines for Applicants and in Article 6 of the Subsidy contract.

➤ **Provision of aid by a public body**

Due to the fact the funds granted by the (INTERREG VI-A IPA) Programme Bulgaria - Serbia are of a public nature, all the projects financed under the current call Programme shall be subject to state aid assessment.

➤ **Definition of undertaking**

An entity which exercises an activity of an economic nature and which offers goods and services in competition (actual or potential) with other operators active in the market, carrying out activities of an economic nature, devoted to the production and marketing of goods and services in the market, regardless of its legal status and whether its aim is to make profit or not. An undertaking can be a public body, a NGO, an association, a university, a private firm, etc. In many cases local public or administrative bodies may be considered to be similar to undertakings.

➤ **Distortion of the market**

Distortion of the market exists when competition is distorted and this affects trade among Member States. When identifying possible distortion of the market, it is important to consider not the size of the enterprise, but the activities carried out.

➤ **Single undertaking**

“Single undertaking” for the purposes of art. 2, para.2 of Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid or of art. 2, para. 2 of Commission Regulation (EU) 2023/2832 for undertakings for the provision of a service of general economic interest, means that all enterprises having at least one of the following relationships with each other:

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

Enterprises having any of the relationships referred to in points (a) to (d) of the first subparagraph through one or more other enterprises shall also be considered to be a single undertaking.

Public support given by the programme to undertakings will be granted under the de minimis rule. This implies that undertakings will receive grants under the (INTERREG VI-A) IPA Bulgaria - Serbia Programme only if they have not received public aid under the de minimis rule totalling to more than EUR 300.000 within any period of three years from the date of granting the aid or in case of undertaking providing services of general economic interest the total amount of de minimis aid should not exceed 750 000 EUR within three years from the date of granting the aid. The public aid considered for the applicable de minimis ceiling comprises all aids granted by the national, regional or local authorities, regardless of whether the resources are provided from domestic sources or are partly financed by the European Union.

During the life-cycle of the project the project partners located in Bulgaria have to ensure that all activities are implemented in compliance with the respective national legislation related to competition and state aid. To this end, the Lead partner and the project partners shall ensure publicity and transparency of the activities and project outputs and results, which can create an economic advantage to an economic operator.

NB!	<p>In view of the project activities, all beneficiaries are reminded that recipient of state aid can be any undertaking (individual or legal person) receiving an advantage through the project that it would not have received under normal market conditions. This means that the rules for state aid apply to all undertakings – either participating as project partners, or third parties (indirect aid) receiving benefits from the project (such as participants in project activities like trainings, seminars, workshops etc.).</p>
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In case a situation of distorting competition by favouring certain undertakings arises during the implementation period of the operation, the Lead partner shall immediately notify the MA.

The observance of the above mentioned conditions is closely verified / monitored by the Programme bodies at all levels (national controllers, JS and MA) not only during the pre-contracting phase, but also during the whole implementation period of the projects. The aim of the

control during the implementation period of the projects is to identify any potential situation of state aid at the current stage of the project development. The checks are to be made by the national controllers and JS and if such situation is identified it should be reflected in the respective checklists issued by them and immediately reported to the MA.

In case the Programme bodies find that the Lead partner or any project partner made false declarations regarding state aid, the MA is entitled to terminate the subsidy contract, in whole or in part, and to demand repayment of the amounts already paid.

The partners located on the territory of Republic of Serbia shall follow the applicable national regulations regarding state aid.

5.2. De minimis aid

The de minimis principle allows project partners to receive comparatively small amounts of support without being caught by the State aid rules. This is because the European Commission assumes that small amounts of support do not have a significant impact on competition and trade in the European Economic Area (EEA). In general, a single undertaking can receive de minimis support of up to EUR 300,000 per Member State in a any three-year period or de minimis aid for services of general economic interest to EUR 750 000 per Member State in a any three-year period.

➤ LEGAL BASIS

Public support provided within the programme to undertakings will adhere to the de minimis rule. For more information, please refer to Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid and REGULATION (EU) 2023/2832 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid granted to undertakings providing services of general economic interest.

Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid: <https://eur-lex.europa.eu/eli/reg/2023/2831>

Regulation (EU) 2023/2832 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid granted to undertakings providing services of general economic interest: <https://eur-lex.europa.eu/eli/reg/2023/2832>

Please note

This factsheet is a summary of the key points of Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid and Regulation (EU) 2023/2832 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid granted to undertakings providing services of general economic interest hereinafter referred to as "the Regulations" but is not a substitute for the full text of the Regulations, to which reference should be made.

➤ **GEOGRAPHICAL COVERAGE**

The provisions of this document are applicable to the partner/s legally established on the territory of the Republic of Bulgaria. The Serbian applicants should follow the applicable national regulations and regulations regarding State aid outside EU.

➤ **AMOUNTS OF SUPPORT**

The total amount to a single undertaking is:

- ✓ EUR 300,000 over an any period of three years in accordance with Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid;
- ✓ EUR 750 000 over any period of three years in accordance with Regulation (EU) 2023/2832 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid granted to undertakings providing services of general economic interest

De minimis aid is deemed to be granted when the legal right to receive the aid is conferred, irrespective of the date of payment. In as (INTERREG VI-A) IPA Programme Bulgaria- Serbia this is understood as the date when the last contracting party signs the subsidy contract.

Where the relevant ceiling would be exceeded by the grant of new de minimis aid, none of the new aid may benefit from the de minimis Regulations. This means that if an application is received which would result in the ceiling being exceeded, de minimis support cannot be awarded in whole or in part, even if a partial award would not result in the ceiling being exceeded.

➤ **SINGLE UNDERTAKINGS**

The ceiling on de minimis aid is calculated per single undertaking per Member State. Conversely

subsidiaries of the same enterprises could not each receive de minimis support from the same Member State.

The de minimis threshold counts per “single undertaking”. In case a project partner is part of a group, the entire group is considered as one single undertaking and the de minimis threshold applies to the entire group.

The notion of single undertaking includes all enterprises having at least one of the following relationships with each other, as provided for in Article 2(2) of Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid or in the meaning of Article 2, para. 2 from Regulation (EU) 2023/2832 for undertakings for the provision of a service of general economic interest enterprises having any of the relationships referred to in the above points through one or more other enterprises shall also be considered to be a single undertaking.

It is to be noted that in the framework of State aid, an “enterprise” is to be understood as any entity engaged in an economic activity irrespective to its legal status

Although the Regulations refers to 'enterprises', in practice, this encompasses any entity engaged in an economic activity. The above criteria are intended to ensure that a group of linked entities is treated as a single undertaking for the purposes of the de minimis rule. On the other hand, it is intended to ensure that entities which have no relationship with each other except for the fact that each of them has a direct link to the same public body or bodies are not treated as being linked to each other.

In calculating the amount of aid, special care must be taken where the recipient has been the subject of a merger or a split from another organization. In the case of mergers and acquisitions, all prior de minimis aid is considered in determining whether new de minimis support can be paid. De minimis aid lawfully granted before a merger or acquisition shall remain lawful.

If an undertaking splits into two or more separate undertakings, de minimis support granted before the split shall be allocated to the undertaking that benefitted from it. This is in principle the undertaking taking on the activities for which de minimis support was used. If this split is not possible, de minimis support will be allocated proportionately on the basis of the book value of the equity capital of the new undertaking at the date of the split.

Should be considered that De minimis aid granted in accordance with art. 5, para. 1 of Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid may be cumulated with de minimis aid granted in accordance with Commission Regulation (EU) 2023/2832. De minimis aid granted in accordance with art.5, par. 2 of Regulation (EU) 2023/2831 may be cumulated with de minimis aid granted in accordance with Commission Regulations (EU) No 1408/2013 (22) and (EU) No 717/2014 (23) up to the relevant ceiling laid down in Article 3(2) of this Regulation.

In addition, art. 5, para 3 of the Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid and art.5, para. 3 of the Regulation (EU) 2023/2832 for undertakings for the provision of a service of general economic interest indicates that De minimis aid granted in accordance with this Regulation shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Commission. De minimis aid that is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

➤ **EXCLUSIONS**

(INTERREG VI-A) IPA PROGRAMME BULGARIA- SERBIA is not allowed to grant the following types of aid under the de minimis Regulations:

- Aid to undertakings active in the fishery and aquaculture sector, as covered by Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organisation of the markets in fishery and aquaculture products, amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000;
- Aid to undertakings active in the primary agricultural production ;
- Aid granted to undertakings active in the sector of processing and marketing of agricultural products in the following cases:

- ✓ 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;
- ✓ where the aid is conditional on being partly or entirely passed on to primary producers.
- Support for acquiring road freight transport vehicles by undertakings in the road haulage business;
- Aid to export-related activities and aid contingent upon the use of domestic over imported good cannot be granted under the de minimis rule.

For the purposes of De minimis Regulation the following definitions shall apply:

Agricultural products mean products listed in Annex I to the Treaty, with the exception of fishery and aquaculture products covered by Regulation (EU) No 1379/2013.

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.

Additionally, the Programme ensures that partners do not receive the other types of aid that are excluded by the de minimis Regulation in addition to the ones listed above.

➤ **ENSURING COMPLIANCE**

In order to ensure strict observation of the set maximum thresholds, in accordance to Art. 6(1) of Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty to de minimis aid and Art. 6(1) Regulation (EU) 2023/2832 for undertakings for the provision of a service of general economic interest from 1 January 2026, information on de minimis aid granted is registered in a central register at national or Union level. Information in the central register shall contain the identification of the beneficiary, the aid amount, the granting date, the

granting authority, the aid instrument and the sector involved on the basis of the statistical classification of economic activities in the Union ('NACE classification'). The central register shall be set up in such a way as to enable easy public access to the information whilst ensuring compliance with the Union rules on data protection, including through the pseudonymisation of specific entries where necessary.

The Managing Authority shall request from the Bulgarian partners to declare any de minimis aid received in any period of 3 years. The provided information shall be verified through the public Register of the de minimis aids, available on the webpage of the Bulgarian Ministry of Finance (<http://minimis.minfin.bg/>).

In case with planned project activities a Bulgarian partner exceed the maximum thresholds, the Managing Authority has the right to reduce the requested grant amount before signature of the subsidy contract.

The Programme bodies at all levels (national controllers, JS and MA) will closely monitor the adherence of the state aid rules not only during the pre-contracting phase, but also during the whole implementation period of the project.

In case with already implemented project activities a Bulgarian partner exceed the maximum thresholds, the Managing Authority has the right to terminate the subsidy contract and to demand repayment of the amounts already paid in accordance with the provisions of the subsidy contract and the applicable state/de minimis aid regime.

➤ **ADMINISTRATIVE ARRANGEMENTS**

In case of a positive plausibility check, the Programme can grant de minimis support.

The Managing Authority ensures compliance with the monitoring and administrative arrangements of the de minimis Regulation. Project partners receiving de minimis aid have to maintain relevant documentation as outlined in the Programme Guidelines. The Lead partner and the project partners have to ensure that all planned activities are set up and implemented in compliance with the national legislation related to competition and state aid. In addition to this they shall ensure publicity and transparency of these activities and project outputs and results, which can create an economic advantage to an economic operator.

In case the Programme bodies find out that the Lead partner or any project partner has infringed the state aid rules, including false declarations regarding state aid, the MA is entitled to terminate the subsidy contract and to demand repayment of the amounts already paid in accordance with the provisions of the subsidy contract and the applicable state/de minimis aid regime.

6. REPORTING

The Lead partner shall report electronically the progress of the project implementation on quarterly basis (three-month) with the exception of the last reporting period, which may be shorter/ longer than 3 months depending on the time schedule of the project. The first reporting period starts with the start date of the project implementation period, defined in Article 2 of the Subsidy Contract. The last reporting period always ends by the end date of the project.

The reporting process is performed at two phases at project level:

- 1) The Project partners (PPs) should submit a Partner project report (PPR) including information on the realization of the work packages on their behalf. The report is submitted via the Joint Electronic Monitoring System (Jems) and its purpose is to inform the LP on the progress made by all PPs. Partner project report provides an overview to the Lead Partner about the progress, activities carried out, and outputs delivered; provides information for communication and publicity on the project level. Each partner should describe their own contribution to each work package during the reporting period.
- 2) The LP shall summarize the information received from all PPs and prepare an aggregated Project report (PR), which represents a general statement on the progress towards project objectives. The aggregated PR provides an overview of the project progress, including indicators, partnership, and target groups, and also includes information for communication and publicity at the program level. The PR is also submitted via the Jems signed by the authorized representative of LP. The submission of PR by the LP on quarterly basis is obligatory with the exception of the last reporting period, which may be shorter/longer than 3 months.

The first reporting period starts with the start date of the project implementation period defined in Article 2 of the Subsidy Contract. The last reporting period always ends by the end date of the project. The reporting periods will be defined at the start of the project.

Example: *If the Subsidy Contract was signed on 22.07.2023, and the first day of project implementation of a 10-month project is 23.07.2023, the first quarter of project implementation should be: 23.07.2023 - 22.10.2023, and the last reporting period should be: 23.01.2024 - 22.05.2024.*

The project time plan is always based on the last approved Application Form, section C6. It displays the reporting deadlines corresponding to the reporting period filled in the project reporting schedule. The Lead partner completes the Project reporting schedule in advance, within 10 working days after the Subsidy Contract enters into force, and it is then approved by the programme user (i.e., JS project officer).

At the beginning of the project the LP shall fill in and submit an Initial Compatibility Check Sheet of the project with the Strategic Environmental Assessment of the Programme (Annex 9). The information provided in the Compatibility Check Sheet shall indicate for the presence/absence of environmental consequences of the envisaged project work packages. The document should be dated, stamped and signed by the legal representative of the LP.

Subsequently, on a three-year basis, if applicable to the project implementation period, the LP shall submit a Periodic Compatibility Check Sheet. This sheet aims to assess the ongoing impact of the project on the environment, ensuring that environmental considerations are continuously integrated into the project's development.

Additionally, at the conclusion of the project, a Final Compatibility Check Sheet is to be provided together with the final PR. This final check sheet aims to comprehensively evaluate the overall impact of the project's implementation on the environment, providing a comprehensive overview of the environmental implications.

The **Project Report (PR)** (Annex 3) shall provide information about the progress in realization of the work packages as they are implemented by the PPs within the reporting period, the extent of achievement of specific project's deliverables, outputs and results and their correspondence to the Application form and the Subsidy contract. Additionally, brief description of the procurement

procedures and visibility measures carried out within the reporting period shall be also highlighted in the PR.

The PR is to be filled in by the LP (in electronic) using the information provided by the PPs and sent to JS through the Jems. For more information, please follow the link: <https://Jems.interact-eu.net/manual/> .

The progress in realization of the work packages covers only the respective reporting period. For each previous reporting period, the information (reported by the LP and approved by the JS) will be included automatically. The attached supporting documentation have to be related only to the current reporting period.

Please, note that the documents related with procurement procedures and contracts under the project, should be uploaded in the respective sections of the Jems. To the PR should be attached all documental proves for the implementation of the contracts.

NB!	<p>The reporting of the realization of the work packages resulted from the achievement of the project deliverables in the PR differs from the fulfillment of Output and Result Indicator/s (ORIs).</p> <p>The Lead partner has to submit the PR to the Joint Secretariat through the Jems of the Programme website. The deadline for submission of the aggregated PR is no later than 10 working days after the end date of the respective reporting period. In case of delay in the reporting, a reminder will be sent by the JS to the Lead Partner. The Lead partners are reminded that the failure to submit the required reports will be qualified as a basis for termination of the Subsidy Contract.</p>
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The corresponding checks and approval procedures on the aggregated PR shall be done within 20 working days after submission of the aggregated PR by the LP to JS. The deadline for response/submission of the necessary documents or clarifications related aggregated PR by the LP to the JS is 5 working days. The LP shall be duly notified for the aggregated PRs' approval within 3 working days after the approval).

NB!

The Final Project Report (FPR) has to be submitted within 15 (fifteen) working days after the end of the project implementation and has to cover the whole period of the implementation of the project. The information about the project's contribution to the horizontal issues, etc. shall be reported by the LP only in the FPR.

The preparation, submission, corresponding checks and approval procedures for the FPR are identical to those for the Project Reports, but the deadlines for the approval of the final one differs..

Together with the FPR, the LP is required to submit brief overview of the objectives reached, implemented work packages, pictures and results achieved by the project in the document Final Project Summary (Annex 3.1). The information shall be used by the MA / NA / JS for promotion of the project.

NB!

The language of reporting is English. The PR (FPR) and the Final Project Summary have to be prepared in English.

6.1. Content of the Reports

6.1.1. Content of the PR

The partner report **could be different type: content or financial. Depending of the type (content or financial)** the partner report is divided in different sections accessible through tabs at the top:

Report identification - The partner report overview offers details about the partner report ID, its current status (which can be Draft, Submitted, Control ongoing, or Certified), the reporting period (chosen in the "Report identification"), the date of report creation, and the initial submission date of the report. In the Summary section, you should provide a detailed description of the partner's achievements during the reporting period. Explain the progress made and how it has contributed to the activities, outputs, and deliverables of other partners in the same period. This information serves not only for the LP when drafting the project report but also for controllers who verify the

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associated expenditures. In the section Partner problems, all problems and deviations in implementation, including delays from the work plan presented in the application form, should be described and justified, along with the solutions found. Information regarding the Target groups should encompass an explanation of the engagement of target groups identified in the last approved Application Form (AF). The provided table contains a list of these target groups as per the AF. The requirement is to clarify which target groups were actively involved, describe the methods of engagement, and specify the extent of their participation in the project.

Work plan progress - in this section, data from the last approved Application Form (AF) is organized by work packages. Partners are required to detail their contributions to each work package during the reporting period. By clicking on a work package, partners should provide updates on activities, deliverables, and outputs within that package. The partner's contribution to the work package is described first, followed by progress information on specific activities. Relevant supporting documents should be uploaded as attachments, specifically any deliverables created during project activities. If there are multiple files for a single item, it's advisable to compress them into a .zip or .rar file for convenience. To streamline content reporting and prevent unnecessary information overload, Project Partners (PPs) should only provide descriptions and attachments for activities, deliverables, or outputs to which they have made direct contributions or for which they bear responsibility.

Public procurements - the "Public procurements" section is where partners provide information about project-related procurement activities. Partners are required to report each new procurement and update it in subsequent reports. Mandatory fields must be completed before saving an order item. Once created, the order enters edit mode, allowing details to be filled in or updated. Note that editing is not possible after the report has been submitted. Attachments can be uploaded under the procurement section. Uploaded files can be further described (use the pencil item to add a description), downloaded or removed. Documents subject to the General Data Protection Regulation (GDPR) should be uploaded in the GDPR attachments section. Only users with edit rights and the GDPR sensitive data privilege set to active in the "Project privileges" section can upload these documents. Users without this privilege can't download files from this section or view file details. However, the controller of the partner and the MA/JS can access these

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documents based on their roles. In case of amendment(s) to the contract, the amended contract(s) should be uploaded.

List of expenditures is where partners report their incurred costs. By clicking "+Add expenditure" partners can add expenses individually. Only expenses reimbursed based on actual costs should be listed here.

Contributions - this section has only to be filled in by those partners benefitting from external financial contributions to their budget. It is therefore disconnected from the financial overview tables. The section is prefilled with the information on sources of partner contribution provided in the AF valid at the moment of creation of the partner report. The first row shows the partner organisation's own contribution (similar as in the AF). If the contributions are changed due to a project modification, the changes will apply to newly created reports after the approval of the modification. Previously reported amounts will of course still show up in the existing rows.

Report annexes - the section displays all files uploaded within the various sub-sections of the partner report. Additional files can be added here by clicking "Upload file." Users with edit privileges can provide descriptions for all files in this section, even if they weren't initially assigned descriptions in specific sections. Files can be deleted within this section, but files uploaded in other sections must be deleted within their respective sections. The tree structure reflects the different sections within the partner report that have an upload function. Users can select a subsection (e.g., "Work plan progress") to view files uploaded under that subsection.

Report export - an export plugin can be selected (PDF or Excel for the budget overview tables). Since the programme language is English, no other language options are available.

Financial overview - The partner report's financial overview section features four distinct financial overview tables (Partner Expenditure - summary; Partner Expenditure - breakdown per cost category; Partner Expenditure - breakdown per Lump sum, and Partner Expenditure - breakdown per investment). All amounts displayed in the summary tables are in EUR. You can review the summary of the information you provided and, if necessary, make modifications in the relevant section. The figures in these tables represent the consolidation of data from previously submitted partner reports, as of the date the current partner report was generated. The financial overview tables illustrate the partner's spending progress. The figures included in the tables represent the

aggregated data from all partner reports submitted up to the date of the current partner report's creation.

Submit - In this section the partner report can be submitted. The pre-submission check have to ensure that all necessary fields are filled before submitting the report. The submission button becomes active after passing this check. The report's status changes, as shown in the report identification tab. Partners are reminded to keep the contracting section up to date, including bank details and other information. After submission, the partner report is frozen.

6.1.2. Content of Project Report

The Lead Partner (LP) is responsible for completing the project report for each reporting period.

To access the project report section go to /reporting /project report. The PR starts with Project progress report identification. The starting date of the period, i.e. the first day of the first month of the reporting period this report is going to be linked to (the project start date for the first reporting period). The type of project report (Content or Finance) and reporting date will automatically be selected according to the project reporting schedule (defined in advance). The reporting date is pre-filled in and is coherent with the deadline for the submission of the project report as fixed in the subsidy contract. With creating the report, the first tab “Project progress report identification” pops up and further entry fields appear. The project progress report identification tab is dynamic, in the sense that it responds to the project report type.

Project progress report identification

Then, an overview of project outputs and results is tabled. The information automatically displayed is based on the AF (target value), previously submitted reports (previous) and the information provided in the tab “work plan progress”. In addition, an overview on the partner spending profile is provided.

First 2 sections "Project progress report identification" and "Work plan progress" are similar to the Partner Report, but here the information is already consolidated for all project partners.

In the "Project results & horizontal principles" section, the Lead Partner (LP) is responsible for describing the progress made towards planned results during the reporting period. These results are cumulative, meaning that as each report is submitted and a new one is created, the values

from the previous report are added to the cumulative values. The cumulative value achieved is calculated as the sum of all the figures reported in all project reports with the status "submitted."

In the context of horizontal principles, there's a table where you can report on the contribution made for each of the three criteria. The type of contribution is predefined based on the latest approved Application Form (AF) and cannot be altered. Additionally, there's a text field provided to describe the contribution made during the specific reporting period.

The LP may submit a project report even if partner(s) have not managed to submit a partner report in due time.

Similar as to partner reports, the "Project report annexes" section displays all files uploaded within the project report. This section organizes uploads based on where they were added in the report's structure. It serves as a comprehensive list of all uploads from all sections within the report.

The pre-submission check has to be run to verify if any necessary fields have been inserted before submitting the report.

6.2. Assessment of the PR

JS is responsible for checking and approval of the project reports. The main objectives of assessment of the PR include verification of the progress of the project, timely implementation of the activities and extent of the realization of the WP, the achievement of project's deliverables and ORIs and their correspondence to the Application form.

The JS perform documentary check of the PR according to the information presented by the LP. If some information related to the PR is not correctly/clearly described, the JS will send an email to the lead partner explaining which information needs to be added to the report and may reopen (unlock) the PR for correction/clarification within the set deadline for submission. The lead partner must complement the report and give clarifications within the deadline, given in the email. The usual deadline is 5 calendar days, but may alter depending on the case. In case of investments activities performed during the reported period, the JS officers may proceed with on-the-spot visit.

NB!	The PR could be approved or conditionally approved by the JS . The conditionally approvement means that JS has remarks on the report, but they are
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not significant and can be corrected during the next trimester. In case when the missing documents and inputs were not provided within the due time by the LP the PPR will not be approved and the ad-hoc visit may be performed.

The Lead partner should take into account, that the MA will reimburse the requested funds only in case the respective PR is accepted and approved/conditionally approved by the JS.

Costs for project implementation are eligible, if the project partner submits together with PR supporting documents, giving evidence for implementation of activities. Required documentation depends on nature of activities.

Generally, the required documents for specified activities are presented below:


TYPE OF ACTIVITIES	SOURCE OF VERIFICATION
Seminar, conference (organization)	<ul style="list-style-type: none"> - Agenda; - Participants (registration list, signed by the participants); - Photos (hall, participants, lectors, programme/project visualization, catering); - Presentation (with the name, title and signature of the lectors); - Copies of materials given to participants; - Feed-back for response, with recommendations and assessment from participants; - Public announcement or invitations; - Service acceptance documents (if execution of tender procedure is required).
Seminar, conference (participation)	<ul style="list-style-type: none"> - List of participants; - Report of the PP's representative; - Photo of the representative (in front of the agenda or other space of the seminar which gives sufficient information on the participation, programme/project visualization); - Uploaded information for the seminar on project/beneficiaries web site/s; - Certificate(s) (if applicable).
Training	<ul style="list-style-type: none"> - List of participants, full name, address, contact (phone, e-mail) name of the organization they represent; - Training programme;

TYPE OF ACTIVITIES	SOURCE OF VERIFICATION
	<ul style="list-style-type: none"> - Training materials; - Feed-back for assessment of training; - Report from training and summary of feedback; - Photos from the training with programme/project visualization; - Photos of provided catering/coffee breaks; - Press publications with programme/project visualization; - Service acceptance documents (if execution of tender procedure is required).
Exhibition (participation)	<ul style="list-style-type: none"> - In addition to the seminar participation: - Plan of the hall; - Plan of the stand; - Photos of the stand (the visibility plaque has to be visible on the photo).
Online events (seminars, conferences, trainings, meetings, etc.)	<ul style="list-style-type: none"> - e-mail invitations and received confirmations; - data for access to the virtual event (meeting ID, access link, etc.); - software log of the event; - screenshots taken during the event, indicating clearly date and number of participants; - audio/video recording (if possible); - list of participants (names and e-mails); - feedback from participants (in case of participation of target groups); - any other suitable for the purpose evidences.
Application for trade mark or patent	<ul style="list-style-type: none"> - Copy of the registration form; - Certificate.
Tests	<ul style="list-style-type: none"> - Report on tests results; - Certificate.
Web-site	<ul style="list-style-type: none"> - Screenshot; - Web site counter results, including launch of the site; - Service acceptance documents (if execution of tender procedure is required).
Publications, advertisement	<ul style="list-style-type: none"> - Copy of the publication with programme/project visualization, including the first page of the magazine and the header of the page and the page self, where the publication is located.
Advertisement (non-	<ul style="list-style-type: none"> - Photos of the advertisement;

TYPE OF ACTIVITIES	SOURCE OF VERIFICATION
publication)	<ul style="list-style-type: none"> - Video/Audio Material with programme/project visualization.
Internal carried tasks	<ul style="list-style-type: none"> - Reports on progress and related physical outputs; - Drafts; - Elaborated strategies, plans and etc.; - Technical documentations (test results, photos from tests, etc.);
Working meetings	<ul style="list-style-type: none"> - List of participants, full name, address, contact (phone, e-mail) name of the organization they represent; - Detailed agenda; - Photos; - Report from meeting.
External experts	<ul style="list-style-type: none"> - Service acceptance documents (if execution of tender procedure is required); - Report for tasks completed; - Copies of elaborated materials; - Protocol for put-in-work.
Supply of equipment	<ul style="list-style-type: none"> - Document for procurement, including Acceptance Certificate/Protocol; - Statement/Certificate of origin for equipment/supplies; - Inventory lists; - Available equipment, stamped as described hereinafter.
Supply of promotion materials	<ul style="list-style-type: none"> - Documents from tender procedure, technical specification, signed contracts; - Document for procurement, including Acceptance Certificate/Protocol; - Copies from the elaborated material (where the necessary Programme visual elements are printed); - Photos made during the acceptance of promotional material.
Technical documentation for works	<ul style="list-style-type: none"> - Correspondence between involved parties; - Permissions, Environmental Impact Assessment (if applicable); - Documents from Works Supervision – statements, protocols for works completed, supervision reports, copy of the required protocols in construction; - Documents for acceptance of site by Committee and/or Use Permits; - Publicity measures; - Photos with programme/project visualisation.

7. CREATING A REQUEST FOR NATIONAL CONTROL

The financial reporting process starts by completing the “public procurements” tab in the Partner Report in JEMS.



Partner report R.5

Status: Control ongoing Open controller work Reopen partner report

Report identification Work plan progress **Public procurements** List of expenditures Contributions Report annexes Report export Financial overview

Any (and only) outsourcing contract signed by the PP with an external provider for the implementation of the project activities, shall be compiled in this tab, regardless from its amount and attached to all related expenditures. External services not covered by a signed contract are not included in this section.

The contract must be introduced only once, and always before starting the reporting of the first expenditure related to it. It will then remain registered in the system and available to be further attached to the Public Procurement expenditures for the current and upcoming periods.

NB!	<p>When reporting expenditures on a contract (with external contractor) for the first time, the project partner is obliged to submit:</p> <ul style="list-style-type: none"> – Declaration of conflict of interests check (Annex 10); – Reference for similar activities (Annex 5.1) – only for BG partners; – Declaration for the absence of the circumstances under Art. 5k of Council Regulation (EU) No. 2022/576 of April 8, 2022 (Annex 13).
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Public procurement expenditures must be linked to its corresponding contract.

The List of expenditures (LoE) section is the place where each single partner must fill-in the incurred and paid costs.

List of expenditures

Currencies and conversion rates are taken from InforEuro, the European Commission's official monthly accounting rates. The monthly rates are automatically updated until the month when the Partner Report is first submitted for verification. If your Local i EUR, your expenditure shall be reported in EUR only.

ID	Previously parked by	Cost category	Contract ID	Internal reference no.	Invoice no.	Invoice date	Date of payment	Description	Comment	Total inv
R2.1	<input type="checkbox"/>	External expertise ...	N/A							

Each item must correspond to a single cost, must be filled-in in original currency and must be coherent with the activities achieved during the period and reported by the PP. The information related to an expenditure item is divided into several fields. Be sure to fill-in all needed information by scrolling from left to right on your screen.

Cost category: this section is linked to the partner budget as defined in the consolidated AF. The field is mandatory, and the cost category must be selected on the drop-down menu. The dropdown menu will show you a complete (real cost) or limited (lump sum) overview of the list of selectable cost categories.

For each cost category selected, the following information must be provided:

→ Contract ID (if existing)

In case of “External expertise and service”, “Equipment” or “Infrastructure and or Investment”, the contract ID which has been created must be linked here to the corresponding expenditure incurred by the Partner.

→ Internal reference number

This field can be used to identify the expenditure.

→ Invoice number

The invoice number should be used to identify expenditure.

→ Invoice and date of payment

The invoice date must be selected. Please remember that invoice date must be comprised within the eligibility period of the project report.

→ Description

Particular attention must be paid to this section. Some cost categories require a clear information's description.

→ Comments

This is an optional comment section where can be included any specific contract information that may be relevant for the National Controller, *if applicable*.

→ Total invoice value

Total invoice value should be filled in **including VAT**. Input of negative amount is **not** allowed.

→ VAT

VAT Should be filled here, *if applicable*.

→ Declared Amount

This field corresponds to the full amount that the Partner claims for reimbursement to the Programme, and that will be checked by the National Controller. Input of negative amount is **not** allowed.

→ Currency

Depending on the Partner's country, euro or a different currency will be shown up by default by the system. This currency's value is the base for the automatic calculation of the declared amount in Euro. More specifically, the system provides:

- ▶ Non Eurozone partners: the respective currency of the country is pre-filled and the exchange rates are applied when expenditure items in other currencies than Euro are declared.
- ▶ When Country information in AF is not given: the PP can indicate any currency in the list of expenditure.

NB!

Bear in mind that if a report is in draft, exchange rates are updated constantly. Once the report is submitted, the exchange rates shall be taken from the month of submission and frozen.

→ Conversion rate

The conversion rate is automatically provided and displayed by the system. The conversion is given on the exchange rate applicable at the moment of the submission of the Partner Report, so


as long as the report is on draft the conversion rate is indicative.

→ Attachments

In this section, partners are invited to upload any useful document directly to each expenditure. As the system only allows for one file per expenditure, it is recommended to upload **a zip file** containing all the documentation of the expenditure. For reference of required documents, please see part 8.9. Financial and accounting documentation of the project.

→ Sensitive data on expenditures

Following the General Data Protection Regulation (GDPR), some expenditure items could contain data that is considered confidential by the PP organization. In this case, the PP can qualify the expenditure as sensitive data-relevant, by clicking on the “little square” at the beginning of the expenditure line before submitting the request for National Control.

Expenditure data		
ID		Are par
R1.1	<input checked="" type="checkbox"/>	
R1.2	<input checked="" type="checkbox"/>	
R1.3	<input checked="" type="checkbox"/>	
R1.4	<input checked="" type="checkbox"/>	

Once the sensitive data option is set, the “description”, “comment” and “attachment” fields are hidden for all JEMS users of the PP organization without access rights to GDPR-relevant information. Only partner's JEMS users who are filling the report or whose access to sensitive data has been granted: the Lead Partner, the assigned National Controller and the Programme users who need to check this information, are able to see those hidden sections.

The “**Submit**” section allows partners to submit their reports through the “**submit partner report**” button, which becomes active only after passing the “pre-submission check”. To do that, the PP must click on the “**run pre-submission check**” button.

If the pre-submission check does not report any warnings, the PP can click on “**submit partner report**” and “**confirm**”.

After this step, the partner report passes to “submitted” status, in the report identification tab and the National Controller can start the control work.

8. FINANCIAL MANAGEMENT OF THE PROJECT

This section provides information and guidelines for the Beneficiaries about the requirements for financial management and control of project expenditures. The financial management of the project is based on the Lead partner principle.

The “Lead partner” principle

The Lead partner (LP) is responsible for sharing out the tasks among partners and it is entirely their responsibility to ensure that these tasks are completed as stated in Subsidy Contract and the Partnership agreement. Therefore, the financial control responsibility of the LP is restricted to:

- control that the implementation of the project and the expenditures made are in accordance with the activities in the Subsidy Contract and the Partnership Agreement;
- control that the expenditures made by the PPs are verified by a National Controllers.

Project partners must be aware that in case of an appeal procedure, the reimbursement of funds for the total project is to stop for further clarifications and taking a final decision by the MA.

8.1. Organization of Bank Account and Bank Statement

The Lead partner must open a separate EUR bank account, which shall be used only for the payments related to the project.

The details of the bank account and the obligatory requirements towards the bank accounts under the Programme are the following:

- Holder of the project account is the LP, who signed the respective Subsidy Contract;
- The account must be denominated in the currency, required by the MA in the Guidelines for Applicants, namely in EUR;
- The respective Bank Office should be mentioned;
- The IBAN;
- The Bank Identification Code (BIC/SWIFT);
- Address of the Bank and the bank account holder.

The interest accrued under the bank account(s) of the project should be reported in the financial report with the Request for final payment. A Certificate or Reference from the bank regarding the interest accrued under the account for the contract implementation period has to be attached to the Request for final payment.

In case that under a project more than one bank account has been used, the LP must report all the interest accumulated under all the accounts by submitting the respective documents.

In case of change of the bank account under the project, the LP must inform immediately the MA with a copy to JS and justify the need of this change as well as submit all the necessary account details for the new account (Annex 1 – Financial identification Form).

The Programme does not require that the Lead partners perform all payments from the project's account in Euro (they can perform payments from a different account, denominated in BGN for example). The Programme requires that there is traceability of the performed operations and organizing of analytical accounting for the purposes of the project.

8.2. Validation of expenditure by national controllers

The reimbursement of the expenditures for the execution of the contract is based on verifications by National Controllers (NC).

The reported expenditures by the PPs will be checked and validated by the controllers designated by the MA or NA.

The National Controller will not be assigned for the project partners, which expenditures for the reporting period are below 2500 euro. The respective expenditures will be declared in a subsequent Request for NC, which complies with this requirement for minimum spending requested for verification as well as provisions of the Subsidy Contract, including the fixed term of 10 days for submitting the Request after each reporting period.

The IR will also be returned to the beneficiary if attached documentation is not properly sorted by type and relevance in the Jems attachment sections. Different documents have to be scanned separately and organised in thematic folders, e.g., in the public procurement section - tender dossier, offers, evaluation, contract, etc.; in the List of expenditures section - invoice, accounting, payment, proofs.

The NC reviews the partner report according to the approved by MA *Risk based management verification methodology* for the Programme. The NC entails the following checks:

- verification of the delivery of the products and services;
- verification of the soundness of the expenditure declared;
- verification of the compliance of such expenditure with the Programme, EC and national rules.

Expenditure will be validated by Bulgarian/Serbian Controllers within a period of 45 days from the date of submission of the Request for National Control (Annex 5). However, the LPs are accountable to the JS and the MA for all the project costs. Therefore, the LPs are responsible for the project financial management and the operation of the control systems. The LP must check all the documents of the requests for payment, ensure that the expenditure of each partner is directly linked to activities as agreed in the Application Form/Subsidy Contract and verify that the expenditure of each partner has been validated by the controller.

The process of National Control is as follows:

Step 1

Each Bulgarian/Serbian Project Partner (including the Lead Partners) should fill in information concerning the expenditures during the reporting period in the Jems. All relevant documents as: invoices, other accounting documents, technical documentation for delivery of the products, services and works, sub-tender procedures dossiers, in case there are expenditures related to sub-contracting, i.e. tender dossier, information for all the participants in the conducted sub-tendering procedures as well as the chosen sub-contractors, should be uploaded in Jems by respective PP. After the end of the reporting period LP submits Request for National Control (Annex 5), to the MA within the deadline specified in the Subsidy contract. The request could be sent by the respective Project Partner, if such rights are delegated by the LP.

NB!	<p>When reporting expenditures on a contract for the first time, the project partner is obliged to submit:</p> <ul style="list-style-type: none"> - A declaration of conflict of interests check (Annex 10); - A reference for similar activities (Annex 5.1); - A declaration for the absence of the circumstances under Article 5k of Council Regulation (EU) No. 2022/576 of April 8, 2022 amending Regulation (EU) No. 833/2014 (Annex 14).
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The LP/PP may request verification of expenditures **on a six months** basis after the starting date of the project implementation period. As an exception the LP/PP may request verification of expenditures on a quarterly basis after the starting date of the project implementation period, provided that the total amount of the expenditures made during the quarter by the Project Partners is above 2 500,00 EUR.

Submission of the Request for NC and the related documents should be done through the Jems by filling all relevant information in the partner report, attaching the relevant files in the the attachment section of the Partner report, including declarations and the signed Request for NC (Annex 5). The day of submission is considered the day of properly submitting the partner report with the request for NC attached in the system.

All annexes/declarations and supporting documents (invoices, technical documentation for delivery of the products, services and works, tender procedures dossier, pictures etc.) should be the original documents scanned in pdf format. If the originals are electronic documents, those shall be attached. The documents have to be structured in folders according to the corresponding expenses. The tender dossiers should also be structured in separate folder for each procedure and sub-folders - tender dossier, offers, evaluation, contract, etc.

In case there is no expenditures incurred within the specified period the respective PP prepares and submits to the LP a declaration for lack of expenditures. The declarations are part of the documents submitted by the LP to MA via Jems. The preparation and submission of the declaration concerns the LP as well if applicable.

Step 2

The Bulgarian/Serbian National controllers performs a check of the expenditures reported by the Bulgarian/ Serbian PP/LP on the basis of an approved risk-based methodology approved by the MA. The National Controller verifies the delivery of the products and services co-financed, the soundness of the expenditure declared, and the compliance of such expenditure with EU rules, Programme rules and relevant national rules.

The check is performed “on desk” and/or “on-the spot” (if applicable).

The on-the spot may be physical and/or virtual and the beneficiary is officially notified for it by the designated controller in advance.

In case the controller envisions to perform a virtual on the spot, according to the approved by MA *Instruction for National controllers for Virtual (online) on the spot checks*, the beneficiary is requested to prepare a *Declaration for virtual visit (Annex 4)*

If in the process of validation a lack of documents, shortage in the documents submitted or necessity of presenting additional documents concerning the relevant request for national control is found by the controller, he/she sends a request to the beneficiary to present the necessary documents within a period of 5 days. The requests for additional information and the relevant answers are submitted via the Jems and are noted in the “Control Certificate” (CC).

If no satisfactory clarification/documentation is provided by the PP to the controller, then the expenditures could be “parked” until such is presented. The parked expenditures can be included by a PP in next report, supported with complete documentation.

Step 3

The validation process is finalized in three steps:

1. The controller confirms the Control Checklists in JEMS as “Finished”, as well as completing the respective “controller work” section in Jems.
2. The set of the documents and information in the “controller work” section is reviewed by the head of NC (FLC) unit/ Quality controller or Controlling Institution for the decentralized NC organization forms for supervision.

- The controller finalizes in section “Overview and Finalize”, signs electronically and uploads in the “control communication” section a Control Certificate.

With the finalization of the controller’s work, a notification is sent automatically by Jems to the project partner, that its report has been verified. The Control Certificate, along with the control report and Check list and all documents relevant to the verification process (declarations, correspondence with the beneficiary, requests for clarifications, procurement checklist, etc.) are attached and available at the “control communication” section.

The NC also exports the Expenditure verification in excel format and attaches it in the *Control communication*. The PP receives automatic notification for finalized control by the system. For that purpose, each user / beneficiary shall enable the notifications from the “USER” menu at the top right corner of the screen in JEMS.



Step 4

In due time after the verification of the National Controller, each project partner has to inform the LP that verification procedure is finished and the CC, signed declarations for VAT status (only for Bulgarian partners) and lack of double financing and revenue (“Verification package”) are present at Jems. The LP is responsible for checking whether the expenditures, presented by the partners, are verified by the controllers and whether the verification, received from them, gives the necessary confidence for it to verify before the MA that the expenditures, declared for reimbursement, are eligible and lawful.

Step 5

After receiving the information and documents by other PPs for executed NC the Lead partner has to summarise the information from all partners and to prepare an aggregated Request for Payment

(Annex 6) for the respective reporting period (one request for the entire project). The aggregated Request for payment must include the expenditures for all project partners for the respective reporting period. If some of the project partners have not made any expenditure during the respective reporting period he/she should declare that to the LP in writing. The LP submits this declaration to the MA together with the Request for payment. The request for payment is filling in on-line in the electronic fields available on JEMS and is to be sent by the LP to the MA through the system. The procedure is described in p. 8.3.

Step 6

During the verification process the controller may identify some problems, which could be classified as irregularity or infringement of the applicable law and to provide the partner with recommendations for correction. The project partner has to consider the findings and recommendations by the NC and to undertake measures to correct the gaps identified. “Corrective measures” do not concern already verified documents or results which have to be done on the previous stage, but it concerns the future implementation of the project. Where the recommendations are not clear or abstractive, the project partner should contact the MA for consultation.

In case of disagreement with the findings of the NC during the verification process, the LP/PP may send to the MA an “Appeal Declaration” (Annex 7) together with the Request for Payment (RP - Annex 6). Each “Appeal Declaration” must be accompanied by detailed justification and additional supporting documents (if needed). Appeal Declaration submitted after the specified deadline will not be considered by the MA. During the verification process the MA may request additional documents and clarifications by LP and may initiate on the spot check, if necessary.

In case the controller identifies suspicion of irregularity or fraud in the validation process a corresponding signal to the MA is submitted.

8.3. Submission of Request for payment

Specific types and schedule of payments to LP are determined in terms of the Subsidy Contract. Three types of payments are foreseen:

- Advance payment - the LP must send a request for advance payment to the MA no later

than 45 days after the Contract enters into force;

- Interim payments - the LP may request interim payments on three/six months basis after the respective expenditures are verified by National Controller/s;
- Final payment - At the end of the project implementation period and after the respective expenditures are verified by controller/s.

Only the Lead partner has the right to prepare requests for payment and to submit them to the MA.

Before submitting the Request for Payment, in compliance with the Article 26 of the Regulation (EC) No. 2021/1059 the LP shall verify the following:

- the project activities are implemented in accordance with the principles of sound financial management;
- the payment request includes only expenditure, which is verified by the controllers, which is eligible and which is actually incurred by the partners for the implementation of the operation approved, in accordance with the Subsidy Contract, signed with the MA;
- the progress of the operation (financial and physical) complies with the provisions of the Subsidy Contract;
- the activities under the operation are duly documented. All accompanying documents, referring to the expenditure and the audits of the operation, shall be and will remain at the disposal of the European and the respective national controlling authorities, including the Audit and other Authorities under the respective programme for a period of three years after the programme's closure;
- the audits and/or inspections performed do not establish any weaknesses or omissions in the management of the operation approved, or, if such are established, there is a commitment for their rectification, including an approved timeline of corrective measures;
- the expenditure declared in the present Request for payment is not subject to double funding from other funding sources and has not been included in any other previous requests;
- the sum total, accumulating the expenditure, declared for reimbursement, does not exceed the respective operation budget categories;

- all certificates on validation of expenditures presenting the expenditure of the Project Partners in this Request for payment are attached in original paper version officially signed by the designated controllers;
- the information included in the Request for payment and its Annexes are true and correct.

8.3.1 Advance payment

The advance payment is at the rate of 20% of the total amount of the subsidy.

The MA may transfer the advance payment in two tranches, as follows:

- 10% of the total amount of the Subsidy Contract once the LP submitted a request for advance payment (Annex 6) and Financial identification form (Annex 1) no later than 45 days after the Subsidy Contract enters into force;
- and 10% of the total amount of the Subsidy Contract after one of the project partners awarded a sub-contract for investment activity and the LP submitted a request for advance payment (Annex 6), Financial identification form (Annex 1) and a copy of the notification letter to the successful tenderer or a copy of contract for investment activity.

The Request for advance payment and accompanying documents has to be submitted to the MA via email: e-mrrb@mrrb.government.bg

The MA transfers the amount of advance payment to the LP within 20 (twenty) calendar days after receiving request for advance payment.

8.3.2 Interim/Final Payments

Unlike the advance payment, where validation of expenditure is not applicable, interim and final payments are based on costs actually incurred by the beneficiaries.

All partners are obliged to submit to the LP information for the validated expenditures in 5 (five) working days after receiving the documents from the NC.

In 5 (five) working days of receiving the documents from the partners the LP creates Project report in JEMS and submit the following annexes (previously collected from all project partners) to the section „Project Report Annexes”:

- Request for payment (Annex 6);

- Control Certificate(s) (including Control Report(s)) by the National Controllers;
- Financial Identification Form for the LP (bank account details) (Annex 1);
- Declaration VAT status (Annex 11) and related documents (described in section “Value Added Tax” (VAT))– only for Bulgarian partners;
- Declarations for lack of double funding and revenue of the project (Annex 12) by each of the partners who reports expenditures. The Declaration must be prepared separately for each request for payment;
- Appeal Declaration (against the National Control Certificate, if applicable (Annex 7)).

It is recommended to upload a zip file containing all the documentation concerning the respective Payment request.

The Request for interim/final payment and annexes should also be send on e-mrrb@mrrb.government.bg.

NB!	The request for a final (balance) payment should be submitted by the LP within 15 days following the date of the final Control Certificate issued by the National Controller but not later than 110 days after the project completion.
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Interim/final payments are to be executed by the MA within 45 (fourty-five) calendar days after receiving request for interim/final payment.

8.3.3 General rules for payments

As a general rule the advance payment is deducted from the verified expenditures reported in the Request for final payment. Interim and final payments are based on costs actually incurred by the beneficiaries. In case the balance between the verified eligible costs and the amount of advance payment is positive, the MA will initiate final payment. In case the advance payment exceeds the verified total eligible costs, the MA will send to the Lead partner “Request for recovery of funds” in accordance with the terms and conditions of the Subsidy Contract.

The total amount of the advance and interim payments of an operation cannot exceed 80% of the total value of the subsidy. Nevertheless, the total amount of the advance payment and interim payments per project partner cannot exceed 100 % of the project partner`s total budget amount stipulated in the Application form. After the payments reached the 80 % of the subsidy, starts the

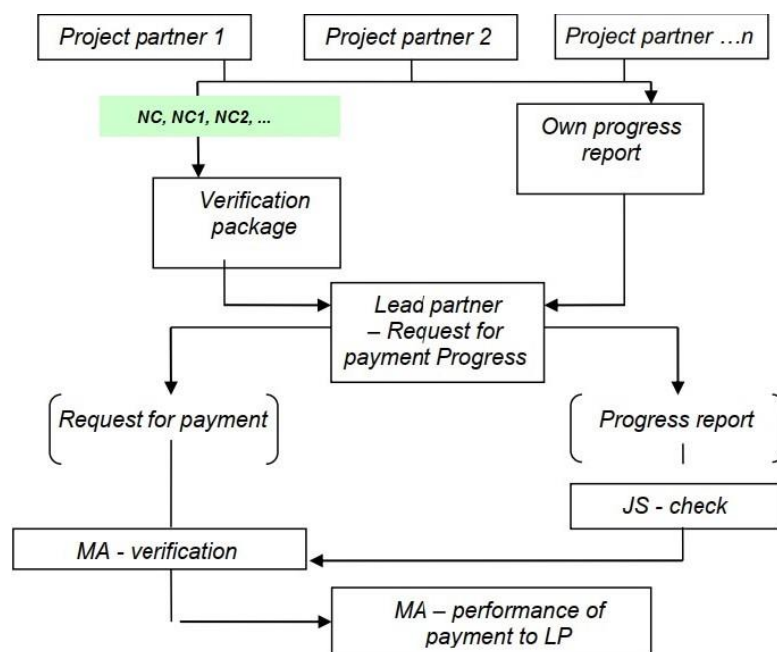
covering of the advance payment with the verified expenditures (partially or entirely) and the MA informs the LP that the verified expenditures are paid with the advance payment. When the advance payment is fully covered with the verified expenditures the MA continues with the payment of the verified expenditures.

Before submission of the request for payment to the MA, the LP can request consultation from JS on correctness and completeness of the documents.

Additional requirements concerning the preparation and completion of the Request for payment:

1. The amounts for each partner of the Request for payment (Validated eligible expenditures per project partner) must comply with the verified costs by the National Controllers. Accordingly, the total amount requested of the Request for payment must include the sum of all verified costs of the partners minus 15% co-financing for the partners from the Republic of Serbia. The amounts in each field of this document should be carefully calculated and indicated;
2. The Reporting period inspected by the Controllers as well as the Project duration period should comply with the dates specified in all relevant documents. Project duration and reporting period should be filled in correctly;
3. The Staff cost (BC1), Office and administrative costs (BC2) and travel and accommodation costs (BC3) must be included in the Partner report of each project partner as a global sum on the basis of the flat rate percentage, indicated in the respective budget;
4. Project preparation costs must be included in the Partner report of the Lead partner and must be declared for reimbursement only in first interim request for payment under the project, by the LP;
5. When reporting the costs associated with currency exchange and completing cost amounts in the electronic fields of the Invoice report, the official exchange rate of the currencies of the European Commission must be used (see section “Exchange rates”).

LP submits to the NC/MA all documents listed in the flowchart through the JEMS



In order to receive funds from MA the LP, before preparation of the Request for payment, should send a Progress report to JS, as described in section 6 “Reporting”. The reimbursement of funds under the respective Request for payment shall be carried out only after approval of the respective Project progress report by the JS.

The LP should take into account that the Programme will reimburse requested funds only if its corresponding PPR is accepted and approved by the JS.

8.4. Reimbursement of Funds to the Lead Partners

When submitting the Request for Payment, the LP has to be aware of the steps and the estimated timeframe of the reimbursement of Funds. The following procedure applies for the reimbursement of funds to the LP:

- The LP submits the Request for Payment to the MA within the deadlines given in the Subsidy Contract;
- The reimbursement of funds to the LP will be initiated by the MA within the deadlines given in the Subsidy Contract;
- The LP may be requested to clarify/revise Request for Payment during the verification

process. If the Request for Payment is rejected by MA the expenditures can be included in the Request for payment for the next reporting period;

- The reimbursement of funds will be performed by the MA after the verification process. In case the EU balance of the programme single bank account handled by the Accounting Authority does not cover the amount to be reimbursed, the reimbursement process will be suspended till the transfer of the EU contribution from the EC is credited to the Programme single bank account. In this case, the MA notifies the LPs for the amount of the verified expenditures. The MA transfer the amounts subject of payments after the necessary funds are ensured in the programme bank account;
- The verified expenditures subject of payment will be transferred by MA in bank account of the LP opened exclusively for the project. The LP is responsible to transfer the respective funds to each project partner according to the approved request for payment and within the deadline given in the Partnership Agreement.

The Lead partner assumes responsibility for ensuring the implementation of the entire project. When submitting a joint progress report, the Lead partner must:

- ✓ “ensure that the expenditure reported by the partners has been paid in implementing the project and corresponds to the activities agreed between all the partners”, i.e., it is in line with the application form and subsidy contract
- ✓ check that any deviations from the application form, should they exist, have been properly described and justified in the progress report
- ✓ check that amounts and activities reported are correctly included in the joint progress report and that they give a correct description of the implementation and present status of the project. This does not imply re-performing the checks already carried out at partner level, given the fact that financial control is a Partner State responsibility. However, it is still up to the LP, due to its role and understanding of the whole project, to satisfy themselves that partners are reporting correctly by looking through the information available to them (partner report and outputs, control report (including control checklist), list of expenditure). Where there is any doubt, the lead partner must clarify the matter with the partner (and the relevant controller) before the cost item is included in the joint

progress report that is submitted to the Joint Secretariat.

8.5. Timeframe of reimbursement of Funds to LP

LP and the PPs have to consider the timeframe of the reimbursement of Funds when preparing the time plan of their project activities. The following flowchart presents the procedures described in the following section with the indicative timeframe:



Balance payment shall be made after the approval of final PPR.

8.6. Eligibility of expenditure

➤ No double funding in the declared expenditures is allowed

With every Request for payment (Annex 6) it is necessary for all project partners that have declared expenditures to ensure that these expenditures have not been funded by other national or community source (Annex 12).

All the primary accounting documents should possess the obligatory requisites according to the respective legislation.

NB!	<p>Every invoice or similar accounting document subject to verification must contain obligatory text, identifying the specific project: the number and name of the project (for the expenditures related to the project preparation – the project name and/or the number of the call for proposals) and detailed information regarding the supplied products or services – quantity, type and unit prices.</p>
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If a **single invoice is used for claiming expenditures on more than one budget category as per the Subsidy Contract**, then the invoice or its attachments should have the expenditures,

divided as per the division in the budget (for example: hall rent, equipment rent, coffee breaks, etc.).

If this information cannot be mentioned in the document, one of the following can be done:

- The document is glued to a white sheet of paper and the above attributes are written afterwards;
- A protocol can be prepared to accompany the invoice, which states the number, date and amount from the invoice while pointing out the event for which the expenditure is relevant and all the attributes described above.

➤ **Payments by the project partners to the sub-contractors and suppliers**

NB!	<p>All payments of the project expenditures should be made by the project partners in a period of 45 days after completion of the project implementation period at the latest. For payments made after 45 days period mentioned above the respective expenditures shall be considered ineligible and shall not be reimbursed by the MA to the project partner.</p>
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➤ **Non-eligible expenditures**

The following costs shall not be eligible for a contribution from the Funds:

- Interest on debt;
- The purchase of land and existing buildings;
- Second hand equipment;
- Fines, financial penalties and expenditure on legal disputes and litigation;
- Costs of gifts;
- Costs related to fluctuation of foreign exchange rate.
- In-kind contributions (including unpaid voluntary work);
- Shared costs;
- Subcontracting between partners and/or associated partners of the same project for services, expertise, equipment and works carried out within the project;

- Charges for national financial transactions;
- Consultant fees between partners for services and work carried out within the project;
- Contracting of employees of the partner organizations as external experts, e.g. as freelancers;
- Other non-eligible expenditures according to EU and national legislation.

➤ **Eligible expenditures for VAT**

➤ **Project partners must comply with the relevant national VAT legislation.**

➤ **For Bulgarian partners:**

The expenditures for VAT is eligible for operation where the VAT is non-recoverable under national VAT legislation. In the implementation phase of the project the project partners should be requested to provide the necessary documentation (According to letter No HΦ-1/09.01.2024r., issued by the Ministry of Finance) proving the VAT requested for reimbursement is non-recoverable under national VAT legislation.

➤ **For partners from Serbia:**

According to Article 36 of the Financing Agreement for the Interreg programme “(Interreg VI-A) IPA Bulgaria-Serbia”, Value added tax (“VAT”) excise duties, customs duties and any other indirect taxes shall not be eligible for Union support, except for operations, investments and small projects funds listed under Article 64(1)(c) of Regulation (EU) 2021/1060.

➤ **Exchange rates (EU and local)**

The amount in the List of expenditures (LoE) shall be converted into Euro:

All sums in the List of expenditures (LoE) should be converted into Euro using the monthly accounting exchange rate of the European Commission of the month, in which the expenditures were submitted for verification to the NC.

The approved EU exchange rate for EUR into local currency is determined on a monthly basis at the beginning of each month. During the course of the project, funds held in the project EUR account will be exchanged and transferred to the local currency account. When buying

goods/services for the grant project, you should be aware that exchange rates differences will occur. This is because banks use a rate based on the daily exchange rates as set by the country's national bank for conversion of EUR in local currency.

However, the EU uses a different exchange rate than your bank is using. The EU exchange rate is determined on a monthly basis and is on average slightly higher than the local rate at the beginning and slightly below the local at the end of the month. **The currency exchange differences are not eligible project costs.**

You can find the EUR currency exchange rate at:

http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/index_en.cfm.

Information on the exchange rate is updated every first day in the month to come

8.7. Audit trail and accounting system of the partners

NB!	<p>The Bulgarian partner follows all the rules and regulations in accordance with the EU regulations and the applicable legislation of the Republic of Bulgaria.</p> <p>The partners from Serbia follow all the rules and regulations in accordance with the EU regulations and the applicable legislation of the Republic of Serbia.</p>
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➤ Audit Trail

Partners must ensure that all accounting documents linked to the project are available and that they are filed separately in order to be easily identified as relating to the project. It is the LP's responsibility to ensure an adequate audit trail which implies that the Lead partner has an overview of:

- Who was paid;
- What was paid;
- The date on which payment was made;
- The person who carried out the verifications;
- The location where the relevant documents are stored.


The LP must ensure that all project partners keep the documents linked to the project in an ordered and safe manner at least five years after the date of the notification by the MA for verified amounts under the request for final payment. The filed documents can be either the originals or the certified as original copies. For the purpose PPs may create a flow chart/short description of control system in their organization.

The following list gives an overview of the documents that should be available for financial control and audit purposes:

- Approved Application Form;
- Subsidy Contract;
- Partnership Agreement;
- Relevant project correspondence (financial and contractual);
- Documents attesting the NCs' validations on partners' expenditure;
- Partner Reports;
- Bank account statements/proof of payment for each invoice;
- Declaration of each partner to keep up the necessary and qualified project staff for the successful implementation of the project activities;
- Nomination of the project team members - administrative order or letter;
- Copies of all contracts with external experts and/or service providers;
- Documents relating to procurement, information and publicity (including photos);
- Proof for delivery of services and goods: studies, brochures, newsletters, minutes of meetings, translated letters, participants' lists, travel tickets, etc.

➤ **Accounting System**

The LP and PP must maintain regular and exact analytical accounts for the project implementation using an appropriate accounting system with double-entry book-keeping. These systems can be either an integrated part of the ordinary accounting system of Jems or an addition to this system.

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This system must function in accordance with the accounting policy and rules, in force in both countries, respectively. The accounts and the expenditures, related to the project must be easy to identify and check. This could be done either through the use of separate analytic accounts for the project or through guarantees that the expenditures for the project activities can be easily identified and traced to and inside the regular accounting systems of the Beneficiary. The accounts must show detailed information related to project expenditures as well as the interest rates, paid on the granted funds.

8.8. Financial and accounting documentation of the project

- **Budget** - the budget of each project is part of the signed Subsidy Contract. The MA defines in the Applicant's Guide and the Application Form the format and the structure of the budget. The Beneficiary shows the percentage of own contribution (if any) in the budget form. The own contribution is regulated in the Applicant's Guide. The controller should check the adherence to this percentage as well. The documentation of the own contributions respects the same requirements as described in this Manual.
- **Accounting documentation** - all expenditure is recorded at the accounting system of the beneficiary, in order to be recognizable either in a separate accounting system or there is sufficient accounting coding subject to national accounting rules. All the financial and accounting documentation must be prepared /issued in accordance with the stipulations of the respective state accounting and VAT regulations. The list bellow presents the basic documents for respective reporting costs:

Financial and accounting documentation (non-exhaustive list) to be provided by the Beneficiaries to the controllers

BC 1	STAFF COSTS
Accounting and Financial documents	Other documents/conditions for eligibility of expenditure
<p>Flat rate</p> <p>The flat rate percentage remains the same for the entire project implementation. No check of the documentary evidences related to the staff costs will be performed by the national controller. The amount of the staff costs to be reimbursed will depend on the amount of the direct costs spent and verified by the NC. An administrative order/a letter for nomination of the project team members shall be provided to the Controller on request.</p>	<p>Staff costs include costs related to the organisation's own staff to be involved in project management (project team) and/or tasks related to the project content. Staff costs are related to activities which the partner organization would not carry out if the project was not undertaken. The staff costs include salary payments fixed in the employment/work contract, an appointment decision (in the case of natural persons working for the partner organization under a contract other than an employment/work contract), or by law relating to the responsibilities specified in the job description of the staff member concerned.</p> <p>Any other costs directly linked to the salary such as employment taxes and social security including pensions as long as they are fixed in the employment document or by law and they are in accordance with the legislation and standard practices in the country and/or organization and are not recoverable by the employer.</p> <p>The appointment of the staff by the project partners has to be done in accordance with the European and national legislation. The proper appointment of the project team is the sole responsibility of the project partners themselves.</p> <p>In the beginning of the project implementation each project partner must</p>

present:

- a declaration that in the project implementation period he will keep up the necessary and qualified project staff for successful implementation of the project activities;
- a nomination of the project team members – internal order, a letter, etc.
- In case staff costs are not eligible for financing for the given project partner according to national eligibility rules, staff costs shall not be declared on flat rate basis to the project (i.e. the eligibility of expenditure does not depend on the form of reimbursement).

BC 2 OFFICE AND ADMINISTRATIVE COSTS

Accounting and Financial documents

The Office and administrative costs must be reported as a flat rate on the basis of the concrete percentage of the staff costs, envisaged in the budget of the respective project partner. This percentage remains the same for the entire project implementation. The amount of the office and administrative costs, which could be reported, depends on the amount of the staff costs spent during the reporting period. No check of the documentary evidences related to the office and administrative costs will be performed by the National controller. The amount of the office and administrative costs to be reimbursed will depend on the amount of the direct costs spent and verified by the National controller (NC).

Other documents/conditions for eligibility of expenditure

The eligible expenditures under Budget category 2 include expenditures for rent of office (specifically for the purpose of the project), overheads (expenses covering electricity, heating, water, telephone, internet, other utilities), consumables (expenses covering paper, pens, CDs, folders, toners etc.), bank charges - expenses for opening and administrating the bank account where the implementation of the project requires a separate account to be opened (only for the Lead beneficiary) and charges for transnational financial transactions (for all beneficiaries), and maintenance costs (expenses for postal services, cleaning, security, insurances, business cards, coffee/biscuits for small project meetings).

BC 3	TRAVEL AND ACCOMMODATION COSTS	
Accounting and Financial documents		Other documents/conditions for eligibility of expenditure
<p>The Travel and accommodation costs must be reported as a flat rate on the basis of the concrete percentage of the staff costs, envisaged in the budget of the respective project partner. This percentage remains the same for the entire project implementation. The amount of the travel and accommodation costs, which could be reported, depends on the amount of the staff costs spent during the reporting period. No check of the documentary evidences related to the travel and accommodation costs will be performed by the National controller. The amount of the office and administrative costs to be reimbursed will depend on the amount of the direct costs spent and verified by the National controller (NC).</p>		<p>The category of expenditures covers travel and accommodation costs of project staff and shall be limited to the following costs – travel costs (tickets, travel and car insurance, fuel, car mileage, toll and parking fees); the costs of meals; accommodation costs; visa costs; daily allowance. The proper spent of the travel and accommodation costs is the sole responsibility of the project partners themselves.</p>
BC 4	EXTERNAL EXPERTISE AND SERVICES COSTS	
Accounting and Financial documents		Other documents/conditions for eligibility of expenditure
<p>1) Rent of hall for events:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - List of participants, agenda, pictures and other documents proving realization of activity – to be provided for each day of the event; - Invoices and cash receipt notes/payment order/bank statements; - Accounting records. 		<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA , if required.</p>

2) Rent of audio/video equipment for events:

- Tender documentation (if applicable);
- Contract;
- List of participants, agenda, pictures and other documents proving realization of activity – to be provided for each day of the event;
- Invoices and cash receipt notes/payment order/bank statements;
- Accounting records.

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.

3) Travel for events:

3.1) Rent of vehicle (car, van, minibus, bus, etc.):

- Tender documentation (if applicable);
- Contract;
- Protocol and other documents proving realization of activity;
- Invoices and cash receipt notes/payment order/bank statements;
- Accounting records.

3.2) Ticket costs (bus, train, airplane):

- Airplane boarding cards;
- Tickets;
- List of participants, agenda, pictures and other documents proving realization

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.

<p>of activity;</p> <ul style="list-style-type: none"> - Invoice / protocol issued by the travel agency for the value of the Airplane ticket; - Bank statements; - Accounting records. 	
<p>4) Catering for events (coffee breaks, refreshments, lunches and dinners for participants in the events):</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Agenda where must be indicated that coffee breaks/refreshment/ lunches and dinners for participants in the event have been provided; - List of participants, pictures and other documents proving realization of activity <ul style="list-style-type: none"> – to be provided for each day of the event and for each expenditure (e.g. lunch, dinner) – separate pack of pictures & proofs; - Acceptance protocol; - Invoice, payment documents, bank statements; - Accounting records. 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>Expenditure for alcoholic beverages and cigarettes cannot be paid under the project. In case such expenditure is made by the project partners, it will be considered ineligible and will not be reimbursed to the partner.</p>
<p>5) Accommodation for participants in the events:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>The accommodation expenditures cannot exceed the limits determined in</p>

<ul style="list-style-type: none"> - Agenda; list of participants, pictures and other documents proving realization of activity; - Invoice, payment documents, bank statements; - Accounting records. 	<p>the Guidelines for Applicants.</p>
<p>6) Preparation of materials for events – invitations, agenda, presentations etc.:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Acceptance protocol; - Invoices and cash receipt notes/payment order/bank statements; - Copy of the prepared materials; - Accounting records. - A copy of each delivered item and a picture of all delivered materials, clearly showing their quantity. 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>Elaborated materials should contain visibility elements, according the Programme rules.</p>
<p>7) Consumables for events – paper, files, folders, cases, CDs, etc.:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Acceptance protocol; - Invoices, cash receipt notes, payment orders, banks statements; 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p>

<ul style="list-style-type: none"> - Accounting records; - A copy of each delivered item and a picture of all delivered materials, clearly showing their quantity. 	
<p>8) Purchase of advertising materials – pens, key chains, CDs, USBs, hats, bags, note books, folders, etc.:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Acceptance protocol; - Invoices, cash receipt notes, payment orders, bank statements; - Accounting records. - A copy of each delivered item and a picture of all delivered materials, clearly showing their quantity. 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>Copies of the respective materials should be kept by the project partner.</p> <p>All advertising materials must comply with the Programme visibility rules in order the respective expenditures to be considered eligible.</p>
<p>9) Elaboration, design, translation of advertising materials:</p> <p>9.1) Information materials concerning project documents, project events, meetings, implementation provisions, etc.;</p> <p>9.2) Brochures, leaflets informing about the project implementation and results;</p> <p>9.3) Manuals and guidelines related to the project;</p> <p>9.4) Design of project logo;</p>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>Copies of the elaborated/ designed/translated materials should be kept by the project partner.</p> <p>All advertising materials must comply with the Programme visibility rules in order the respective expenditures to be considered eligible.</p>

<p>9.5) Design and printing of advertising items with logo of the project or with logo of the Programme (pens, key chains, CDs, USBs, hats, bags, note books, folders etc.).</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Acceptance protocol/ report by the Contractor; - Invoices, cash receipt notes/payment order/bank statements; - Accounting records. 	
<p>10) Publications in mass media – press, radio, TV:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Acceptance protocol/ certificate/ report by the Contractor; - Invoices, cash receipt notes/payment order/bank statements; - Accounting records. 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>Copies of the publications in print/electronic media and broadcasting in radio/TV should be kept by the project partner.</p> <p>All publications must comply with the Programme visibility rules in order the respective expenditures to be considered eligible</p>
<p>11) Consultancy, studies, designs, website development, etc.:</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Acceptance protocol/ report by the Contractor; - Invoices, cash receipt notes/payment order/bank statements; 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>Reports on methodology applied and on the results of the researches/studies conducted.</p> <p>Reports, research, analysis, studies and other written documents must be</p>

<ul style="list-style-type: none"> - Accounting records. 	<p>in accordance to the EU requirements for visualization and should have information for the author and year of issue.</p> <p>The web site developed under the project must also comply with the Programme visibility rules.</p>
<p>12) Interpreters, lecturers, trainers, moderators, etc. :</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - List of participants, agenda, pictures and other documents proving realization of activity – to be provided for each day of the event, clearly showing the involvement of each expert hired; - Acceptance protocol/ report by the Contractor; - Invoices, cash receipt notes/payment order/bank statements; - Accounting records. 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA .</p>
<p>13) Other including organisation or participation in online events (seminars, conferences, trainings, workshops, working meetings, etc.):</p> <ul style="list-style-type: none"> - Tender documentation (if applicable); - Contract; - Invoices, cash receipt notes/payment order/bank statements; 	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA.</p> <p>For expenditures related to online events, additionally document and provide in the Partner report:</p> <ul style="list-style-type: none"> - e-mail invitations and received confirmations;

- Accounting records.
- Software subscription / license (if applicable for online events)

- data for access to the virtual event (meeting ID, access link, etc.);
- software log of the event;
- screenshots taken during the event;
- audio (if possible);
- video recording (to be kept by the beneficiary and/or uploaded in cloud service with provided link in the beneficiary's report).
- any other suitable for the purpose evidences.

BC 5 EQUIPMENT COSTS

Accounting and Financial documents

- Tender documentation (if applicable)
- Contract;
- Acceptance protocol, containing the type of the supplied equipment, exact number of the delivered items, their trademarks, models and serial numbers;
- Warranty card for the purchased equipment;
- Declaration/ certificate of origin containing the type of the supplied equipment, exact number of the delivered items, their trademarks, models and serial numbers;
- Invoices, cash receipt note, payment orders, bank statements;
- Accounting records;

Other documents/conditions for eligibility of expenditure

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA. Detailed and exhaustive documentation of the implemented tender procedure should be kept by the project partner – invitation letter and/or other documents related to publication of the tender, tender dossier, evaluation report and other evaluation documents, offers submitted by the participants in the tender procedure, etc.

Equipment that will not be used by the project partners or the project target group after the project completion and if the economic lifetime of the equipment (respectively the period of depreciation) is longer than the

- Document which certifies the posting of all assets purchased under the project, and their existence into in the organization's balance sheets, where they remain after the finalization of the project.

project duration, only the depreciation costs for the period of project duration are eligible. The depreciation rate has to be in line with national rules. Depreciation is charged proportionally for each relevant period for which a periodical report is required and prepared. The full value of depreciated costs on equipment in relation to the total project duration cannot be charged as total amount for one particular period.

Only the proportionate sum of the depreciations costs according to the use of equipment for the project is eligible. The amount (percentage used and time duration) has to be properly clarified (auditable).

The depreciation costs of equipment can never exceed the purchase price of the equipment.

If project partners declare that the equipment will be used after the project completion full invoice amount will be eligible for verification. The LP/ PP must provide Statement/ Declaration regarding purchased equipment, stating that the equipment shall be used by LP/PP for the same purpose for at least 5 years after project closure.

BC 6 COSTS FOR INFRASTRUCTURE AND WORKS

Accounting and Financial documents

Other documents/conditions for eligibility of expenditure

- Tender documentation (if applicable)

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and PRAG rules for the NA. Detailed and

- Contract, Bill of Quantity (BoQ);
- All guarantees provided for in the special conditions of the works contract;
- Certificates/ protocols for the implemented works according to the national legislation;
- Invoices, payment order, bank statements;
- Accounting records;
- Document which certifies the posting of all assets purchased under the project, and their existence into in the organization's balance sheets, where they remain after the finalization of the project.

exhaustive documentation of the implemented tender procedure should be kept by the project partner – invitation letter and/or other documents related to publication of the tender, tender dossier, evaluation report and other evaluation documents, offers submitted by the participants in the tender procedure, etc.

Local Act – permission for use of the construction according to the National legislation for construction works.

Statement of the beneficiary confirming the existence of the performed construction works, their consistency with the provisions of the contract and the measures taken regarding the provisions of the contract and the measures taken regarding the requirements for publicity and transparency of all activities financially supported by the EU;

All guarantees provided for in the special conditions of the construction and supervision contracts;

Copy of the final report of the Construction supervisors according to the relevant national legislation (for BG LP/PP - according to art. 168, par.6 of the Bulgarian Territory Structure Act).

BC 7 PROJECT PREPARATION COSTS

Accounting and Financial documents

Other documents/conditions for eligibility of expenditure

Project preparation - meetings between partners, consultancy, elaboration of technical documentation (incl. feasibility studies, detailed design, technical

The starting date for eligibility of project preparation expenditures for the Bulgarian beneficiaries is the starting date of the programme period, and

drawings, etc.), elaboration of project proposal and application form, translation of documents, taxes and other charges:

- Tender documentation (is applicable);
- Contracts;
- Acceptance protocols;
- Invoice and cash receipt notes/payment order/bank statements;
- Accounting records;

Insurance policies (for insurance transactions involving members of the project team).

for beneficiaries from the Serbian beneficiaries the starting date for the eligibility of expenses for project preparation is the date after the date of the submission of the Programme to the EC.

The expenditures for project preparation must be carried out before or on the date of submission of the project proposal at the latest.

The expenditures for project preparation must be requested for reimbursement and verified only in the first reporting period of the respective project partner.

In case of sub-contracting project preparation activities, National (MA) or PRAG (for the NA) rules must be observed in order for the costs to be eligible for reimbursement under the Programme.

9. MODIFICATION OF SUBSIDY CONTACT

The Subsidy Contract determines the rights and obligations of the Lead Partner and the Managing Authority. The approved Application Form and the Partnership Agreement signed between the Project Partners are integral part of the Subsidy Contract. The Subsidy Contract explicitly provides information concerning project implementation period. During the project lifecycle, due to the certain reasons, some modifications/changes might be necessary concerning the project implementation bases and conditions, defined in the Subsidy Contract.

Modifications/changes can be related to changes in the partnership, modification concerning the project's content, budget changes, extension of the implementation period, administrative changes.

According to their nature modifications/changes are subject of:

- 1) Approval of the Monitoring Committee – this type of modification requires signature of an addendum. The Addendum enters into force on the day of its registration in the Registry system of Managing Authority, following the signing by both parties, except the case the addendum confirms modifications in the national/European applicable legislation with impact on the implementation of the contract - when the modifications become effective from the date the respective legal acts become effective;
- 2) Approval by the Managing Authority;
- 3) Notification to the Joint Secretariat.

NB!

Only the Lead Partner may initiate a change by sending respective request for modification or notification to the Joint Secretariat. The Request for contract modification must be accompanied by the required supporting documents listed below according to the type of the modification.

The LP fills in the electronic form of the Request for modification/ or prepares Notification letter and submits it via e-mail to the JS. The Request for Contract Modification must clearly describe and justify the reasons for requested modification. If it is needed, the supporting documents may

be attached to the Request according to the type of the modification. In one working day after receiving the request for modification, the JS assess the request and unlock the Application Form (AF) in Jems in case the requested modification imposes amendment of the AF. In 5 working days, the Lead partner make respective amendments in the AF in Jems. In case the request for modification requires amendment of the AF, it is consider submitted at the day the revised AF is submitted in Jems.

NB!	<p>The Request for modification of the Subsidy Contract can be submitted at least 30 days before the addendum is intended to enter into force. This will give the MA the sufficient time for launching the procedures for MC approval of the Request for modification.</p> <p>Additionally, the LP should strive to submit the any Request for contract modification at least 60 days before expiration of the project implementation period. Otherwise the request may be rejected.</p>
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9.1. Modifications concerning the project's content

In case a modification of project's content is required, the partners have to assure that all the objectives and outputs defined in the Application form will be achieved and delivered by the project. The procedure to be followed in case of content change depends on the significance of the modification.

9.1.1 Modifications requesting approval by MC and signature of addendum

Modifications in the project **altering the approved objectives or outputs, or concerning inclusion of the additional activities and or outputs need the approval of the MC, as well as signature of an Addendum to the Subsidy Contract.**

Modifications/changes in the project altering the approved objectives or outputs are possible only in "force majeure" circumstances or in case of existence of objective circumstances, which make it impossible to achieve the project's objectives or outputs.

Modifications/changes in the project concerning inclusion of additional activities and/or outputs

that will bring added value to the project are possible only in case they aim also to the enhancement of the successful implementation of the entire Programme, its expected achievements and capitalization of its outcomes and sustainability of the results from its implementation. In case they will lead to the increase of the budget of the project, the MA will first review these additions of new activities/outputs before submitting them to the MC.

The LP should immediately contact the JS in case of problems, which would affect the project's objectives or outputs, or in case of need of inclusion of additional activities and/or outputs in the project in order to clarify the situation and procedure to be followed. The LP is obliged to inform the MA in written form about planned significant changes with clear justifications of the reasons for such changes before their implementation.

The official procedure of request for modification includes the following documents to be submitted by the LP to the JS by e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification - scanned document signed by the LP legal representative;
- *Other documents annexed to the Subsidy contract that should be revised in accordance with the proposed modification (if applicable)* – scanned documents sent by e-mail.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* - filled in on-line in the Jems.

The Managing Authority may request additional documents proving existence of “force majeure” circumstances or objective circumstances, which make it impossible to achieve the project's objectives or outputs, or justifying the need of implementation of additional activities.

The submitted request will be evaluated by the MA and, if acceptable - will be put forward for decision to the MC. In case of approval, an Addendum to the Subsidy Contract will be signed by the contracting parties. The Addendum enters into force on the day of its registration in the registry system of the MA, following the signing by the both parties. The expenditures related to the activities and outputs of the modified contract are eligible from the date of the MC decision but those costs can be validated only after the Addendum of the Subsidy Contract enters into force.

In case the project cannot be fully implemented by carrying out the planned activities, the planned outputs and results the MA is entitled to withdraw from the Subsidy Contract and reclaim the contribution already transferred.

9.1.2. Modifications requesting notification to the JS

In case of modifications of the approved project which will not affect the project's objectives and outputs and will not jeopardize the successful completion of the project, a written notification to the JS is required to be sent by e-mail. The LP is obliged to clearly describe and justify each of such changes in the notification.

The official procedure of request for such modification includes the following documents to be submitted to the e-mail by the LP:

- *“Notification letter”* containing explanation of requested modification/s - scanned document stamped and signed by the LP legal representative send by e-mail;
- *Other supporting documents (if applicable)* – scanned documents sent by e-mail.

In case the amendment of the Application form are needed, after unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* - filled in on-line in the Jems, including all requested changes;

The LP will be informed by the JS whether the respective change is acceptable.

Examples: Small changes of project activities (time, place or content); changes in technical specifications changes in the positions of the project team, etc.

9.2. Administrative changes

Modifications concerning the administrative part of the project (change of bank account, contact details, address for communication, legal representative, changes in the persons part of the project team, etc.) require only notification to the MA/JS within 15 (fifteen) days following the change.

9.3. Modifications concerning the partnership

Modifications concerning the partnership **need the approval of the MC and signature of an**

Addendum to the Subsidy Contract.

NB!	Replacement of the pre-defined Project partners is not allowed.
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The LP has to assure that following the change(s) in the partnership the project still fulfils the requirement for partnership of the Programme and the general character (objectives and outputs) of the original project is not altered.

In case of inclusion of new partner in the project, the new partner takes part of the responsibilities under the project of one or more of the project partners or undertakes additional responsibilities related with inclusion of additional activities and/or outputs that will bring added value to the project.

NB!	The maximum number of partners in the project cannot exceed seven (7) including the Lead Partner.
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Amendment of partnership may be requested while having in mind the following conditions:

- By including the partners, the cross-border character of the project must not be altered;
- The new partner must be relevant for the partnership according to the objectives of the project;
- All partners have to consent on the proposed modification;
- All partners have to consent to continue the project implementation;
- The new proposed partner/s and the new partnership must meet the eligibility criteria stipulated in the Guidelines for Applicants;
- The newly proposed partner(s) must have financial, technical and administrative capacity, as well as human resources in order to fulfil the activities under the project;
- The new partnership must meet eligibility conditions set in the Guidelines for Applicants.

The official procedure of request for modification includes the following documents to be submitted by the LP to the JS by e-mail:

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- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification - scanned document signed by the LP legal representative;
- *“Written Decision of the Partnership”* - scanned document signed by the legal representatives of all PPs sent by e-mail for inclusion of new project partner;
- *New “Partnership Agreement”* - scanned document signed by the legal representatives of LP and all other project partners sent by e-mail;
- *New “Co-financing Statement(s)” of the affected partner/s* - scanned document per each affected PP signed by the legal representative of the respective PP sent by the e-mail;
- *Documents proving eligibility and financial, technical and administrative capacity of the new partner/s as required in the Guidelines for Applicants* - scanned documents per each new PP sent by e-mail.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *Revised “Application Form”*, defining the new division of work by the modification of the work plan and the budget accordingly - *filled in on-line in the JEMS*.

The modification concerning the partnership is a subject of MC decision.

In case of **approval** of the request **by the MC**, an **Addendum to the Subsidy Contract** will be signed by the contracting parties. The Addendum enters into force on the day of its registration in the Registry system of the MA, following the signing by both parties. The expenditures related to the activities and outputs of the modified contract are eligible from the date of the MC decision but those costs can be validated only after the Addendum of the Subsidy Contract enters into force.

In case the project will not fulfil the requirement for the partnership of the Programme due to change in the partnership the MA is entitled to withdraw from the Subsidy Contract and reclaim the contribution already transferred.

9.4. Extension of implementation period

Modifications concerning the extension of the implementation period **need the approval of the MC and signature of an Addendum to the Subsidy Contract.**

NB!	Extension of the project implementation period can be granted only if not affecting the achievement of the target set by the n+3 rule.
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The LP should request this modification in case the project implementation is in such delay that the main project activities **cannot** be accomplished during the project implementation period of the Subsidy Contract and the achievement of the project objectives could be precarious.

To request a modification concerning extension of the implementation period the LP has to submit the following documents to the JS by e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification - scanned document signed by the LP legal representative.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* reflecting the changes in the project implementation period including the rearrangement of section C.4 Project work plan (concerning necessary amendment of C.6 Project Time Plan) - filled in on-line in the JEMS.

The submitted request will be evaluated by the MA and **submitted** for decision to the MC. In case of approval of the Request for contract modification, an **Addendum to the Subsidy Contract** will be signed by the contracting parties before the original end date of the project.

9.5. Budget changes

Modifications related to budget changes can be budget reallocation between project partners, reallocation between budget categories, reallocation inside a budget categories and increasing of the amount of the subsidy by increasing of existing budget sub-line/s or creating of new budget sub-line/s.

9.5.1 Budget reallocation between project partners

Modifications concerning budget reallocation between project partners' budgets **need the approval of the MC, and signature of an Addendum to the Subsidy Contract**. The changes have to be agreed upon by all partners. The maximum amount of funding awarded cannot be

changed and the major issues of the operation should not be affected.

To request a modification concerning budget reallocation between project partners the LP has to submit the following documents to the JS by e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification – scanned document signed by the LP legal representative.
- *“Budget modification table” (Annex 8.1)* – sent by e-mail;
- *New “Co-financing Statement”* of the affected partner/s - scanned document per each affected PP signed by the PP’s legal representative sent by e-mail.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* with modified budget - filled in on-line in the JEMS;

In case of **approval** of the request by the MC, an **Addendum to the Subsidy Contract** will be signed by the contracting parties. The Addendum enters into force on the day of its registration in the Registry system of the MA, following the signing by both parties. The expenditures related to the activities and outputs of the modified contract are eligible from the date of the MC decision but those costs can be validated only after the Addendum of the Subsidy Contract enters into force.

9.5.2 Budget reallocation between budget categories up to 20 %

The budget reallocation(s) between budget categories in a limit of 20% of the smaller budget categories can be made after an approval of the Managing Authority before the referring expenditures are carried out. The budget of the respective partner cannot be changed and the major issues of the operation should not be affected.

NB!	<p>The 20% limits shall not be considered separately for each single budget change of the respective budget category. The amount of each new requested reallocation between budget categories is cumulated to the total amounts of previous reallocations until the cumulated amounts of such reallocations reach 20% of the original amount of the respective budget category.</p>
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The reallocation between budget categories should comply with the rules for the minimum and the maximum thresholds of the amount of eligible expenditures for the specific budget categories.

To request a modification concerning budget reallocation between budget categories within 20% of the smaller budget categories the LP has to submit the following documents to the JS by e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification – scanned document signed by the LP legal representative;
- *“Budget modification table” (Annex 8.1)* – sent by e-mail.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* with modified budget - filled in on-line in the JEMS.

The request for modification will be evaluated by the MA. A notification letter for approving/rejection of the request for modification will be send by the MA to the beneficiary. The modification will become effective **only after the written approval of the MA.**

9.5.3. Budget reallocation between budget categories over 20%

The budget reallocation(s) between budgets categories over 20% of the smaller budget category **need the approval of the MC, and signature of an Addendum to the Subsidy Contract** before the referring expenditures are carried out. The budget of the respective partner cannot be changed and the major issues of the operation should not be affected.

NB!	<p>Budget reallocation between budget categories over 20% of the total budget may occur only if the requested change does not alter the minimum requirements, the planned action, outputs and results and does not endanger the general project principle of co-operation. In addition to the above it is crucial for a project to keep constant those categories that are of crucial importance for the project implementation and the beneficiaries’ cooperation.</p>
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The reallocation between budget categories should comply with the rules for the minimum and the

maximum thresholds of the amount of eligible expenditures for the specific budget categories.

To request a modification concerning budget reallocation between budget categories over 20% of the smaller budget category the LP has to submit the following documents to the JS by the e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification – scanned document signed by the LP legal representative;
- *“Budget modification table” (Annex 8.1)* – sent by e-mail;

After unlocking, the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* with modified budget - filled in on-line in the JEMS.

The submitted request will be evaluated by the MA and submitted for **decision to the MC**. In case of approval of the request by the MC, **an Addendum to the Subsidy Contract** will be signed by the contracting parties. The expenditures related to the activities and outputs of the modified contract are eligible from the date of the MC decision but those costs can be validated only after the Addendum of the Subsidy Contract enters into force

9.5.4. Budget reallocation inside a budget category

Changes inside a budget category, between budget sub-categories, can be made after approval of the MA prior the referring expenditures are carried out. The total amount of the budget category cannot be changed and the major issues of the operation should not be affected.

To request a modification concerning budget reallocation inside a budget category, the LP has to submit the following documents to the JS by e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification – scanned document signed by the LP legal representative;
- *“Budget modification table” (Annex 8.1)* - sent by e-mail;

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form”* with modified budget - filled in on-line in the JEMS.

The request for modification will be evaluated by the MA. A notification letter for approving/rejection of the request for modification will be send by the MA to the beneficiary. The modification will become effective only after the written approval of the MA.

9.5.5 Inclusion of own co-financing

Due to unforeseen circumstances, any project partner may include own co-financing for any of the envisaged activities in order to reach their successful implementation, as long as the maximum amount of funding awarded remains unchanged and the major issues of the operation are not affected.

The LP has to submit the following documents to the JS by the e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification - scanned document signed by the LP legal representative;
- *“Budget modification table” (Annex 8.1)* - sent by e-mail;
- *New “Co-financing Statement”* of the affected partner/s - scanned document per each affected PP signed by the PP’s legal representative sent by e-mail.
- *Other relevant documents* - sent by e-mail.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form” with modified budget - filled in on-line in JEMS;*

In case of approval of the request, an Addendum to the Subsidy Contract will be signed by the contracting parties.

The modification requested can be implemented only after it is approved by the MC. Although the expenditures related to the modified partners’ budgets are eligible already from the date of the MC decision, those costs can be validated **only after the Addendum of the Subsidy Contract enters into force.**

9.5.6 Addition of new activities leading to the Increase of the project budget and respectively of the amount of the subsidy

In case a project under implementation requires additional activities that will bring added value to the project but will lead to the increase of the budget of the project, the LP may submit request for modification.

NB!	<p>Modifications concerning increase of the amount of the subsidy of the strategic project are possible in case of the availability of financial resources under the Programme. The increase of the budget may be acceptable only if it is related to inclusion of new activities/outputs which aim also to the enhancement of the successful implementation of the entire Programme, its expected achievements and the capitalization of its outcomes.</p>
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To request a modification concerning the addition of new activities and increase of the amount of the subsidy the LP has to submit the following documents to the JS by e-mail:

- *“Request for Contract Modification” (Annex 8)*, clearly describing and well justifying the reasons for such a modification – scanned document signed by the LP legal representative.
- *“Budget modification table” (Annex 8.1)* – sent by e-mail;
- *New “Co-financing Statement”* of the affected partner/s - scanned document per each affected PP signed by the PP’s legal representative sent by e-mail.

After unlocking the AF in JEMS the LP has to submit the following documents in 5 working days:

- *“Revised Application Form” with modified budget - filled in on-line in the JEMS;*

In case of **approval** of the request by the MC, an **Addendum to the Subsidy Contract** will be signed by the contracting parties. The Addendum enters into force on the day of its registration in the Registry system of the MA, following the signing by both parties. The expenditures related to the activities and outputs of the modified contract are eligible from the date of the MC decision but those costs can be validated only after the Addendum of the Subsidy Contract enters into force.

Summary table of types of project changes

TYPE OF PROJECT CHANGE	PROCEDURE	
	MA Approval/Notification	MC Approval
Partnership changes		
Partnership changes	- n.a.	<ul style="list-style-type: none"> - Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract.
Extension of implementation period		
Extension of the implementation period	- n.a.	<ul style="list-style-type: none"> - Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract
Budget changes		
Budget reallocation between project partners	- n.a.	<ul style="list-style-type: none"> - Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the

		MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract.
Budget reallocation between budget categories		
Reallocation up to 20% limit between budget categories	- Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the MA; - Letter for approval or rejection of the Request by the MA.	- n.a.
Reallocation over 20% limit between budget categories	- n.a.	- Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract.
Budget reallocation inside a budget category		
Budget reallocation inside a budget category	- Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by	- n.a.

	the MA; - Letter for approval or rejection of the Request by the MA.	
Inclusion of own co-financing		
Inclusion of own co-financing	- n.a.	- Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract.
Increasing of the amount of the subsidy		
Increasing of the amount of the subsidy	- n.a.	- Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract.
Project content changes		
Modifications in the project altering the approved objectives or outputs or concerning inclusion	- n.a.	- Submission of Request for Contract Modification by LP to JS; - Unlocking the AF in Jems; - Evaluation of the Request by the

of additional activities and/or outputs		MA; - Submission of the Request to the MC for approval; - MC decision; - Addendum to Subsidy Contract
Modifications of the approved project which will not affect the project's objectives and outputs and will not jeopardize the successful completion of the project	- Submission of Notification to the JS by LP; - The JS does not object/objects to the modification.	- n.a.
Administrative changes	- Notification to the MA with copy to JS.	- n.a.

10. MONITORING AND AUDIT OF THE PROJECT

10.1. Monitoring of the projects

The overall monitoring at project level will be carried out by the JS. The major source to monitor the implementation and progress of the contracted projects is the progress reports and on the spot visits.

10.2. On the spot visits

In order to assess progress in implementation of activities, their impact, quality and compliance with prescribed rules and procedures (including the expenditures) the JS will perform at least initial online meeting and final visits to all contracted projects during their implementation period. In cases of serious problems occurred during the project implementation, or in case of construction activities, the ad hoc visits may also be performed by experts of the MA, NA and the JS.

The initial online meeting has an introductory and advisory function. The participation of all partners is mandatory.

Monitoring visits can take place either at the premises of the LP/PP, or at the places of construction works.

- During the visits two main instruments of monitoring are always applied – documentation check and interviews.
- The minimum set of documentation for different types of activities to be checked includes:

Type of activities	Sources of verification
Service activities	Service contract and its annexes, correspondence, reports/deliverables, publications, invitations, agenda, list of participants, minutes of meeting/s. In addition, for 'training' services - contracts with trainers (if applicable), training programme, attendance lists (for each day of training), training materials/presentations, questionnaires to the participants, issued certificates (if applicable), photos.
Supply activities	Supply contract and its annexes, correspondence, delivery and acceptance protocols, certificates of origin, guarantee cards, publicity measures, photos of the equipment delivered, inventory lists (if applicable).
Works activities	Works contract and its annexes, correspondence, protocols for works completed, copy of the supervision report, copy of the required protocols in construction, permission/certification for right of use, other permits, Environmental Impact Assessment (if applicable), publicity measures, photos.
NB!	For all main project events (press conferences, seminars, exhibitions, concerts, official opening of constructed/renovated sites, technical acceptance of the object and etc.) the beneficiaries should invite JS to participate in the project implementation phases on observer - in writing 10 days before the events.

➤ Final visit

The final visit aims to verify the actual state of the project results as compared to the activities

approved within the Subsidy contract. The following checks should be made during the final visit:

- ✓ physical check of the investments activities (works and supply);
- ✓ check of the delivered services (products of services);
- ✓ verification on the compliance of all promotional materials/measures with the visualization requirements;
- ✓ verification on the achievement of the project objectives and outputs;
- ✓ check of the achievement of the project output and result indicators;
- ✓ identification of any situation of state aid arisen after signature of the Subsidy contract.

➤ **Ex-post on the spot visits after contracts' completion**

Ex-post on-the spot visit control could be carried out **in five years after completion of each individual** contract and achievement of the results, aiming the establishment of compliance and functionality of the gained assets as well as secured sustainability of project's results.

Depending on the type of project activities, the JS may initiate an ex-post check (including documentary and on-line check) and/or an ex-post visit (including on-the-spot visit).

According to the specific circumstances the JS/MA may formally inform the Beneficiary, by letter in appropriate term, for the upcoming monitoring visit in order to ensure his presence and assistance. In some cases the monitoring visit may be carried out ad-hoc without prior notification. During the monitoring visit a comparison must be made, based on the following issues (which are not limited):

In case of investment activities carried out:

- Description (location) of the object, scope of the constructed/reconstructed facilities, number of rooms/premises and surrounding places renovated; maintenance of the executed construction objects, etc.;
- Verification of the executed construction works for compliance with the approved drawings and related technical documentation;

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- Verification if the constructed/reconstructed facilities are being used for the purposes of the project as it has been described in the Application form of the contract;
- Description of the office and other equipment purchased under the project; check if the equipment is used for the purposes of the project as it has been described in the Application form of the contract;
- Description of the trade mark, model, registration number, serial number of the electronic equipment purchased;
- Verification of all original documentation related to the project implementation;
- Verification of the availability and maintenance of information labels/boards/plaques/signs (if applicable), operational web site/s and any other publicity and visibility products and facilities.

In case of “soft measure” projects:

- Description of the activities carried out;
- Assessment if the specific deliveries from the project are properly used and applied by the targeted Beneficiaries and/or wider audience (there should be clear evidences for applying of all project outputs);
- Verification of all original documentation related to the project implementation.

10.3. Audit of the project

The audits performed by the Audit Authority or by external auditors on behalf of the Audit Authority are the so called “second level audits”. In general, these audits include sample checking of the Control Certificates already issued by the controllers against the supporting documents and other relevant information at the premises of the Lead Partner and/or Project Partners in order to verify the accuracy and validity of the CVs, checking of the project documentation and audit trail, the accounting of project expenditure. In the interest of a successful auditing the LP has to make available all documents required, to provide necessary information and to give access to its business premises.

11. INFORMATION AND PUBLICITY

11.1. Overall information

This section has been developed with the purpose of clarifying and streamlining the requirements in the field of information and publicity, which need to be fulfilled by the project partners during the implementation stage of the Strategic Importance Project under the Programme for the 2021 – 2027 programming period.

The general purpose of project communication is through the defined communication objectives and activities in the individual work packages to achieve the project's overall results and to ensure the transparency of the use of the EU funding. On each stage of the project implementation, project partners need to interact with target groups using communication activities, channels, instruments depending on the target groups' needs in order to contribute to a functional communication flow and to ensure an efficient exchange of information that enables the successful delivery of the project results.

In order to achieve the best project visibility partners must develop a Communication Strategy, where they should describe what kind of communication activities and instruments will be taken out, how their target groups will be involved in preparing, piloting and evaluating the solutions and how they will be encouraged to use these solutions in their daily work.

Three general notions are reflected in this section's provisions:

➤ **Communication: a shared responsibility**

The responsibility for Programme information and publicity actions is shared by the Programme management bodies (which ensure the general communication at Programme level) and the Beneficiaries (project partners), who are responsible for popularizing and dissemination of project results. As a general principle the Managing Authority (MA), the Joint Secretariat (JS), being supported by the National Authority (NA) are responsible for delivering information and publicity at programme level, as project partners are responsible at project level.

As a rule each project partner must be involved in communicating and disseminating of project results.

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➤ **Visibility**

Full visibility must be ensured by the Managing Authority and each beneficiary with regard to the Programme support and the specific project activities.

The Managing Authority is responsible for taking the following actions in details:

- Maintaining a working website with information on Programme's objectives, activities, available funding opportunities and achievements within 6 months of Programme approval;
- Publishing a timetable of the planned calls for proposals, that is updated at least three times a year, with the following indicative data: geographical area covered by the call for proposal; policy objective or specific objective concerned; type of eligible applicants; total amount of support for the call; start and end date of the call;
- Publishing a list of operations (each operation needs a unique code) selected for support in at least one of the official languages of the EU institutions, updated at least every four months with the following data: the beneficiary's/the contractor's name/natural person - first name and surname; name, purpose, expected or actual achievements, start date, expected or actual date of completion, total cost, type of intervention of the operation; fund, specific objective, union co-financing rate, location indicator or geolocation (for mobile operations or operations covering several locations the location of the beneficiary where the beneficiary is a legal entity; or the NUTS 2 level region where the beneficiary is a natural person) concerned; and an opportunity the data to be sorted, searched, extracted, compared and reused;
- Ensuring that the communication and visibility materials reach upon request to institutions/organizations/beneficiaries etc.

More specifically, the project partners have the following duties in details:

- Providing on their official website/social media sites, a short description of the project with aims, results, and emphasis on the EU financial support;
- Providing a co-financing statement on documents and communication materials;
- Displaying durable plaques or billboards clearly visible to the public, as soon as the physical

implementation of project involving physical investments starts or purchased equipment is installed;

- Organizing a communication event with the European Commission and the Managing Authority representatives.

➤ **Transparency**

- Recipients of the support should acknowledge its origin in all communication materials and especially when promoting actions and results;
- All agreements concluded with beneficiaries should include the visibility and communication principles, which they should fulfil;
- European Commission should carry out information and communication actions relating to the IPA III funds, support the strategic communication and public diplomacy, and gives publicly relevant information on all supported actions.

11.2. Legal framework

The section has been developed in accordance with the following documents:

- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments;
- Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, and specifically Annex IX, Communication and visibility – Articles 47, 49 and 50.

More detailed practical guidelines concerning the visual guidelines, are available in “The use of the EU emblem in the context of EU programmes 2021-2027”, Operational guidelines

for recipients of EU funding, March 2021, which could be downloaded here: https://ec.europa.eu/info/sites/default/files/eu-emblem-rules_en.pdf

In relation to the New Interreg branding for the 2021-2027 period, which highlights the unique spatial cross-border transnational and interregional nature of the projects and programs, the New Interreg Brand Design Manual, has been used for setting the rules regarding the use of the Programme logo. The document is available for downloading at the following website: <https://www.interact-eu.net/download/file/fid/24288>.

11.3. General requirements for the information and publicity measures

The communication and publicity measures for the interventions of the Strategic Importance Project are with key for raising the awareness of the positive impact of the EU funding, ensuring the visibility of the EU funding opportunities, providing information on thematic activities and contributing to the capitalization of achieved project outputs and results. Additionally, they should emphasize the EU financial support as per Common Provisions Regulation (EU) 2021/1060.

All information and publicity measures aiming at the general public must include the following elements:

1. **The emblem of the Union ('the EU emblem')**, printed in accordance with the graphic standards established in Annex IX of Regulation (EU) 2021/1060;
2. **The statement** 'Funded by the European Union' or 'Co-funded by the European Union' shall be written in full and placed next to the emblem;
3. **The Programme logo** of the INTERREG IPA Bulgaria – Serbia Programme 2021 – 2027, which could be downloaded from here: <http://www.ipacbc-bgrs.eu/programme-documents/interreg-new-programme-logo-2021-2027>

Each project partner has the responsibility to make the general public aware of the of the project impact and to promote the financial contribution from the EU.

Failing to comply with the Programme Information and Publicity requirements by any project partner may impede NC verification process, lead to financial corrections from 2 to 3 % of the total amount of project budget and endanger overall project implementation.

In order to avoid the risks related to the Information and Publicity non-compliance and subsequent financial corrections, the project partners are advised to consult with the Joint Secretariat, and specifically the JS Communication Officer before taking any project information and publicity measures. The Communication Officer reserves the right to give comments and recommendations to the project partners regarding the project information and publicity measures. However, the ultimate responsibility for project implementation according to the official Programme rules, including the Information and Publicity rules, is completely held by the project partners.

NB!	The project partners should take note of the fact that the project results have to be made available to the public free of charge.
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The general reporting requirements included in the Subsidy contract are applicable to the information and publicity measures. All information and publicity measures should be coordinated between project partners in order full dissemination of project results and outcomes to be achieved as well as sharing of knowledge, expertise and collaboration.

Visibility requirements are applicable to all printed and digital products, publications, websites (including their mobile views), mobile applications, online, offline and on-site activities and events, physical investments and purchase of equipment.

The EU emblem

Symbolic description



Co-funded by
the European Union

The EU emblem is a mandatory element for branding on all communication materials (printed or digital), websites, mobile applications, supplied equipment, as well as on all EU financed activities

and is considered as the single most important visual brand for acknowledging the origin and ensuring the visibility of the EU funding.

The emblem is showing twelve golden stars, forming a circle (against a background of blue sky) as a symbol of the union of the peoples of Europe. The number of stars is invariable, being a symbol of perfection and unity.

The statement ‘Funded by the European Union’ or ‘Co-funded by the European Union’ must always be spelled out in full and placed next to the emblem. The positioning of the text in relation to the EU emblem must not interfere with the EU emblem in any way.

For detailed information about the geometry, the colours and other reproduction rules of the EU emblem, refer to Annex IX of Regulation (EU) 2021/1060 on the following EU web site: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32021R1060&from=EN#d1e37-479-1> and to the Operational guidelines for recipients of EU funding on the topic how to use the EU emblem in the context of EU Programmes for programming period 2021-2027 available here: https://ec.europa.eu/info/sites/default/files/eu-emblem-rules_en.pdf.

➤ Utilization

It is not allowed the EU emblem, its measurements, colors and shape to be modified or merged with any other graphic elements or texts. The minimum height of the EU emblem must be 1 cm. It is recommended the EU emblem to be placed at a distance from the third-party organization's logos in order no confusion for a connection between beneficiaries and EU institutions to be made. When displayed in association with other logos, the emblem must be displayed at least as prominently and visibly as the other logos.

The communication measures of the project partners related to the project (including media relations, conferences, seminars and information material such as brochures, leaflets, posters, presentations, etc. in digital format via traditional or social media), as well as any infrastructure, equipment, vehicles, supplies or major result funded by the grant, must acknowledge the EU support and display the EU emblem and the funding statement. Ready-to-use EU emblem including the funding statement can be downloaded in all EU languages here: https://ec.europa.eu/regional_policy/en/information/logos_downloadcenter.

If there are other flags, symbols or images, they must be presented separately (and should not be incorporated in the EU flag). The EU flag must be at least as big as any other flag/logo that is included in the document/item.

➤ **The Programme logo**

The INTERREG IPA Bulgaria – Serbia Programme 2021 – 2027 refers to financing from both ERDF and IPA funds and the the new universal brand for Interreg programmes. For the 2021-2027 programming period the branding also includes Interreg IPA and NEXT programs. It highlights the unique spatial cross-border transnational and interregional nature of the projects and programs. The harmonised Interreg brand helps providing greater visibility for Interreg at all levels and towards the widest audience.

The three basic elements of the brand are as follows:

1. The logotype with the coloured arch inside;
2. The EU emblem;
3. The statement,

surrounded by a clear space area that defines the minimum distance to other elements such as other logos, pictures, texts or any other design elements.

Under the logotype, programme name is placed to the right of the IPA name written in lowercase with only the first letter of each country or region composing the name written in capital letter and separated by an en dash (with a space on both sides of the dash). It is important to be clarified that the name should be a part of the brand image and not be written separately. As a whole the brand of the Programme is made of the Programme's name together with the Interreg logotype made into one single image or document.



Project partners are advised to always use the digital brand files available on the Programme' website for downloading here: <http://www.ipacbc-bgrs.eu/bg/programme-documents/interreg-logo-za-nov-programen-period-2021-2027> and to not recreate or modify the brand in any way.

The brand should not be used in any size smaller than the smallest size specified on 38.1 mm in the Interreg Brand Manual 2021-2027.



Used for other promotional materials, the brand should not be used in any size smaller than the smallest size specified in the table below:

MEDIA	SMALLEST BRAND WIDTH
PRINT A4 PORTRAIT (210x279 MM)	38,1 mm
PRINT A4 LANDSCAPE (279x210 MM)	38,1 mm
PRINT A4 PORTRAIT (148x210 MM)	38,1 mm
PRINT BUSINESS CARD (85x55 MM)	35,1 mm
PRINT SIGN (PLAQUE) PORTRAIT ANY LARGE FORMAT (A2+)	short side 6 mm
PRINT SIGN (PLAQUE) LANDSCAPE ANY LARGE FORMAT (A2+)	long side 6 mm
SCREEN SMARTPHONE (960x640 PX)	240 px
SCREEN TABLET (1024x768 PX)	240 px
SCREEN LAPTOP (1920x1080 PX)	300 px
SCREEN DESKTOP (2560x1440 PX)	300 px

POWERPOINT 16:9 (254x142,88 MM)	32,6 mm
VIDEO FULLHD (1920x1080 PX)	300 px
VIDEO HD (1280x720 PX)	300 px
VIDEO SD (1050x576 PX)	240 px

The Reflex Blue and Light Blue define the Interreg brand's visual identity and should be used as main colours in all communication materials. The Yellow can be used sparsely as accent colour.

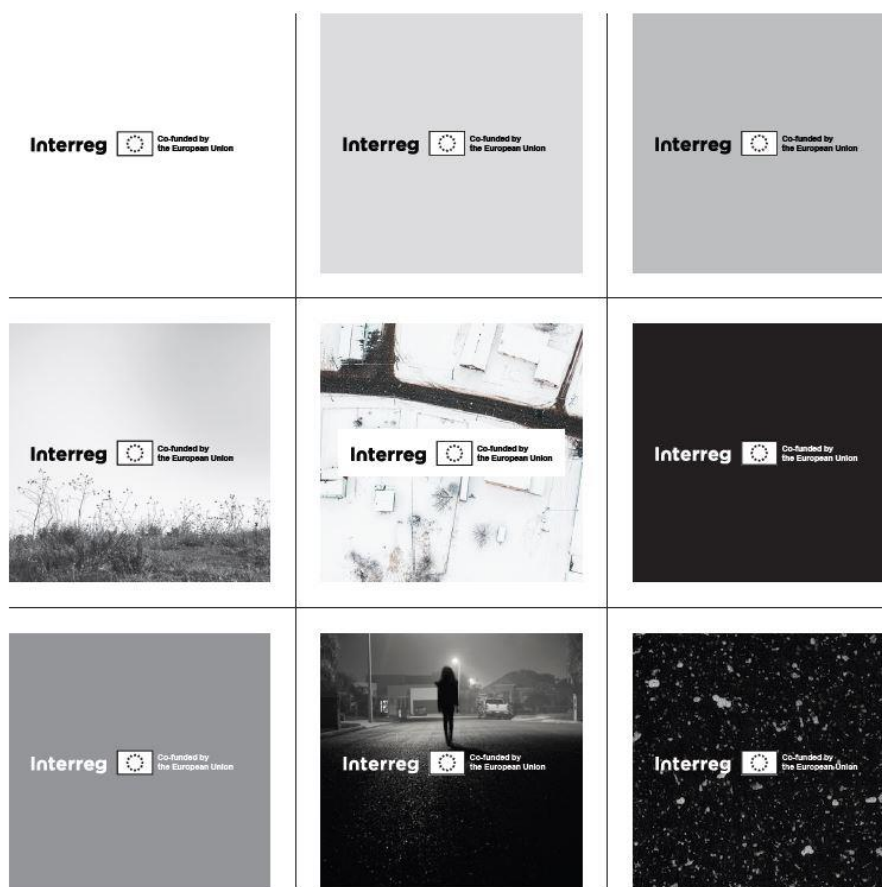
The Programme logo must always be displayed in its entirety, without any changes to the original proportions and colours. It is highly recommended that the Programme logo to be displayed on a **white background**.

When using a white background box is not possible, white and colour version of the brand could be used like on the examples below. The project partners have to take in mind that the size of the EU emblem border shall be 1/25 of the height of the emblem.



Whenever full colour is not available for printing or specific usage in a document a monochrome version of the brand should be used.

When applied on light or dark background the brand should preferably be placed in a white rectangle as it is shown on the examples below. The project partners have to take in mind that the EU emblem must be applied in white with a black border measuring 1/25 of the height of the rectangle.



In order to be further familiarised with the requirements and technical specification of the practical use of the brand, please check the following document here: <https://www.interact-eu.net/download/file/fid/24288> or here <http://www.ipacbc-bgrs.eu/bg/programme-documents/interreg-logo-za-nov-programen-period-2021-2027>.

11.4. Implementation of information and publicity activities

Each project partner plans the information and publicity activities according to the specific project goals and target groups using some of the following options mentioned below:

Digital communication channels and instruments:

- ✓ Website;
- ✓ Social media (Facebook, Twitter, YouTube, etc.);
- ✓ E-events - meetings, workshops, conferences, seminars, trainings;
- ✓ Short videos.

Standard communication channels and instruments:

- ✓ Photos;
- ✓ PR activities - press releases, publications, interviews, communication strategy;
- ✓ Signaling - plates with the obligatory visibility elements at the building entrance of the applicant, flying the EU flag, banners/posters on public events;
- ✓ Promotional materials – banners, small gifts, gadgets.
- ✓ Public events:
- ✓ Awareness campaign, meetings, workshops, conferences, seminars, trainings, press events.

NB!	<p>According to the provisions of Article 36, Regulation (EU) 2021/1059, the following specific visibility actions are mandatory:</p> <p>Each project partner must envisage the purchase of durable plaques or billboards signaling the investment activities to the public.</p> <p>The partners must plan and organize a communication event with the European Commission and the Managing Authority/Joint Secretariat representatives during the lifespan of the project.</p>
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It is strongly advisable that the beneficiaries keep a comprehensive photo archive of all project activities, especially public information and publicity activities. Regarding the photos from public events, project activities, already installed project equipment, the partners should fulfill the following requirements:

- Using a Programme visualization as banner or poster when taking photos from conference/pressconference/workshop or any other public events;
- Shooting people doing an activity or participating in an event for example when speaking, playing a game or practicing in a training;
- Avoiding taking photos on a dark lightening and on empty chairs/tables;
- Providing photos in a digital JPEG format, no smaller than 1 MB or 1200 pixels on the long side;
- Providing photos, on which they have copyrights, without being blocked by publishers, agencies, other persons and organizations and without any advertisements on them;
- Sending the best quality photos on a regular basis directly to the JS Communication Officer for promotional purposes.

Communication Strategy

The Communication Strategy should be an integral part of the projects' development and implementation, setting in details the provisions for promotion of the project by all project partners, in relation to all project activities and prepared at the beginning of the project implementation cycle.

The main purpose of this strategy is to facilitate the project partners in executing their function of general coordination of the overall project implementation activities.

The Communication strategy should highlight the general objectives of the project, the respective target groups, the specific activities and tools that will be used during the implementation of the project, the expected indicators of achievement aimed, as well as the human and financial resources envisaged for the implementation of the above mentioned plan. For project partners' convenience the following template for a strategy could be used:

1. Overall communication objectives.

2. Target groups.
3. Specific objectives for each target group, related to the action's objectives and the phases of the project cycle:
 - ✓ Ensuring that the beneficiary population is aware of the role of the partners and of the EU financial support;
 - ✓ Raising public awareness about specific need/s, issue/s, impact/s.
4. Main communication activities that will be taken during the period:
 - ✓ The nature of the activities;
 - ✓ The responsibilities for delivering the activities.
5. Communication tools chosen (to be included details of advantages of particular tools in the local context).
6. Completion of the communication objectives (to be included indicators of achievement for the different tools proposed consistent with those set out in the logical framework for the action).
7. Provisions for feedback (to be given details of assessment forms or other means used to get feedback on the activity from participants, when applicable).
8. Human Resources:
 - ✓ Person/days required to implement the activities;
 - ✓ Members of the team responsible for implementing the activities.
9. Financial resources (to be given a budget for implementing the communication activities in absolute figures and as a percentage of the overall budget for the action).

Promotional materials

General rules and recommendations for project partners:

- ✓ Use the key visibility elements: the EU emblem and the Programme logo on all produced promotional materials - publications and other printed materials such as newsletters, brochures, leaflets, press releases, advertisements, studies, researches, surveys, posters,

banners, display panels, information boards, t-shirts, bags, pens, USBs, keychains, notepads, bookmarks, badges, as well as on audio-visual materials such as videos and audios, on vehicles, supplies and equipment, on websites, social media channels, etc. any other types;

- ✓ Use the vector format images of the EU emblem and the Programme logo for professional design purposes without making any changes. They could be downloaded from here:
 - https://ec.europa.eu/regional_policy/en/information/logos_downloadcenter
 - <http://www.ipacbc-bgrs.eu/bg/programme-documents/interreg-logo-za-nov-programen-period-2021-2027>
 - <http://www.ipacbc-bgrs.eu/sites/ipacbc-bgrs-105.gateway.bg/files/interregipabulgaria-serbia-20211201t084451z-001.zip>
- ✓ Use local language whenever possible or produce bi-lingual promotional materials on both languages Bulgarian and Serbian;
- ✓ Use the local language of the participants for all communication activities towards the public and the target groups;
- ✓ Use these typefaces - Calibri, Arial or Times New Roman. Preferably use one typeface per publication;
- ✓ Use good standard of paper quality for bags (150 gsm or better);
- ✓ Use engraving as a more permanent method for branding small promotional materials;
- ✓ Illustrate your materials with high quality photos suitable for promotional purposes;
- ✓ Create the design of your own materials using, a user friendly design software for example.
- ✓ Consult the JS Communication Officer for any questions concerning the communication and visibility issues, including the design of promotional materials.

12. PROJECT CLOSURE

The project closing process starts with submission of the Final PPR and the Final Request for

Payment. The LP has to include all expenditures related to the last reporting period, and if relevant the expenditure of the project partners not submitted in the previous reporting periods.

NB!	<p>In case of final payment, the expenditures are eligible if they are carried out during the respective reporting period and are paid no later than 45 calendar days after the end date of the implementation period of the operation. Expenditures which are not carried out during the respective reporting period could be eligible if a necessary justification is provided.</p>
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While project closing, the JS conducts Final visit to the project, approves the Final PPR and checks if all the activities are fulfilled according to the approved Application form, and all the requirements arising of the Subsidy Contract (e.g. the project has been fully implemented by carrying out the planned activities and the planned outputs and the project is realized in due time, etc.)

In case the project is completed and the Final PPR is approved by the JS, the MA proceeds with the financial closing of the project in order to calculate the amount of the final IPA III and national co-financing contribution to be reimbursed to the LP. After approval of the final payment to the LP, the project is considered closed.

Project closing cannot be initiated in case other processes related to the project are not closed such as irregularity and recovery procedures. In those cases, the final payment to the Project is suspended until the closing of other processes.

12.1. Retention of project documents

NB!	<p>The LP and all partners are obliged to retain for audit purposes all files, documents and data about the project for a period of 5 (five) years after the date of the notification by the MA for verified amounts under the request for final payment.</p>
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The following documents have to be retained as the project's audit trail:

No.	Document	Lead Partner	Project Partner
1.	Approved Application Form	original	copy
2.	Partnership Agreement (and its amendments)	original	original
3.	Subsidy Contract	original	Not relevant
4.	Amendments of the Subsidy Contract	original	only if relevant
5.	Project Reports	original	Not relevant
	Partner reports	Only electronic version	Only electronic version
6.	Request for Payment	original	Not relevant
7.	Control Certificates	original	original
8.	Each invoice and accounting document of probative value related to project expenditure (originals to be retained at the premises of the project partner concerned)	only the LP's invoices in original	only PP's invoices in original
9.	All supporting documents related to project expenditure (e.g. bank statements, public procurement documents, etc.) to be retained at the premises of the project partner concerned	only the supporting documents of the LP in original	only the supporting documents of the PP in original

No.	Document	Lead Partner	Project Partner
10.	All project deliverables (materials produced during the project period)	only the project deliverables of the LP in original	only the project deliverables of the PP in original
11.	If relevant, documentation related to on-the-spot checks of the controllers (to be retained at the premises of the project partner concerned)	only LP's on the spot check documentation in original	only PP's on the spot check documentation in original
12.	If relevant, documentation of monitoring visits of the JS	only LP's on-the-spot check documentation in original	only PP's on-the-spot check documentation in original
13.	If relevant, audit reports	All audit reports, LP audit report in original, all other reports - as a copy.	Not relevant
14.	Other official correspondence	original	only if relevant

12.2. Sustainability of the project

The LP and all project partners have the obligation to ensure the sustainability of the operation results in terms of preserving its conditions and ownership for not less than 5 (five) years after completion of the implementation period of the project.

By conducting of ex-post visits the fulfillment of the requirement for ensuring of sustainability of the operation results by the Beneficiaries, is confirmed by the JS.

During the ex-post visits the JS expert checks the following ones:

- Check of the availability of project results (documentary and online checks for their usage after the implementation of the project);

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- Check of the project reports and archive (check whether the project documentation is kept in archive premises/storage and contains all relevant documents, providing continuous and coherent project history and keeping audit trail);
- Check of the use of investments (check whether the assets/supplies/equipment are available and are used in accordance with the Subsidy contract conditions.);

Other checks (check for the overall sustainability of the project and whether the project partners realize common initiatives, including preparation and implementation of common projects or joint participation in events; check for the compliance with the Programme Visibilities rules.

Ownership of project results

Title, industrial, and intellectual property rights in the outputs of the project and the reports and other documents relating to it shall be ownership of the LP and PPs.

The LP should guarantee a widespread publicity of the results of the projects and make them available to the public.

The LP grants the MA the right to use the results of the operation as it deems fit, provided it does not breach their confidentiality obligations or intellectual and industrial property rights.

List of Annexes:

Annex 1	Financial Identification Form
Annex 2	Project Procurement Plan
Annex 2.1	Declaration for Project Procurement plan
Annex 3	Project Report
Annex 3.1	Final Project Summary
Annex 4	Declaration for virtual visit
Annex 5	Request for National Control
Annex 5.1	Reference for similar activities (applicable to BG only)
Annex 5.2	Guidelines for applying the reference (applicable to BG only)
Annex 6	Request for payment
Annex 7	Appeal Declaration
Annex 8	Request for contract modification
Annex 8.1	Budget modification table
Annex 9	Compatibility check sheet of the project with the Strategic Environmental Assessment
Annex 10	Declaration of conflict of interests check
Annex 11	Declaration on VAT status
Annex 12	Declaration for lack of double funding and revenue of the project
Annex 13	Communication plan - template
Annex 14	Declaration for the absence of the circumstances under Article 5k of Council Regulation (EU) No. 2022/576 of April 8, 2022 amending Regulation (EU) No. 833/2014