



(INTERREG VI-A) IPA PROGRAMME BULGARIA-TÜRKIYE

2021-2027

CCI 2021TC16IPCB005

GUIDELINES FOR APPLICANTS

CALL FOR PROPOSALS

No 2021TC16IPCB005 – 2023 – 3

**RSO2.1. PROMOTING ENERGY EFFICIENCY AND
REDUCING GREENHOUSE GAS EMISSIONS**

**RSO2.6 PROMOTING THE TRANSITION TO A CIRCULAR
AND RESOURCE EFFICIENT ECONOMY**

**UNDER PRIORITY 1: ENVIRONMENTALLY FRIENDLY
CROSS-BORDER REGION**

SUBMISSION DEADLINE: 13 MARCH 2024

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Glossary of Acronyms

AA	Audit Authority
AF	Application Form
AWG	Assessment Working Group
CA	Certifying Authority
CBC	Cross-border Cooperation
EIA/AA	Environmental Impact Assessment/ Appropriate Assessment
EC	European Commission
ERDF	European Regional Development Fund
EU	European Union
GD	Government Decision
ICT	Information and Communication Technology
IPA	Instrument for Pre-accession assistance
IT	Information Technology
JEMS	Joint Electronic Information System
JS	Joint Secretariat
LP	Lead Partner
MA	Managing Authority
MC	Monitoring Committee
MS	Member State
NA	National Authority
NACE	Statistical classification of economic activities in the European Community
NGO	Non-Governmental Organization
NUTS	Nomenclature of Territorial Units for Statistics
OP	Operational Programme
PRAG	Practical Guide for Procurement and Grants for European Union External Actions
SMEs	Small and Medium sized Enterprises
SCO	Simplified Cost Options
SWOT	Strengths, Weakness, Opportunities, Threats
TA	Technical Assistance
VAT	Value Added Tax
CR	Commercial register

Preface

DISCLAIMER

Please note that the expenditures for the applicants from the Republic of Türkiye will be reimbursed after signature of the Financing Agreement between the European Commission and the Government of the Republic of Türkiye;

These Guidelines for Applicants serve as an essential reference document for applicants applying for funding under the Call for Project Proposal within the framework of the INTERREG VI-A IPA Bulgaria – Türkiye 2021-2027 Programme.

The Guidelines for Applicants include the following integral parts, which must be considered in their entirety by the Applicant:

- Attachments:
 - Attachment 1 “State Aid and De Minimis Provisions” – contains important information about the rules for financing of state aid relevant activities;
 - Attachment 2 “Complaint Procedure” – contains important information about the stages, requirements, steps and deadlines which the applicant must observe in case it decides to launch a complaint against the decisions of the Monitoring Committee regarding project’ selection and financing;
 - Attachment 3 “Indicators”- target setting for Priority 1 Environmentally-friendly cross-border region;
 - Attachment 4 “Application Form” - offline template for information and guidance purposes;
 - Attachment 5 “SME Definition User Guide”;
 - Attachment 6 SO 2.1 “Assessment and selections of Applicants”;
 - Attachment 7 SO 2.6 “Assessment and selections of Applicants”;
 - Attachment 8 “NACE rev.2” - Statistical classification of economic activities in the European Community.
- Annexes A to the Application form – contain templates of all declarations that must be submitted by the project partners together with the project proposal;
- Annex C - Subsidy contract – draft version (for information purposes only).

It is recommended that the applicant submitting the proposal under the current call should examine carefully, besides the present Guidelines for Applicants, the adopted Programme

Document, which is available on the website of the Programme: <https://ipa-bgtr.mrrb.bg/>
<http://www.ipacbc-bgtr.eu/bg>

Across the following pages you will find a highlighted text boxes – marked “**Important**”:

👉 IMPORTANT - highlights the most important elements to be taken into account when preparing a project.

Legal Basis

In the elaboration of these Guidelines for Applicants the following legal provisions have been observed:

Basic EU legal acts:

- Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession assistance (IPA III);
- Commission Implementing Regulation (EU) 2021/2236 of 15 December 2021 on the specific rules for implementing Regulation (EU) 2021/1529 of the European Parliament and of the Council establishing an Instrument for Pre-accession Assistance (IPA III);
- 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;
- Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012;
- Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund.

- Regulation (EU) 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.

Basic Programme documents:

- INTERREG VI-A IPA Bulgaria – Türkiye Programme approved by European Commission of 22.11.2022 by Decision C/2022/8612, with Programme reference number CCI 2021TC16IPCB005, including Appendix 3;

National legislation

Besides EU rules and rules of the Programme, national legislation in force ruling specific fields such as environmental interventions, natural and cultural heritage, construction, human resources, etc. has to be respected.

Please note that all these legal provisions must be observed by the applicant during both project preparation and implementation phases.

1 General Information

These Guidelines for Applicants aim at providing practical information under (INTERREG VI-A) IPA Bulgaria Türkiye Programme. It is the most practical level of information needed for the successful submission of a project proposal under this Programme. These Guidelines for Applicants provide information on how to development of a project idea/proposal, to fill in the application form, budget and related forms, the application procedure, the project selection criteria, the decision procedure and other practical advices.

📌 IMPORTANT

Please read carefully these Guidelines for Applicants in order to avoid confusion!

The present version of the document is only relevant in connection to the **Open Call for Proposal under the INTERREG VI-A IPA Bulgaria – Türkiye Programme 2021-2027**:

- RSO2.1. Promoting energy efficiency and reducing greenhouse gas emissions;
- RSO2.6 Promoting the transition to a circular and resource efficient economy

This Call for proposal only concerns **Priority 1 “Environmentally-friendly cross-border region (energy efficiency, circular economy)”**.

1.1 Overview of Interreg VI-A IPA Bulgaria- Türkiye Programme

This Programme is co-financed by the European Union through the Instrument for Pre-accession Assistance III, by Bulgaria and Türkiye through contributions from state budgets. Own co-financing by the project beneficiaries is allowed.

The Programme continues the evolution of the EU's cross-border initiatives, reflected in the Interreg - IPA Bulgaria – Türkiye CBC Programme 2014-2020, Bulgaria – Türkiye IPA Cross-border Programme 2007 – 2013 and Neighborhood Programme between Bulgaria and Türkiye.

The programme document drafted jointly by the two countries through a wide partnership with national, regional and local stakeholders was approved by the European Commission on 22.11.2022 (Decision C(2022)8612). It sets out the general framework of intervention of IPA III in the Programme cross border area. The programme document is available on the following websites:

<https://ipa-bgtr.mrrb.bg/>

<http://www.ipacbc-bgtr.eu/>

<http://www.mrrb.bg/>

<http://www.ab.gov.tr>

<http://cbc.ab.gov.tr/>

1.1.1 Programme area

The Programme area includes the districts of **Burgas**, **Yambol** and **Haskovo** in Republic of Bulgaria and provinces of **Edirne** and **Kırklareli** in Republic of Türkiye.

NUTS III coverage:

For Republic of Bulgaria:

- ✓ District of **Burgas**: 13 municipalities – Aytos, Burgas, Kameno, Karnobat, Malko Tarnovo, Nesebar, Pomorie, Primorsko, Ruen, Sozopol, Sredets, Sungurlare, Tsarevo;
- ✓ District of **Yambol**: 5 municipalities – Bolyarovo, Elhovo, Straldzha, Toundzha Yambol;
- ✓ District of **Haskovo**: 11 municipalities – Dimitrovgrad, Harmanli, Haskovo, Ivaylovgrad, Lyubimets, Madzharovo, Mineralni bani, Simeonovgrad, Stambolovo, Svilengrad, Topolovgrad.

For Republic of Türkiye:

- ✓ Province of **Edirne**: 9 districts - Edirne, Enez, Havsa, İpsala, Keşan, Lalapaşa, Meriç, Süloğlu, Uzunköprü;
- ✓ Province of **Kırklareli**: 8 districts – Babaeski, Demirköy, Kırklareli, Kofçaz, Lüleburgaz, Pehlivanköy, Pınarhisar, Vize.

1.1.2 Programme Strategy

The strategic and thematic scope of the INTERREG VI-A IPA Bulgaria – Türkiye fully corresponds with the IPA III programming framework. The programme is expected to contribute to the enlargement process and at the same time to the strengthening of the territorial cohesion taking

into account socio-economic opposite trends that are currently undergoing across the CB area. The policy and strategic framework of the Programme is a result of a three-year long elaboration process. The identified tendencies and challenges are related to continuing and still unresolved territorial challenges (such as lack of diverse possibilities for work, weak employability skills, high poverty risk and social exclusion, low income, uneven economic and year-round tourism development across the CB area, etc.); sharp sectoral disparities in the CB area due to the number of opposite demographic, health and economic trends across the region; need to provide equal access for the SMEs to programme resources and perceive the enterprises as change boosters addressing their specific needs; prospectives of establishing cross-border added value chains in certain sectors (especially in the energy sector); need for more cross-border coordinated actions in the energy and environmental fields. The need to provide SMEs with equal access to programme resources and perceive the enterprises as change boosters addressing, however, their specific needs, has been unanimously confirmed. This was also seen as one way to innovate the programme towards those who mostly need it. The prospects of establishing cross-border added value chains in certain sectors was positively assessed, especially in the energy sector, taking into account the role of the CB area as a strategic intersection of energy corridors bridging energy suppliers from the east and energy consumers in the west, whose externalities, however, bring extensive environmental hazard. Therefore, participants in the consultations expressed the need for more cross-border coordinated actions in the energy and environmental fields.

1.1.3 The programme overall objective

The Programme is expected to contribute to the EU accession process and at the same time to the strengthening of the territorial cohesion. Having regard to this, as well as taking into account the need for preservation of cultural, social and economic links between the regions of both countries, the JWG agreed on the following overall objective of the Programme.

To strengthen the territorial cohesion of the Bulgaria-Türkiye cross-border region.

Based on the experience of the previous two programming periods 2007-2013 and 2014-2020, as well as on analyses of the Programme area, the proposed by European Commission Policy Objectives (Article 5 (1) of Regulation (EU) 2021/1060 and Article 3 of Regulation (EU) 2021/1058) were chosen to be the basis for selection of the Priorities of the Programme:

- ✓ PO 2: A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility
- ✓ PO 5: A Europe closer to citizens by fostering the sustainable and integrated development of all types of territories and local initiatives
- ✓ ISO 2: A safer and more secure Europe

1.1.4 Programme Priorities

In order to achieve the objectives, set out in the programme document, the partnering countries have jointly agreed upon the main "Priorities" on which the projects under this programme should focus – "Environmentally-friendly cross-border region", "Integrated development of the cross-border region" and "More secure cross-border region".

The current call is focused on PRIORITY 1: ENVIRONMENTALLY FRIENDLY CROSS-BORDER REGION:

Specific objective 2.1. "Promoting energy efficiency and reducing greenhouse gas emissions"

and

Specific objective 2.6 "Promoting the transition to a circular and resource efficient economy"

The Priority is focused on the development and implementation of innovative products, processes and business models aimed on increasing the resource efficiency of the economy, as well as support of innovations aimed at high carbon intensity of the economy, productive investments in SMEs, implementing technologies, systems and infrastructures for affordable clean energy, including investments in energy storage technologies, renewable energy, smart local mobility, improving the circular economy through waste reduction, resource efficiency, reuse, repair and recycling.

1.1.5 Programme Indicators

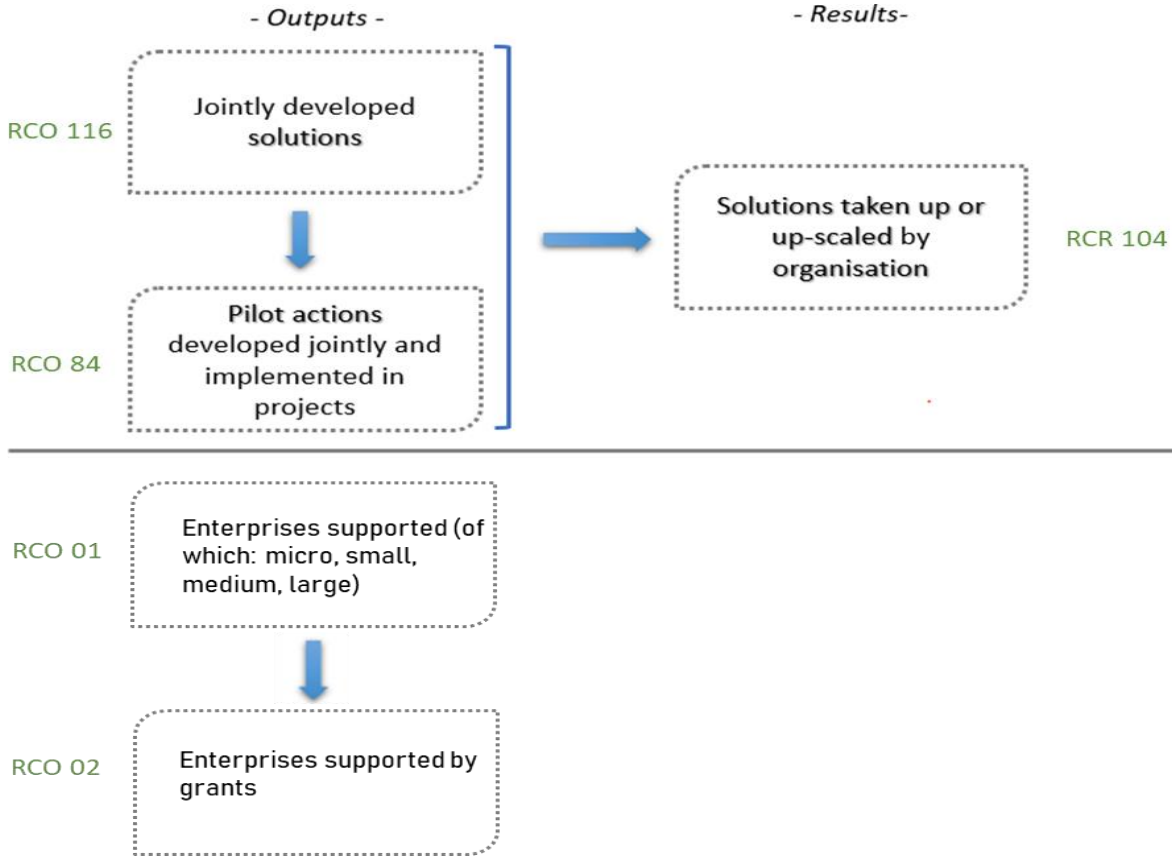
For the 2021-2027 period, a set of common indicators was defined in the ERDF Regulation, allowing easier and more consistent reporting across programmes. The indicators are used as a basis to provide information to the European Parliament and to the Council on performance of programmes.

There are two types of indicators – output indicators and result indicators. The output indicators measure the specific deliverables from the action chosen for support, while the result indicators measuring the outcomes (the effects of the interventions supported, with particular reference to the direct addressees, population targeted or users of infrastructure).

IMPORTANT

Proposals under Priority 1: Environmentally-friendly cross-border region must contribute to the achievement of the **target values of the programme output and result indicators** under Specific objectives "Promoting energy efficiency and reducing greenhouse gas emissions " and "Promoting the transition to a circular and resource efficient economy".

Overview of indicators



Detailed information related to the indicators is provided in Attachment 4. Indicators.

1.2 Programme Implementation Structures

According to the Interreg Regulations 2021/1059 from 24 June 2021, the two partnering countries have established the following main management and implementation bodies:

Managing Authority (MA) – Territorial Cooperation Management Directorate at Ministry of Regional Development and Public Works of the Republic of Bulgaria is designated to perform the functions of Managing Authority under Interreg-VI-A IPA Bulgaria- Türkiye Programme (CCI 2021TC16IPCB005) as laid down in Articles 72, 74 and 75 of Regulation (EU) 2021/1060.

The Managing Authority is responsible for managing and implementing the cross-border cooperation programme in accordance with the principle of sound financial management.

National Authority (NA) – The Directorate for EU Affairs within the Ministry for Foreign Affairs of Republic of Türkiye is the counterpart for the Managing Authority and is in charge of the coordination of programme in Türkiye. The National Authority supports the Managing Authority in the process of management and overall implementation of the programme.

Monitoring Committee (MC) is formed of representatives of MA, NA, the European Commission, as well as other relevant national, regional and local authorities and stakeholders. The MC shall supervise the overall effectiveness, quality and coherence of the implementation of all actions towards meeting the objectives set out in the Programme and the relevant strategy papers.

Joint Secretariat (JS) is a common structure that assists the programme management bodies in carrying out their respective functions and it is the main contact point between the programme and the potential beneficiaries/project partners. JS-main office is based in Haskovo (Republic of Bulgaria), and JS-branch office is based in Edirne (Republic of Türkiye).

👉 IMPORTANT

The JS is the main structure responsible for providing information and support to potential beneficiaries.

1.3 Programme Financial Allocation for the Open Call for Project Proposal

The total budget available for the present call is **6 616 228 EUR** of which **5 623 793 EUR** EU financial contribution (ERDF+IPA funds) and **992 435 EUR** national contributions from national budgets of partnering countries.

Specific objective	Percentage	Amount (EUR)*
RSO2.1. Promoting energy efficiency and reducing greenhouse gas emission	70%	4 631 360.00
RSO2.6 Promoting the transition to a circular and resource efficient economy	30%	1 984 868.00

**85% EU contribution, 15% National member state contribution.*

1.4 No-profit principle

The meaning of a no-profit principle is in accordance with Article 192 of Regulation 2018/1046 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union.

The verification of the no-profit principle shall be applied as follows:

The grant amount representing the EU funds and national co-financing funds may not have the purpose or effect of producing a profit for the project partners. Profit is defined as a surplus of the grant amount received and the revenue generated by the operation over the total amount of eligible expenditures incurred by the project partner and verified by the Managing authority. If

this calculation results in a profit for the project partner, the Managing authority will reduce the final amount of the grant with the profit generated.

The revenues may be but not only cash in-flows directly paid by users for the goods or services provided by the operation, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payments for services, payment received by the project partner arising from contractual penalties as a result of a breach of contract between the partner and a sub-contractor, interests accrued on the received pre-financing payment into the bank account using for the operation, etc.

For the purpose of respecting the no-profit principle and for the proper verification of the revenues generated each project partner should keep detailed, timely, adequate and traceable information and accounts concerning the generated revenues during the implementation period of the operation. A declaration for revenues generated with the relevant supporting documents shall be requested by each project partner at the stage of the last reporting of expenditures.

1.5 Cross-border impact

The challenges to the industrial sector from the CB area in the context of double transition objectives are significant, given the unsatisfactory starting points (low levels of digitalization and resource productivity, very high levels of carbon intensity). The regional SMEs have to adopt more actively the principles of the energy efficiency, as well as circular economy and the related production practices by making products fit for a climate-neutral, resource efficient and circular economy and reducing waste across the entire product lifecycle.

The projects must deliver direct cross-border impact and benefits for the project partners, the target groups and the Programme area. The partners should clearly demonstrate that the cross-border approach has been respected in the project proposal.

A clear cross-border impact could be found in these cases where the implementation of the projects ensures tangible results in the cross-border area (in both countries); otherwise the effect would be at regional level.

Through implementation of the planned activities (which are designed for facing certain specific needs of the partners and the target groups), each project shall contribute to achievement of the overall objective of the Programme. This means that when formulating the project idea, all partners should think about the impact of the project not only for their own organisations and the target groups, but also for the Programme area. Establishment of a partnership among organizations from the two countries by definition brings a cross-border character to the project, but only by itself this is not enough to ensure the direct cross-border impact and added value to the Programme area – rather, it is necessary that the combination of all project activities demonstrate achievement of distinct results in the cross-border area.

1.5.1 Cooperation criteria

Cooperation has to be at the heart of each project. In order to be eligible, projects must contribute to **at least three out** of the following four cooperation criteria:

Joint development (mandatory) means that the project must be designed in close cooperation of the partners from both sides of the border. This means that project proposals must clearly integrate the ideas, needs, priorities and contributions of stakeholders on both sides of the border. The Lead Partner is the coordinator of this process but should include other partners from the beginning of the development process;

Joint implementation (mandatory) means that activities must be carried out and coordinated among partners from both sides of the border. It is not enough that activities run in parallel. There must be clear content-based links between what is happening on either side of the border and regular contact between the two sides. The Lead Partner is responsible for ensuring that activities are properly coordinated, that schedules are kept and that the right quality levels are achieved;

Joint staffing means that there will be a single project team within the project. The project staff should not have duplicate functions on either side of the border and project team members should work together on the project. The partners should not merely carry out activities in parallel without mutual coordination and exchange of information, but the project team will be responsible for project activities on both sides of the border.

Joint financing means that there will be only one contract per project and there must therefore be one joint project budget. The budget should be divided between partners according to the activities carried out. There is also only one project bank account for the EU contribution (held by the Lead Beneficiary) and payments representing EU support are made from the programme to this account. The Lead Beneficiary is responsible for administration and distribution of these funds and for reporting on their use. Funding should come from both sides of the border and illustrates the commitment by each partner to the joint project. The distribution of financial resources should reflect tasks and responsibilities of the partners. The rights and obligations of each partner in view of project implementation (including transfer of funds and payments) are included in the Partnership agreement.

👉 IMPORTANT

The importance of the cross-border approach to the topic addressed should be clearly demonstrated. In this matter the project partners from the two participating countries have to cooperate mandatory in **at least both joint development and joint implementation and, additionally, one or both of the other two cooperation criteria: joint financing or joint staffing (as described above) as required of the Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021.**

1.6 Horizontal principles

The Bulgaria – Türkiye Interreg VI-A IPA Programme places an important role to the inclusion of horizontal principles in the planning, implementation, monitoring, reporting and evaluation of the project activities. During the whole life cycle of the projects, beneficiaries are requested to consider transversal actions to the projects' activities, taking into account the horizontal principles of the EU¹.

More precisely, actions should be planned, implemented and reported considering the following horizontal principles:

1. Respect for fundamental rights and compliance with the Charter of Fundamental Rights of the European Union in the implementation of the Funds;
2. Equality between men and women, gender mainstreaming and the integration of a gender perspective are taken into account and promoted throughout the preparation, implementation, monitoring, reporting and evaluation of programmes;
3. Prevent any discrimination based on gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, implementation, monitoring, reporting and evaluation of programmes. In particular, accessibility for persons with disabilities shall be taken into account throughout the preparation and implementation of projects;
4. Sustainable development as set out in Article 11 TFEU, taking into account the UN Sustainable Development Goals², the Paris Agreement and the "**do no significant harm**" (**DNSH**) principle. And the Green public procurement (green public procurement criteria and social considerations as well as innovation incentives should be incorporated into public procurement procedures). To ensure maximum adherence to the principles and targets of the Green Deal, each project supported by the programme, should have gone a positive DNSH assessment during the selection process;
5. Projects are expected to contribute to climate change and biodiversity goals, in line with the EU Biodiversity Strategy 2030;
6. The programme promotes the:
 - New European Bauhaus (NEB) principle of linking aesthetics, nature and environment, heritage and investment with sustainable socio-economic development of the cross-border region, ensuring accessibility and socialisation
 - Healthy environment, waste treatment and recycling;
 - Sustainable energy planning - RES (Renewable Energy Sources) and EE (Energy Efficiency).

On e-cohesion, a fully functional system is set up (**JEMS**), which guarantees that all exchanges between beneficiaries and programme authorities are carried out by means of electronic data exchange in accordance with article 69(8) and Annex XIV of the CPR. The system will be fully

¹ Horizontal Principles as per Article 9 of the REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 June 2021

² All supported project activities, regardless of their sectoral focus, must contribute to the achievement of at least one of the selected 7 Sustainable Development Goals (SDGs) that are most likely to be tackled by the programme. These SDGs are: (7) Affordable and Clean Energy, (8) Decent Work and Economic Growth, (9) Industry, Innovation and Infrastructure, (10) Reduced inequalities, (12) Responsible Consumption and Production, (13) Climate Action, (15) Life On Land.

functional with the launch of the Programme and will allow diminishing the administrative burden of beneficiaries. All supported by the programme entities and undertakings should strive to ride the digital transformation wave and propose digital solutions under the concept of "one standard for all" and thus account for the applicability of the **e-Cohesion principle**.

Applicants shall describe in the application how they particularly consider and promote the abovementioned horizontal principles in their activities and which specific actions are implemented in reference to them. Furthermore, applicants are advised to include measures in their proposals that will contribute to the diminishing of the environmental impact of their actions. During the assessment of applications, consideration is given to the project's adherence to the horizontal principles and the quality of the planned specific actions. Approved projects will report regularly to the Programme their achievements.

1.7 Applicable law and public procurement

The beneficiaries have the possibility to award service, supply and works contracts to contractors. Contractors are neither partners nor associates. The award of contracts to them is subject to the procurement rules in accordance with Article 58 of 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.

When the project partners are located in Bulgaria it shall apply national laws, regulations and administrative provisions as **Government decree no. 160/2016** (Постановление ПМС №160/01.07.2016г. за определяне правилата за разглеждане и оценяване на оферти и сключването на договорите в процедурата за избор с публична покана от бенефициери на безвъзмездна финансова помощ от европейските структурни и инвестиционни фондове).

As for the project partners located in Türkiye beneficiaries shall refer to **Annex II of the Financing Agreement between Türkiye and EC** and use the guidelines and templates of the **"Procurement and Grants for European Union External Actions – a Practical Guide" document (PRAG)**, where the above mentioned Annex II does not cover all the procedures necessary for procurement

👉 IMPORTANT

For the award of supply of goods, works or services, the procurement procedures provided for in Articles 178 and 179 of the Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union and points 36 to 41 of Chapter 3 of Annex I to that Regulation shall apply.

In this case the beneficiaries must refer to and use the guidelines and templates of the **"Procurement and Grants for European Union External Actions – a Practical Guide" document (PRAG)**.

To this end, the following provisions shall be fulfilled by the project beneficiaries:

- When sub-contracting the activities in order to achieve the project objectives, including activities for project preparation, the contracting must be done by a transparent tendering procedure, following the above rules.
- The project or any sub-contracting procedures must not create an economic advantage to an economic operator.
- All project results shall be made available for free to all interested individual or legal persons, in a non-discriminatory way. Making the project results available only for certain individual or legal persons is strictly forbidden.

1.8 Communication and Visibility

The information and publicity measures for the interventions of the INTERREG VI-A IPA Bulgaria - Türkiye Programme funds are aimed at publicizing the actions of the European Union, increasing transparency and creating a uniform image of the interventions throughout participating countries. Communication activities should be properly planned and should focus on the achievements and impact of the project actions.

In order to maximize the impact of communication efforts:

- Communication activities need to be timely;
- Communication activities should be appropriate in terms of resources spent and expected impact;
- Information used must be accurate;
- The right audience(s) should be targeted, etc.

The following communication and visibility activities might be foreseen by the applicants in their Application forms (a nonexclusive list):

- Online communication: websites, social media, electronic newsletters, e-events, online articles and blogs, etc.;
- Public events: Information campaigns, workshops, seminars, trainings, visits, stakeholder meetings;
- Press and media: press releases, press conferences, press visits, articles in print media;
- Audio visual materials, photography and other productions: video, audio, etc.
- Communication and visibility in print: newsletters, leaflets, brochures, catalogues, displays, stationery, business cards, letterheads, branded gifts, etc.
- Obligatory visibility elements on buildings, vehicles and other supplies: billboards, plates, stickers, etc.

Communication activities must be foreseen in the Application form and budgeted for by respecting the requirements of branding and communication established by the European

regulations and the Programme. Before drafting the project proposal, it is essential to refer to the mandatory publicity and communication rules laid down in:

- Regulation (EU) 2021/1060 of the European Union and of the Council of 24 June 2021, articles 47 and 50;
- Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021, Article 36;
- Communication strategy of the INTERREG VI-A IPA Bulgaria - Türkiye Programme;
- the present Guidelines for Applicants.

Please be aware that expenditures which do not comply with the applicable rules in terms of communication cannot be claimed, even if they are included in the approved Application form.

When drafting your proposal, you may also pay attention to the following practical hints:

- Project partners should envisage production and installation of durable plaques or billboards, clearly visible to the public in accordance with Art. 36 of the Regulation (EU) 2021/1059 and Annex IX of Regulation (EU) 2021/1060 as soon as the physical implementation of an Interreg operation involving physical investment or the purchase of equipment starts or purchased equipment is installed, with regard to operations supported by an Interreg fund, the total cost of which exceeds EUR 100 000;
- Programme branding illustrative elements have to be clearly and visibly displayed “on documents and communication material relating to the implementation of the Interreg operation attended for the general public and participants”;
- The project must use the logo provided by the Programme/Interreg brand manual, in accordance with the provisions of the Programme;
- Promotional materials (promotional banners/gifts/gadgets, etc. designed to be distributed during public events) should preferably be “eco-friendly” (according to the Communication strategy of the INTERREG VI-A IPA Bulgaria- Türkiye Programme);
- Communication activities and objectives must be directly integrated in the work packages to allow the communication strategy to be fully embedded in the project’s overall strategy;
- Communication activities towards the general public and the target groups should be carried out in the language of the participants and in this respect usage of appropriate translation and/or interpretation services is advisable;
- All activities including investment activities related to infrastructure/works, supply of equipment and vehicles, as well as major project results, must acknowledge the EU support and display the European emblem and funding statement. The EU emblem should be accompanied by a funding statement “Co-funded by the European Union” mentioning. The funding statement “Co-funded by the European Union” shall always be spelled out in full in the operational language of the EU programme and relevant local language(s) and be placed next to the emblem.

More detailed practical guidelines (including templates) concerning the basic information and publicity measures are provided by the European Commission in the Communication and Visibility

Manual for EU External Actions, published on the following EU website: https://international-partnerships.ec.europa.eu/system/files/2023-04/communicating-and-raising-eu-visibility-guidance-for-external-actions-july-2022_en_0.pdf

More information about the new Interreg branding can be found on: https://ec.europa.eu/regional_policy/en/newsroom/news/2021/12/17-12-2021-new-interreg-branding-for-the-2021-2027-period

2. Eligibility Criteria

The present call for proposal is open for Priority 1 “Environmentally friendly cross-border region”, Specific Objective 2.1. “Promoting energy efficiency and reducing greenhouse gas emissions” and Specific Objective 2.6 “Promoting the transition to a circular and resource efficient economy”.

In order to be eligible for funding under the programme, a project should meet three sets of eligibility criteria:

- eligibility of applicants (see section 2.1),
- eligibility of activities (see section 2.2) and
- eligibility of expenditures (see section 2.3)

2.1. Eligibility of Applicants

Lead Partner and its partners must comply with all of the following general eligibility criteria:

- 1) be legally established entities according to the national legislation of the state on whose territory they are located;**

and

- 2) be registered and operate/or operate not later than 31.12.2020 in the programme area between Bulgaria and Türkiye;**

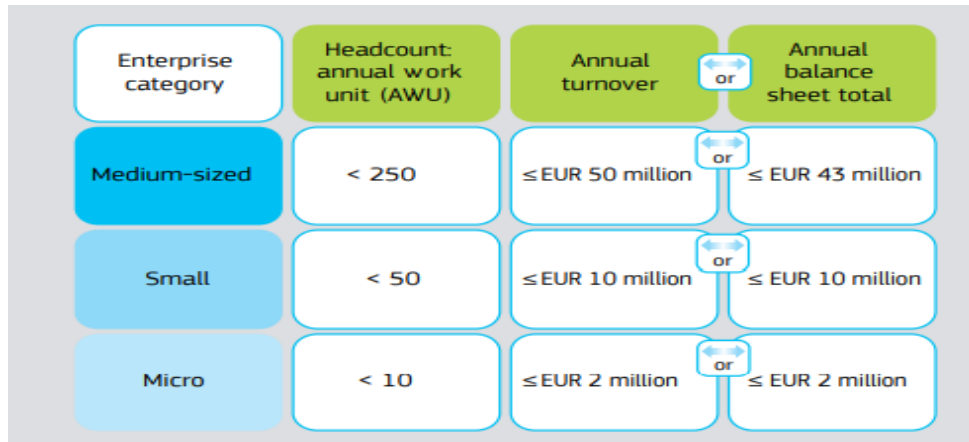
and

- 3) be micro, small and medium size enterprises (SME)**

The specific objectives envisage direct support for micro, small and medium-size enterprise (SME).

SME stands for small and medium-sized enterprise as defined in European Union law (EU recommendation 2003/361). The main factors that determine whether a company is an SME are:

- Number of employees and
- Revenue or balance sheet total.



and

- 4) to be a SME with main economic activity in **Division C Manufacturing; Division I Accommodation and food service activities; Division H Transportation and storage, accordance with Statistical Classification of Economic Activities in the European Community (NACE rev.2)**

Division	Title
C	Manufacturing
C.10	Manufacture of food products
C.11	Manufacture of beverages
C.13	Manufacture of textiles
C.14	Manufacture of wearing apparel
C.15	Manufacture of leather and related products
C.16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
C.17	Manufacture of paper and paper products
C.18	Printing and reproduction of recorded media
C.19	Manufacture of coke and refined petroleum products
C.20	Manufacture of chemicals and chemical products
C.21	Manufacture of basic pharmaceutical products and pharmaceutical preparations
C.22	Manufacture of rubber and plastic products
C.23	Manufacture of other non-metallic mineral products
C.24	Manufacture of basic metals
C.25	Manufacture of fabricated metal products, except machinery and equipment
C.26	Manufacture of computer, electronic and optical products
C.27	Manufacture of electrical equipment
C.28	Manufacture of machinery and equipment n.e.c.
C.29	Manufacture of motor vehicles, trailers and semi-trailers
C.30	Manufacture of other transport equipment
C.31	Manufacture of furniture
C.32	Other manufacturing

C.33	Repair and installation of machinery and equipment
I	Accommodation and food service activities
I.55.10	Hotels and similar accommodation
I.55.20	Holiday and other short-stay accommodation
H	Transportation and storage
H.52.10	Warehousing and storage
J	Information and Communication:
J.58	Publishing activities
J.59	Motion picture, video and television programme production, sound recording and music publishing activities
J.60	Programming and broadcasting activities
J.61	Telecommunications
J.62	Computer programming, consultancy and related activities
J.63	Information service activities.

and

5) to have generated Annual turnover (Net Sales Revenue) cumulative for financial years: 2020, 2021, 2022 according the category of applicant undertaking, as follows:

Enterprise category	Annual turnover (EUR)
Micro-enterprise	≥ 150 000 €
Small enterprise	≥ 250 000 €
Medium-sized enterprise	≥ 350 000 €

For Turkish beneficiaries

The average annual exchange rate obtained from the ECB's data is utilized in order to convert financial figures from Turkish Lira (TR) to Euro (EUR) for the purpose of calculating the annual turnover of TR applicants during the specified financial years 2020, 2021, 2022, as follows:

- Average exchange rate for 2020 TRY to EUR – 0.124;
- Average exchange rate for 2021 TRY to EUR – 0.095;
- Average exchange rate for 2022 TRY to EUR - 0.057.

Exchange Rate Source: The source for the exchange rates is the European Central Bank (ECB) via the EuroSystem. You can access the exchange rates using the following link https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-try.en.html

and

6) be directly responsible for the preparation and management of the action, not acting as an intermediary.

📌 IMPORTANT

All the above **6 criteria** must be fulfilled together.

📌 IMPORTANT

Every project must include **one partner SME** from each side of the border region acting in full spirit of cooperation. Projects which do not comply with this requirement will not be eligible. All partners are directly responsible for the project implementation and cannot act as an intermediary.

2.1.1 Ineligibility criteria

Potential **applicants are not eligible** to participate in this call for proposals, if they are in one or more exclusion situations referred to in Article 136 Regulation (EU, Euratom) 2018/1046 of the European Parliament and the Council.

📌 IMPORTANT

All project partners should sign a "**Partners declaration**" (**Annex A2**). They have to declare that they do not fall into any of the categories specified in the Declaration.

Investments in the specific objectives in the follow economic activities are not eligible for support:

- Investments to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC of the European Parliament and of the Council;
- The decommissioning and the construction of **nuclear power stations**;
- The manufacturing, processing and marketing of **tobacco and tobacco products**;
- Investment in **airport infrastructure** unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.
- 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 organization 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;
- Undertakings active in the primary production of **agricultural products**;
- Undertakings active in the sector of processing and marketing of agricultural products,

in the following cases:

- (i) where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
- (ii) where the aid is conditional on being partly or entirely passed on to primary producers;
- Export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
- Aid contingent upon the use of domestic over imported goods.

Where an undertaking is active in the sectors referred as not eligible and is also active in one or more of the sectors or has other activities falling within the scope of this Call of proposals, those undertaking shall apply to aid granted in respect of the eligible sectors or activities, provided that the applicant concerned ensures, by appropriate means such as separation of activities or distinction of costs, that the activities in the sectors excluded from the scope of this call do not benefit from the de minimis aid granted in accordance with Regulation (EU) N^o 1407/2013.

2.1.2 Lead Partner Principle

The Lead Partner (LP), as the applicant of the project proposal, will be responsible for the preparation and submission of the project proposal as well as for implementation of the project. The LP must have the capacity to start the implementation of the project as quickly as possible, to concentrate all available managerial, financing and know-how resources and focus them on the project.

The lead partner shall carry out the following tasks:

- lay down the arrangements with other partners in an agreement comprising provisions that, inter alia, guarantee the sound financial management of the respective funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
- sign the contract for implementation of the operation with MA and further addenda to the contract (if any);
- assume responsibility for ensuring implementation of the entire operation;
- transfer the relevant budget amounts to the partners participating in the operation according to the Project Partnership Agreement and verified costs;
- ensure that expenditures presented by all partners have been paid in implementing the operation and corresponds to the activities agreed between all the partners;
- ensure that the expenditures presented by the partners participating in the operation have been verified by controller(s);
- collect and check the information from the project partners and submit reports on progress of the project to the JS;

- informing MA/JS about necessity of project modifications

More information about the role and tasks of the Lead Partner is provided in the contract and in the Project Partnership Agreement template (Annex A1).

⚠ IMPORTANT

A partner can never act as a **contractor in the same project and vice versa!**

Please note that a “partner” involved in the project implementation as “Lead Partner” or “project partner” is excluded from any forms of contracting to other partners within the project.

2.1.3 Rules concerning partnership

One of the project partners have to designate by the partners themselves as the Lead Partner.

⚠ IMPORTANT

Project Partnership Agreement is a legal and binding document which should be **signed by all partners with utmost awareness**. All partners should ensure to **comply with the Project Partnership Agreement requirements (Annex A1)**.

The project partners must have clear roles in project preparation and implementation.

All partners must sign a Project Partnership Agreement that stipulates their rights and duties. The signatures of the partners should be on the same page at the end of the agreement.

The Project Partnership Agreement should be enclosed to the application form.

A Project Partnership Agreement template is annexed to the present Guidelines (Annex A1). The partners may decide to add additional provisions to the Project Partnership Agreement.

⚠ IMPORTANT

Number of project proposals and grants per project partner –SME!

Under the current call for proposals for Priority 1 “Environmentally-friendly cross-border region” a SME may participate in One project proposal. In case a SME participates in more than 1 (one) project proposal, as a Lead partner or as a project partner, all submitted proposals will be eliminated (i.e. if a SME has submitted a proposal as a Lead Partner, it cannot be a partner in other projects).

⚠ IMPORTANT

The maximum number of partners in a project shall not exceed two (2) including the Lead Partner.

2.2 Eligibility of Activities

2.2.1 Project duration and grant amount

Under this call for proposals "investment" projects shall be financed – project that mainly include investment activities - works, supply, etc. (representing Budget Line 6 – Equipment and Budget Line 7 Infrastructure and works), **forming at least 60% of the total eligible project cost. The projects may also include "soft" measures.**

Investments projects – Projects that have a predominant investment character with only a minor part of accompanying soft activities, that have works component and/or supply of equipment as foreseen expenditures for the works component (construction, reconstruction, rehabilitation, renovation, etc.) and/or purchase of the equipment should form at least 60% of the total eligible cost of the entire project".

"Soft measures" - mainly oriented at preparing studies, establishing networks, providing trainings, developing concepts, providing services target groups, raising awareness on specific themes, etc. Soft measures also include people-to-people type of actions, e.g. small scale initiatives among civil society institutions that aim at increasing direct contacts and cooperation across the border among the people and their associations in the region

Eligible project grant amount and duration are specified below:

Priority	Specific objective	Type of project	Min. Grant Amount	Max. Grant Amount	Project Duration (months)
Environmentally-friendly cross-border region	Promoting energy efficiency and reducing greenhouse gas emissions	Investment	200 000 €	400 000 €	12-24
Environmentally-friendly cross-border region	Promoting the transition to a circular and resource efficient economy	Investment	200 000 €	400 000 €	12-24

Eligible grant amount per project partner – SME is specified below:

Priority	Specific objective	Type of project	Min. Grant Amount	Max. Grant Amount
Environmentally-friendly cross-border region	Promoting energy efficiency and reducing greenhouse gas emissions	Investment	50 000 €	200 000 €
Environmentally-friendly cross-border region	Promoting the transition to a circular and resource efficient economy	Investment	50 000 €	200 000 €

IMPORTANT

Public support given to undertakings in the framework of the Interreg VI-A IPA Bulgaria Türkiye Programme is granted under the de minimis provisions, in accordance with Regulation (EU) 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid. Project partners registered in Türkiye should follow the applicable national regulations regarding de minimis provisions Regulation (EU) 1407/2013.

The aid intensity is 100%.

In addition, no grant may exceed 85% EU financing of the total eligible costs of the project. The remaining grant amount (15%) is financed from the national budgets of the partnering countries as national co-financing. Contributions from the partners' own resources **are not obligatory**. However, the applicants may provide own co-financing which should be reflected in the project budget and it will be a subject of verification.

The use of the de minimis framework, implies that undertakings can receive grants from the Programme only if they have not received public aid under the **de minimis rule totaling more than € 200 000** within three fiscal years – the current fiscal year and previous two fiscal years. The threshold 200 000 euros encompass the received public aid under de minimis, together with the applied public support by the single undertaking in the meaning of art. 2, para. 2 from Regulation (EC) 1407/2013.

Additional information for de minimis framework is provided in Attachment 1 De minimis FactSheet.

2.2.2. Activities' location

The implementation of project activities under Priority 1 will cover the entire Programme area, defined in the p. 1.1.1 Programme area. Supported projects are required to demonstrate that

those activities have cross- border impact on the Programme area and contribute to the specific objectives of Priority 1.

Supported projects are required to be implemented within the eligible cross border area of the Programme, defined in the 5 NUTS III territorial units, as follows:

- 3 districts on the Bulgarian side:

District Burgas 13 municipalities – Aytos, Burgas, Kameno, Karnobat, Malko Tarnovo, Nesebar, Pomorie, Primorsko, Ruen, Sozopol, Sredets, Sungurlare, Tsarevo

District Yambol 5 municipalities –Bolyarovo, Elhovo, Straldzha, Toundzha Yambol

District Haskovo 11 municipalities – Dimitrovgrad, Harmanli, Haskovo, Ivaylovgrad, Lyubimets, Madzharovo, Mineralni bani, Simeonovgrad, Stambolovo, Svilengrad, Topolovgrad

- 2 provinces on the Turkish side:

Province Edirne 9 districts - Edirne, Enez, Havsa, İpsala, Keşan, Lalapaşa, Meriç, Süloğlu, Uzunköprü;

Province Kırklareli 8 districts – Babaeski, Demirköy, Kırklareli, Kofçaz, Lüleburgaz, Pehlivanköy, Pınarhisar, Vize.

2.2.3 Eligible Activities

The types of activities financed under the Priority 1 “**Environmentally-friendly cross-border region**”, Policy objective “A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility” must demonstrate a clear cross-border effect to the programme area.

The project proposals must be in line with the possible actions supported under the Policy objective of the priority as stipulated in the Programme document.

Detailed description of the eligible activities under this call for proposals is given below. Please note that list of below activities is not exhaustive.

Specific objective 2.1 “Promoting energy efficiency and reducing greenhouse gas emission”

Eligible are project proposals, including the following activities:

Investments in tangible assets procured as part of a project carried out by an eligible undertaking to achieve a higher level of energy efficiency. The project must be supported either by an energy audit or a specific proposal assessment prepared by a certified energy auditor or a warranted engineer who would clearly describe and identify the proposed project and its expected benefits. Activities should be with confirmed effect of energy savings from **at least 5%** for the measure concerned, according to the energy efficiency assessment.

For Bulgarian Beneficiaries

The provisions of national legislation should be followed.

For Turkish beneficiaries

Energy efficiency assessment should be calculated on process (change of the process for new technology) cost and/or equipment (upgrading the equipment) cost not on whole system cost.

Non-exhaustive list of activities to be financed includes:

- Investments for reducing GHG emissions and energy consumption in the entire industry life cycle, also by replacing old equipment with new, more energy-efficient;
- Investments for energy efficiency of enterprise-owned building stock, where the production processes take place;
 - Interventions in the building shell: thermal insulation, window frames / glazing, shading systems;
 - Upgrading of internal electrical installations and electricity distribution systems;
 - Upgrading systems for the production and distribution of thermal energy both for HVAC and in the production process. (hot water / steam generating equipment and systems, waste heat recovery equipment, etc.).
 - Upgrading or integrating new materials and equipment to reduce energy losses.
 - Upgrade of lighting equipment: Replacement of non-LED lights with LEDs; Installation of automatic lighting control equipment.
 - Installation of energy management systems.
 - Certification of an energy management system according to ISO 5001,
 - Investments for implementation of digital solutions for collecting and analyzing data on GHG emissions and energy consumption on an enterprise level with the aim to assist data-driven decision-making;
 - Investments for implementation of energy real-time information and management systems and energy end-use applications;
 - Investments for implementation of technological solutions for reducing energy consumption in industrial processes and energy efficiency measures of enterprise-owned building stock;
 - Joint development of new and providing access to existing technological solutions for energy efficiency and reduction of greenhouse gas emissions;
 - Improving exchange of know-how, best practice and information between the relevant local businesses from both sides of the border in the area of energy efficiency and reduction of greenhouse gas emissions;

- Joint trainings and providing consultancy services to enterprises on energy efficiency;

The applicant will be required to identify between investment costs where the energy-efficiency-related cost shall constitute the eligible costs. As part of the application, the applicant will be required to provide a full list of assets (with specifications) being purchased, including any additional eligible costs and evidence of the energy efficiency results expected.

As part of the application, the applicant will be required to provide a full list of assets (with specifications) being purchased, including any additional eligible costs and evidence of the energy efficiency results expected.

Each project proposal should include both of the items:

Item A "Investments"

- Acquisition of machines, installations and equipment representing fixed assets
- Acquisition of long-term intangible assets (incl. software development)
- Expenses for construction works for application of energy efficiency measures in industrial buildings incl. for specific technological needs.

Item B "Services"

- Services for implementation and certification of energy management systems in enterprises, incl. according to standard BS EN ISO 50001 (Energy Management Systems)/EN ISO 50001;

- Performing an energy audit according to national legislation requirements

- Technical supervision services, services for commissioning, personnel trainings, certification of facilities/buildings subject of energy efficiency measures under Item A "Investments", when this is required according to national legislation

- Joint trainings and providing consultancy services to enterprises on energy efficiency.

⚠ IMPORTANT

Each envisaged activity within Item A "Investments" should be in implementation of energy efficiency measures, including in energy efficiency audits. Each of the activities foreseen within Item A "Investments" must have a confirmed effect of energy savings equal to **at least 5% for the respective measure according to the energy efficiency audit.**

⚠ IMPORTANT

Each project under SO 2.1 must include activities from Item A "Investments" and Item B "Services". **The costs under Item B shall not exceed more than 40% of the total eligible costs.**

Only costs directly linked to the achievement of a higher level of energy efficiency shall be considered eligible.

Specific objective 2.6 “Promoting the transition to a circular and resource efficient economy”

The specific objective is addressed to the regional SMEs in order to adopt more actively the principles of the circular economy and the related production practices by making products fit for a climate-neutral, resource-efficient and circular economy and reducing waste across the entire product lifecycle.

In order to enable SMEs to transit to a circular economy the following non-exhaustive list of activities is suggested:

- Development of last-longer and suitable for reuse, repair, and recycling products, incl. purchase of relevant technological equipment. Recyclable designs should be comprehensive by keeping the recycling infrastructure in mind. Regulators should match recycling quotas (e.g., EU recycling rate of 75% of packaging waste by 2030) to regional capacities and plan the expansion of the recycling streams in coordination with those quotas.
- Development of new business models based on renting and sharing goods and services (the so-called product-as-service models);
- Development of circular business models to favor the establishment of the regional close-loop value chain by employing B2B, B2C and C2C models of cooperation;
- Development of circular bio-based business models, solutions and products;
- Supporting measures for knowledge sharing, design methodology, innovation labs/hubs, clustering as approaches to promote circular products and circular production processes;
- Development of regional certification practices that reward regional products based on their different sustainability performance, environmental impact and circularity potential.

⚠ IMPORTANT

Each project under SO 2.6 must include investment activities and soft measures. **The costs for soft measures shall not exceed more than 40% of the total eligible costs**

2.2.4 Project Preparedness for investment activities under SO 2.1 and SO 2.6

⚠ IMPORTANT

All projects under SO 2.1 must be supported either by an energy audit or a specific proposal assessment prepared by a certified energy auditor or a warranted engineer, licensed according to national legislation.

The energy audit or a specified proposal assessment would clearly describe and identify the proposed project and its expected benefits.

Activities under SO 2.1 should be with confirmed effect of energy savings from at least 5% for the measure concerned, according to the energy efficiency assessment.

The energy audit or a specific proposal assessment should include:

- a) A baseline of present energy consumption of the current operation;
- b) A recommendation for pursuing the proposed investments;
- c) An analysis of the expected savings following the implementation of the proposed investment; and
- d) A detailed report of the new system which includes deemed energy savings, validated by the energy auditor or warranted engineer.

The types of actions under both priority have been assessed in the self-assessment declaration (Annex A7) showing that the actions are compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature, and they have been assessed as compatible following the approach under the Recovery and Resilience Facility (RRF).

All projects that envisage building of new or rehabilitation of existing infrastructure, must comply with the environmental legislation of the respective country before the implementation stage. This is verified by the MA and the NA at the application stage.

The land or buildings where works will be carried out must be in the ownership of the beneficiary.

Aid shall not be granted to investment in new buildings or expansion of existing buildings and on investments related **to the generation of electricity such as PV installations.**

IMPORTANT

Please consider the following requirements for all "investment" activities:

The land or buildings where works will be carried out must be in the ownership of the beneficiary.

All projects that envisage building of new or rehabilitation of existing infrastructure must comply with the environmental legislation of the respective country before the implementation stage.

This is verified by the MA and the NA at the application stage.

The envisaged works activities have to be supported with approved/certified detailed technical or works design (where applicable according to the relevant legislation of the country (Bulgaria or Türkiye), where the works activities will be implemented) and detailed bill of quantities.

In case of construction works, for which the relevant legislation does not require approval of a technical or work design, the applicant has to present a statement by the relevant institution/s for exception of the rule for works design's approval.

In case of works concerning introduction of energy saving measures in production lines or installations, investment activities should be supported with detailed mechanical design drawings and an explanatory note on the technical solutions planned.

During the application stage, the project partner/s should be provided valid Building permits (if applicable).

In case of infrastructural activities, land acquisition has to be finalized and respective documents to be presented (if applicable).

All supplies have to be supported by detailed technical specification, relevant unit prices and total price and at least three offers from different providers.

All prices concerning investment activities have to be in Euro.

All the investment proposals should have positive environmental impact assessment (EIA), if for such kind of activities an EIA is required by the national legislation.

When the relevant legislation does not require an environmental impact assessment, the applicant has to present a statement by the relevant institution/s for exception of the rule for environmental impact assessment.

All the investment proposals should have document from the relevant body clearly stating that the project proposal is eligible according to the current River Basin Management Plans and Flood risk management plans (for Bulgarian partners) and basin based management plans and documents of equivalent meaning from the Ministry of Environment, Urbanisation and Climate Change (currently in force "Disaster Risk Areas Study") and from the Ministry of Agriculture and Forestry (currently in force "Meriç-Ergene River Basin Management Plan") (for Turkish partners).

2.3. Eligibility of Expenditures

General principles

The hierarchy of rules applicable to INTERREG VI-A IPA Bulgaria – Türkiye Programme projects is as follows³:

- European level - EU regulations;
- Programme level - specific rules decided for the INTERREG VI-A IPA Bulgaria – Türkiye Programme;
- National/regional level - rules applicable in each Member State;
- Partner institutional level - internal rules applicable to each partner organization.

The partners should first consider EU regulations when budgeting/incurring expenditure. Where EU rules do not stipulate provisions, Programme rules apply. If neither the EU nor the Programme has a set rule, then national/regional legislation applies. Finally, the partner's internal rules should be followed if specific issues have not been covered by previous levels.

Only "eligible costs" can be taken into account for financial support. The budget is therefore both a cost estimate and a maximum ceiling for "eligible costs". Note that the eligible costs must be based on real costs based on supporting documents with some exceptions for which the flat

³ See in the part „Legal basis”

rates, unit costs and lump sum will be applied. The eligibility of expenditure applies to EU and national co-financing as well as beneficiaries' own contributions. The expenditures are generally eligible if they comply with the principles of sound financial management and with the relevant rules for public procurement stated in point 1.7.

2.3.1. General eligibility requirements

Expenditure is eligible for funding when fulfilling all general eligibility requirements listed below. Therefore, expenditure has to:

- be necessary for carrying out the project and must comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
- be in line with the provisions of the subsidy contract, European and national legislation including relevant procurement rules stated in point 1.7;
- be stipulated in the project budget;
- be verified as eligible by the controllers designated by the Managing Authority and the National Authority respectively;
- be incurred and paid (except for costs calculated as flat rates or lump sums) by a beneficiary for implementing a project through actions as identified in the latest approved application form, in accordance with the provisions stipulated in the subsidy contract
- be essential for the achievement of the project objectives/outputs and it would not be incurred if the project is not carried out (additionally principle);
- relate to cost items that did not receive support from other EU Funds or other contributions from third parties;
- comply with the principle of real costs except for costs calculated as flat rates and lump sums;
- comply with the principles of efficiency, effectiveness and economy.
- be registered in the beneficiary's accounts through a separate accounting system or an adequate accounting code set in place specifically for the project);
- Be not in contradiction with any specific eligibility criterion applicable to the respective cost category;

2.3.2. Non-eligible expenditures

The list of non-eligible expenditure for the current call for proposal is as follows:

- 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.

2.3.3. Form of reimbursement/budgeting

In order to minimize the administrative burden and to concentrate the efforts in quality implementation of the project activities and achieving the objective and indicators the Simplified Cost Options (SCOs) shall be used for reimbursement/budgeting of some of categories of expenditures.

Using SCOs means also that the human resources and administrative efforts involved in collecting documents and reporting expenditures can be focused more on the achievement of objectives instead of being concentrated on collecting and verifying financial documents.

SCOs which shall be used in the current call for proposal are:

- Flat rates – % of the defined base costs;
- Lump sums – amounts defined for certain activity;
- Unit Costs – maximum prices of certain goods, items, etc.

2.3.4. List and description of Eligible Expenditures per categories of costs

The following section provides an overview of the eligibility principles for the different cost categories:

- BC 1 Staff costs;
- BC 2 Office and administrative costs;
- BC 3 Travel and accommodation costs;
- BC 4 External expertise and services costs;
- BC 5 Equipment costs;
- BC 6 Costs for infrastructure and works;
- BC 7 Project preparation costs

For each category of expenditures, a definition is provided as well as guidance for budgeting and reporting. Project partners are invited to review this information carefully when planning their budgets.

1. Staff costs

Staff costs include costs related to the own staff to be involved in project management (project team) and/or tasks related to the project content.

Staff costs must relate to activities which the partner organization would not carry out if the project was not undertaken.

The staff costs shall be limited to the following:

- Salary payments fixed in the employment document (contract, an appointment decision), or by law, relating to the responsibilities specified in the job description of the staff member concerned.

- Any other costs directly linked to the salary such as taxes and social security payments 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.

The appointment of the staff by the beneficiaries has to be made in accordance with the European and national legislation.

- Staff employed by the beneficiary for management of the project

The members of the project staff employed by the beneficiary for the management of the project for example are project manager, coordinator, accountant, assistant, and etc. The project team members perform periodically repetitive actions related to the organization, coordination, management and reporting of the activities, expenditures and results related to the project during the project period.

- Staff employed by the beneficiary for implementation of activities under the project content

The project staff employed by the beneficiary for implementation of activities under the project are experts which perform actions directly related to the project activities, requiring specific expertise which the project partner possesses.

It is the sole right and responsibility of the project partner to: determine the positions and persons needed for the proper functioning of the project team and needed for implementation of the project activities; conclude/establish the type of contract or any other legal relationship with the team members/staff for project activities and to implement changes in this regard during the project implementation.

Form of reimbursement:

Within the current call for proposal, staff costs shall be reimbursed as a flat rate of up to 20% of the eligible costs under BC 4, BC 5 and BC 6 of that operation. The exact percentage of the flat rate should be indicated in the Application form (PART B, partner budget) by each project partner and will remain **unchanged** for the entire project implementation period.

In the verification process the beneficiaries do not need to present supporting documents that the expenditures for staff have been incurred and paid.

List of staff members working on the project and any other employment document shall be provided to the programme bodies on request.

The project partner has to prove that the project team has been established. The proper appointment of the project team has to be in line with the respective legislation and is responsibility of the beneficiaries themselves.

2. Office and administrative costs

Office and administrative costs cover expenditures related indirectly to the implementation of the project activities.

Office and administrative costs cover operating and administrative expenses of beneficiaries and are limited to the following elements:

- a) Office rent;
- b) Insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances);
- c) Utilities (e.g. electricity, heating, water);
- d) Office supplies;
- e) Accounting;
- f) Archives;
- g) Maintenance, cleaning and repairs;
- h) Security;
- i) IT systems;
- j) Communication (e.g. telephone, fax, internet, postal services, business cards);
- k) Bank charges for opening and administering the account or accounts where the implementation of an operation requires a separate account to be opened;
- l) Charges for transnational financial transactions.

Form of reimbursement:

Within the current call for proposal, Office and administrative costs shall be reimbursed as a flat rate up to 15% of staff costs. The above list is exhaustive and all listed items are to be considered as covered by the flat rate and cannot be reported under any other budget line or category of costs. If no staff costs are foreseen and reported, no office and administrative costs can be charged.

Please note that the flat rate is directly linked to the staff costs and will always be calculated based on eligible staff costs.

No supporting documents need to be presented at the reporting stage.

3. Travel and accommodation costs

The category of expenditures covers travel and accommodation costs of project team members and shall be limited to the following:

- a) Travel costs (e.g. tickets (including all types of travel), travel and car insurance, fuel, car mileage, toll, and parking fees);
- b) Meal costs;
- c) Accommodation costs;
- d) Visa costs;
- e) Daily allowances. (meal cost is under daily allowance expenditure)

Form of reimbursement:

Within the current call for proposal, Travel and accommodation costs shall be reimbursed as a flat rate up to 15% of staff costs.

The above list is exhaustive and all listed items are to be considered as covered by the flat rate and cannot be reported under any other category of costs. If no staff costs are foreseen and reported, no travel and accommodation costs can be charged.

Please note that the flat rate is directly linked to the staff costs and will always be calculated based on eligible staff costs.

No supporting documents need to be presented at the reporting stage.

⚠ IMPORTANT

Partners cannot report costs covered by the flat rates in BC 1, BC 2 and BC 3 in any other cost category.

4. External expertise and services costs

External expertise

External expertise costs correspond to external expertise, provided by a public or private law body or a natural person other than the beneficiaries of the project, which is strictly linked to the project and be essential for its effective implementation.

Project Partners and their employees shall not be contracted by another project partner within the same project as an external expert or a subcontractor.

Public procurement rules stated in point 1.7 must be respected in selection of the service providers. All costs must comply with other applicable EU and programme information and publicity rules.

The costs of external expertise shall be paid on the basis of contracts or written agreements of equivalent value, supported by tangible and documented invoices or claims issued by the providers of services.

Eligible expenditure under this category shall be limited to the following:

- Studies or surveys (e.g. evaluations, strategies, concept notes, design plans, handbooks);
- Preparation of main design and other technical designs for contraction/reconstruction of sites (all phases)
- Translations;
- Development, modifications and updates to IT systems and website;
- Promotion, communication, publicity, promotional items and activities or information related to the project;
- Intellectual property rights;
- Expenditures for external experts, lecturers, trainers, moderators, interpreters;
- Travel and accommodation for external experts, lecturers, trainers, moderators, interpreters, chairpersons of meetings and service providers;
- Other specific expertise and services needed for the project.

⚠ IMPORTANT

All costs related to external expenditures must be according to the market prices at the time of submission of the project proposals

Form of reimbursement:

Costs related to external expertise shall be reimbursed by the Programme on the basis of real costs and supporting documents proving the expenditures need to be presented at the verification stage.

Service costs (costs for event organizations):

Services costs shall be the followings:

- Expenses for rent of hall for meetings, trainings, conferences, etc.;
- Expenses for rent of equipment - translation equipment, audio equipment, IT equipment, etc.;
- The expenditure for rent of vehicle for participants in the events (car, van, minibus, bus, etc.);
- Expenses for coffee breaks, refreshments, lunches and dinners for participants in the events;

- Accommodation costs for participants in the events;
- Expenses for purchase of consumables and materials for the participants in the events - paper, files, folders, cases, CDs, printing of invitations, agenda, presentations, etc.

Form of reimbursement:

⚠ IMPORTANT

Partners can report **services costs (cost for organization of events)** on the bases of **the unit cost or real costs**.

In case the expenditures shall be reimbursed on the basis of **real costs** all supporting documents proving the expenditures need to be presented at the verification stage.

In case the expenditures shall be reimbursed **as unit costs**, so defined costs according to the duration of the event and number of participants should be respected:

- **14,00 EURO unit cost (per participant) in one day events;**
- **60,00 EURO unit cost (per participant per day) in multi-day events.**

Examples:

* Example for calculation of the amount for 1 day event per 20 participants:

1 day * 20 participant = 20 units

20 units * unit costs EUR 14 = total costs EUR 280

* Example for calculation of the amount for 2 days event per 20 participants:

2 days * 20 participants = 40 units

40 units * unit costs EUR 60 = total costs EUR 2 400

Supporting documents proving successfully implementation of the event, achieving the outputs, number of participants and etc. must be available for control purpose at the verification stage

The event unit cost per participant cannot be claimed for:

- an event consisting of only evening programme with a dinner or similar get-together;
- an evening programme with a dinner or similar get-together which is followed by an actual event on the next day;
- working meetings with contracted external experts when meeting only with a partner organisation, for example external project management, book-keeping, content expert;

- working meetings with programme bodies (Managing Authority, National Authority, Joint Secretariat,), when meeting only with a partner organization;

⚠ IMPORTANT

Partners cannot report costs covered by the unit cost in any other cost category.

Public procurement rules stated in point 1.7 must be respected in selection of the service providers.

5. Equipment costs

Expenditures for equipment include costs on equipment purchased, rented, or leased by a partner and what is necessary to achieve the project's objectives.

Equipment costs are limited to the following items:

- IT hardware and software;
- furniture and fittings;
- laboratory equipment;
- machines and instruments;
- tools or devices;
- other specific equipment needed for operations.

Equipment should be clearly and strictly linked to the project and exclusively used for the project implementation;

Equipment must be purchased in compliance with public procurement rules, described in point 1.7.

Depreciation costs - for 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 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.

⚠ IMPORTANT

For equipment rented or leased for certain period during the project lifetime rental or leasing costs for the respective period are eligible. The total expenditures for rent/lease of equipment can never exceed the purchase price of the respective equipment.

Form of reimbursement:

Costs related to this budget category shall be reimbursed by the Programme on the basis of real costs and supporting documents proving the expenditures need to be presented at the verification stage.

6. Costs for infrastructure and works

The costs in this category relate to the investment in infrastructure and works, necessary to achieve the objectives of the project.

The expenditures for infrastructure and works shall be limited to the following elements:

- building permits;
- building material;
- labour;
- specialized interventions (such as soil remediation, mine-clearing).
- works;
- supervision of works;
- authors supervision (TR: meslek odaları onayı);

⚠ IMPORTANT

Costs of purchase of land and buildings are not eligible

Public procurement rules stated in point 1.7 must be respected in selection of the service providers.

Form of reimbursement:

Costs related to this budget category shall be reimbursed by the Programme on the basis of real costs and supporting documents proving the expenditures need to be presented at the verification stage.

7. Project Preparation costs

Preparation costs shall be the following:

- consultancy, elaboration of technical documentation (incl. energy audit; feasibility studies, detailed design, technical drawings, etc.);

- elaboration of project proposal and application form, translation of documents, taxes and other charges);
- other costs necessary to submit a valid application form.

Form of reimbursement:

Project approved for financing by the Monitoring Committee and have concluded Subsidy contract with the Managing Authority are entitled to receive the reimbursement of the preparation costs in a form of a lump sum up to **EUR 12 000** (project preparation expenditures for projects).

The amount shall be included in the lead partner's budget at the application stage. With the first report, the lump sum for preparation costs should be added to the lead partner's reported expenditure, and shall be verified and reimbursed to the lead partner. The lump sum for preparation costs is allocated to the lead partner's budget. Nevertheless, to reflect the partners' involvement in the preparation of the application form in a fair and transparent way the partnership should share the preparation costs. The details of how preparation costs will be shared need to be included in the project partnership agreement.

IMPORTANT

The activities which have already been covered by any other EU funds are not eligible. The project partners should submit a declaration of no double funding for project preparation (if planned such expenditures).

2.3.5 Currency exchange at the verification stage

Expenditure incurred by project partners in a currency other than the EUR shall be converted into Euro by using the monthly accounting rate of the European Commission (http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) in the month during which expenditure was submitted for verification.

2.3.6 Eligible expenditures for VAT

The expenditures for VAT is eligible for operations the total cost of which is below EUR 5 000 000 (including VAT).

For Turkish partners: Turkish Beneficiaries shall make all the project expenditures VAT included. They will also submit their request for payment documents VAT included. They will be taxpayer of the VAT in accordance with Turkish legislation. VAT Exemption Certificate shall not be provided to beneficiaries by no means.

Turkish Beneficiaries shall make their expenditure including the following taxes, where appropriate: Special Consumption Tax (Özel Tüketim Vergisi- ÖTV), Stamp Tax (Damga Vergisi-

DV), fees to tax administrations (harçlar), Inheritance and Transfer Tax (Veraset ve İntikal Vergisi-VİV), Motor Vehicle Tax (Motorlu Taşıtlar Vergisi-MTV) and Special Communication Tax (Özel İletişim Vergisi-ÖİV), Customs Duties (İthalat ve Gümrük Vergisi). These taxes are not eligible for reimbursing under the Programme. The beneficiaries will receive tax refund for the paid taxes upon their application to the responsible tax administration for refund, in accordance with Turkish legislation. Beneficiaries will submit their request for verification of expenditures these taxes excluded.

Whenever customs duties arise from project activities, the beneficiary shall contact with JS Edirne office for guidance in the recovery process it.

2.4. How to get the Applicants' Package and fill in the Application Form

Prior to preparation of the project proposal and electronic filling the application form in Jems, the potential applicant must carefully review the content of the Application Package, available on the following websites:

- Programme website: <https://ipa-bgtr.mrrb.bg/> www.ipacbc-bgtr.eu
 - MA website: www.mrrb.bg
 - NA website: <http://www.ab.gov.tr>
 - NA CBC website: <http://cbc.ab.gov.tr/>
- EU Structural Funds in Bulgaria website: www.eufunds.bg

The applicants may submit questions of substance in writing up to 21 calendar days before the deadline for submission of proposal. The JS will reply no later than 14 calendar days before the deadline for the submission of proposals.

Questions may be sent by e-mail or by fax to the address listed below, indicating clearly the reference of the Call for Proposal – No 2021TC16IPCB005 – 2023 – 3:

Tel/Fax: + 359 38 663888

E-mail: JShaskovo@mrrb.government.bg

In the interest of equal treatment of applicants, the Managing Authority cannot give a prior opinion on the eligibility of an applicant, a partner, an action or specific activities.

All questions received by the potential applicants, together with their answers, will be published on the Programme website: <https://ipa-bgtr.mrrb.bg/> www.ipacbc-bgtr.eu

The Application Form and Annexes must be filled in English. The supporting documents issued by national/local authorities or other bodies shall be attached in the original language accompanied by a translation in English.

Please complete the application form and its annexes carefully and as clearly as possible so that it can be assessed properly.

⚠ IMPORTANT

Please complete **all sections of the Application form in JEMS and its Annexes** carefully and as clearly as possible in order for your Application to be assessed properly.

The electronic version of all documents (file types) must be in line with the below mentioned formats. Please note that scanned version of the Application Form must be signed on each page by the Lead Partner or signed by qualified electronic signature

Detailed information for the Application Form is provided in Attachment 6. Application Form.

3. Annexes

⚠ IMPORTANT

The Application Form, all Annexes (A) and Supporting Documents (B) must be presented in scanned version (or signed with qualified electronic signatures) using the Electronic System (JEMS). The scanned (or signed with electronic signature) version of the Application Form must be signed and stamped by the Lead partner or signed with qualified electronic signature.

Each document from the lists below **must be signed and dated (or dated and signed with qualified electronic signature)** according to the requirements, **and then scanned (or presented) and titled as a separate file.**

In case of signed with electronic signature documents, the qualified electronic signature should be issued to the legal representative of the respective project partner as such and not as individuals.

In case a project proposal is selected for contracting, the Managing Authority shall request from the Applicant to present **the online submitted documents in original paper version as well. Failure to do so on the part of the Applicant, or in case discrepancies are found between the scanned and paper versions of the documents, shall result in decline of signature of Subsidy contract.**

Regardless of the above, throughout the whole assessment and selection process the Managing Authority reserves its right **to ask the Applicant to submit the already presented scanned documents in hard copies as well, in order to verify their correctness.**

3.1. Annexes (A)

The following Annexes should be filled in according to the template and submitted together with the Application form:

A1. Project Partnership Agreement – signed, dated and stamped by all partners

A2. Partnership and Co-financing statement – signed, dated and stamped and provided by each partner

A3. Project Partner declaration – signed, dated, stamped and provided by each partner

A4. Declaration of e-mail address of the Lead Partner – signed, dated and stamped by the Lead partner

A5. SMEs declaration - signed, dated and stamped and provided by each partner

A6. De minimis state aid declaration - signed, dated and stamped and provided by each partner

A7. DNSH declaration - signed, dated and stamped and provided by each partner

A8. Climate proofing assessment (template *xlsx file) - signed and dated/electronically signed by the Lead partner (Please read carefully the Explanatory note on how to fill this document);

⚠ IMPORTANT

All the annexes may be signed **electronically with qualified electronic signatures**. In case the Annexes are signed with qualified electronic signatures, **the stamps of the respective organizations are not required**.

In case of signed with electronic signature Annexes, the qualified electronic signature should be issued to the legal representative of the respective project partner as such and not as individuals.

⚠ IMPORTANT

Please note that **the e-mail address, provided by the Lead partner in Annex A4**, shall be used by the Programme bodies as the **only official communication channel with the Applicant during the entire assessment, selection and pre-contracting process in terms of requests for additional clarifications, notification for selection results, etc.**

The e-mail address should be functional and must be regularly used and checked by the Lead partner, as the Managing Authority shall bear **NO responsibility in cases when the Applicant does not respond to a clarification request within the set deadline or fails to meet other deadlines!**

Furthermore, any requests for clarifications and notifications shall be deemed to have been received on the date upon which the Managing Authority has sent them to the Lead partner at the e-mail address.

3.2. Supporting Documents (B)

The following Supporting documents should be provided and submitted together with the Application form:

B1. Document indicating legal status for Turkish partners: Documentary and other evidence (issued in the original language and English translation, stamped and signed / signed with qualified electronic signature by respective organization as true copy) on **the most recent legal status of all partners (issued not later than 6 months prior to the submission deadline of the current call)**.

The document on the recent legal status should indicate also the date of establishment of the organization, the place of establishment (registration), and it should prove the eligibility of the organization in accordance to all criteria.

B2. Legalized mandates of delegation from the legal representatives of partners (in case the application form and/or annexed declarations partnership agreement are not signed by the legal representatives of the Lead Partner/partners) (in PDF format) – **issued in the original language and English translation stamped and signed/signed with qualified electronic signature by respective organisation as true copy.**

In case the signatures are of a deputy by rights, the act certifying the substitution by rights has to be presented together with the act for nomination of the person at the position of a deputy. When giving a mandate of delegation the legal representative has to present evidences that his/her rights for delegation are not limited by any means.

B3. Decision of the Managing authority, Board of Directors or any similar body or managing person depending on the legal form of the SME (for each project partner) regarding the project development, implementation and ensuring the sustainability of the project results for three years after completion of the implementation period – issued in the original language and English translation **signed / signed with qualified electronic signature by respective organization as true copy.** This decision will indicate the legal representative of the partner.

B4. Certificates issued by the responsible Authority in each country verifying the start date of the business, the main economic activity according to NACE rev. 2 (clearly indicating the main NACE activity and the complementary NACE activities), issued in the original language from the respective authority, and English translation **signed / signed with qualified electronic signature by respective organization as true copy.**

B5. Annual Financial Statements for the last 3 years preceding the application as per National Legislation for each partner. In the case of linked enterprises all required above financial statements have to be submitted for all the linked enterprises issued in the original language and English translation signed / signed with qualified electronic signature by the legal representative as true copy.

B6 Certificates for Headcount annual work unit for the last 3 years preceding the application as per National Legislation. In the case of linked enterprises all required above certificates have to be submitted for all the linked enterprises issued in the original language from the respective authority, and English translation **signed / signed with qualified electronic signature by respective organization as true copy**

B7. Justification of lump sum costs - signed /signed with qualified electronic signature by respective organization (in PDF format) – For expenditures planned as lump sums under Budget

Line 4, sub-line "Consultancy, studies, detailed works designs, environmental impact assessments, project conformity assessments report etc.", each project partner should provide justification for calculation of the amount in English, signed by the legal representative or the authorized person. This justification should contain at least:

- detailed description of the proposed activity;
- calculation of the envisaged experts' input, including number and type of experts needed, days/months of involvement and remuneration unit rate;
- detailed description of the expected outcomes from the activity and calculation of the price;
- any other additional information the applicant may find appropriate for justification of the proposed cost.
- project development, implementation and ensuring the sustainability of the project results.

⚠ **IMPORTANT** In addition to all annexes (A1-A4) and supporting documents (B1-B9), the following supporting documents must be presented for the investment activities.

B8. Supporting documents concerning INVESTMENT ACTIVITIES

B8.1. All investment activities have to be performed on **SME-owned property. Ownership act or certificate** (or other legal document according national legislation) for SME ownership of the tangible assets, which will be subject of works activities **together** with **cadastral map of the property** – issued in the original language and English translation scanned in PDF file format, **stamped and signed/ signed with qualified electronic signature by respective organization as true copy**. In case the project envisages the purchase of supplies, which need to be permanently installed, it is necessary to submit an ownership act for SME owned property as well;

B8.2. In case of investment activities within territories/objects with special status (National parks, environmental and architectural reserves, cultural monuments, protected areas, areas included in Nature 2000 etc.) relevant documentation (permits, approvals, certificates, statements, etc.) required by the respective national applicable law - issued in the original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy**.

B8.3. Copy of letter issued by the relevant body clearly stating that Environmental Impact Assessment is not necessary - issued in the original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy**.

OR

Copy of positive Environmental Impact Assessment (positive opinion from the relevant body), required by the national legislation - issued in the original language and English translation **stamped and signed/ signed with qualified electronic signature by**

respective partner as true copy.

B8.4. Copy of letter issued by the relevant body clearly stating that the project proposal is eligible according to the current River Basin Management Plans and Flood Risk Management Plans - issued in original language and English translation **signed/ signed with qualified electronic signature by respective organization as true copy for Bulgarian partners** and basin based management plans and documents of equivalent meaning from the Ministry of Environment, Urbanisation and Climate Change and from the Ministry of Agriculture and Forestry - issued in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy for Turkish partners.**

B8.5. Explanatory note for the envisaged prevention measures for avoiding pollution of water bodies in emergency situations by respective organization (if applicable) - issued in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy.**

B8.6. Approved Detailed Works Design (if applicable according to the relevant legislation), issued in the original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy.** English translation should be provided at least of the Explanatory Notes of each of the works design parts, Bill of Quantities, Cover sheets of technical drawings and any other parts of the investment project designs that the applicant thinks might contribute to better assessment.

A) In case of investment activities which according to national legislation **require approval** of works design applicants should present:

- Approved Detailed Works Design;

For Bulgarian partners

The works design (in the means of Chapter 8, section 1 from Bulgarian Spatial Law) should be elaborated according to Ordinance 4/21.05.2001 for the volume and the content of investment projects. The works design should be approved by the relevant authority, which should be certified with the seal of the authority placed on the works designs.

For Bulgarian partners the authority responsible for the approval of the investment project designs is defined in article 145 (1) from Bulgarian Spatial Law.

For Turkish partners

The works designs must be elaborated taking into consideration all related national legislation. They should be elaborated particularly in the means of Law for Public Works No. 3194 (3194 sayılı İmar Kanunu), all related regulations for Public Works (ilgili İmar Yönetmelikleri), Regulation on Public Works for Planned Areas and Regulation (Planlı Alanlar Yönetmeliği) on Public Works for Unplanned Areas (Plansız Alanlar İmar Yönetmeliği) for the content of investment projects. In addition to these general legislations, there are a number of laws and legislations related to specific topics on construction and planning. A list of legislations can be found from the Construction Guide of the NA (<https://cbc.ab.gov.tr/sinirotesi/50676/sinir-otesi->

[isbirligi-programlari-insaat-rehberi?lang=tr](#) however the beneficiaries are responsible to check and implement the amendments in related regulation). This list is not exhaustive and the beneficiaries are responsible for conforming with the legislation specific for their type of design and region as well as with the general legislation. The works design should be approved by the relevant authority, which should be certified with the seal of the authority placed on the investment project designs. According to Turkish legislation, work designs should be approved by the related department in the municipality or the local government (by the architect/engineer/technical staff, by their supervisor and the head of department for construction or development).

📌 IMPORTANT

Please note that only mayor's signature is not a proper approval of work designs according to Turkish legislation.

- Explanatory note;
- Bill of quantities and prices (referred to here and afterwards as Bill of Quantities) including all parts of the works designs.

The Bill of Quantities should be presented in the form of a table with indicated at least type of the construction works, unit, estimated quantity, unit price, amount of the type of the construction works, total amount of the bill of the quantity. Where possible the Bill of Quantities should be supported with a breakdown per investment sites or per parts of the works designs. Calculations for the unit prices of the types of construction/repair works may also be presented.

The Bill of Quantities may be presented in the local currency of the project partner. In these case the table of the Bill of Quantities should mandatory include a column with the unit price in EUR for each type of construction/repair work and a column for the amount in EUR of that type of construction/repair work.

For the Bill of Quantities the Turkish partners should convert the local currency into EUR using the monthly exchange rate of the European Commission for the month of the **submission of the project proposal**.

The Bill of Quantities should be stamped and signed by the certified designers of relevant parts of the works designs. Bill of quantities are presented by the applicant as scanned originals in PDF file format and English translation **signed/ signed with qualified electronic signature by respective partner as true copy** and also in an editable EXCEL file format.

B) In case of investment activities which according to national legislation **do not require approval of works design** applicants should present:

- Statement by the competent authority, which declares that the envisaged construction/repair works do not require approval of works design **in the original language and English translation signed/ signed with qualified electronic signature by respective partner as true copy**;
- Bill of quantities (as described under point A) above);

- For works of **energy efficiency measures on the building stock** incl. non-industrial building installations of production buildings (SO. 2.1) - Scheme/plan of the site(s)/installation(s) of intervention and Explanatory note describing the intended construction works **in the original language and English translation signed/ signed with qualified electronic signature by respective partner as true copy;**
AND/OR
- For works **concerning introduction of energy saving measures in production lines** or industrial installations (SO. 2.1) - Technological production line scheme(s)/plan(s) and Explanatory note on the technical solutions planned **in the original language and English translation signed/ signed with qualified electronic signature by respective partner as true copy;**
OR
- For works related to **circular and resource efficient economy transition** (SO. 2.6) - Technological production line scheme(s)/plan(s) and Explanatory note on the technical solutions planned **in the original language and English translation signed/ signed with qualified electronic signature by respective partner as true copy.**

B8.7. Construction permit for all the works activities of a project partner which according to national legislation require a building permit, validated "entered into force" by the respective authority - issued in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy.**

A) In case of works activities which according to national legislation **require a construction permit** applicant should present:

- Validated by the relevant authority Construction Permit - issued in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy;**

B) In case of works activities which according to national legislation **do not require a construction permit** applicant should present

- Statement by the competent authority, which declares that the envisaged construction/repair works do not require issue of construction permit - issued in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy.**

👉 IMPORTANT

For Bulgarian partners the investment activities which do not require approval of works designs are defined in Article 147 (1) of the Bulgarian Spatial Law.

For Bulgarian partners works which do not require issue of construction permit are defined in

Article 151 (1) of the Bulgarian Spatial Law.

For Bulgarian partners, in all cases in which the investment activities require the approval of construction projects, they should have the scope and content of at least "technical project designs" according to Article 139 (1), item 1 of the Bulgarian Spatial Law and be elaborated in accordance with Ordinance 4/21.05.2001 for the volume and content of the investment projects.

📌 **IMPORTANT**

Turkish partners may benefit from the "Construction Guide" (<https://cbc.ab.gov.tr/sinirotesi/50676/sinir-otesi-isbirligi-programlari-insaat-rehberi?lang=tr>) which has advisory characteristics during the preparation of the work designs (drawings, site plans, permits, approvals and other documents related to investment activities).

B9. ONLY FOR SO. 2.1 Report on the results of an energy efficiency survey/audit - issued in the original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy.**

For Bulgarian partners

A) In case of **energy efficiency measures on the building stock** incl. non-industrial building installations of production buildings where according to Article 5 (3) from Ordinance No. PД-02-20-3/9.11.2022 on the technical requirements for the energy characteristics of buildings a technological regime that requires ensuring a microclimate with certain parameters applicants should present:

- **Report on the results of an energy efficiency survey/audit** issued by a licensed energy efficiency auditor in compliance to Ordinance No. E-PД-04-2/16.12.2022 for energy efficiency surveys, certification and assessment of energy savings of buildings, according to Article 48 of The Energy Efficiency Law in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy;**
- **Certificate of energy characteristics of a building in operation** issued by a licensed energy efficiency auditor in compliance to requirements of Ordinance No. E-PД-04-2/16.12.2022 for energy efficiency surveys, certification and assessment of energy savings of buildings in original language and English translation **signed/ signed with qualified electronic signature by respective partner as true copy.**

B) In case of **energy saving measures in production lines** or industrial installations where pursuant to § 1, item 25 of the Supplementary Provisions of the Energy Efficiency Law, the entire industrial system incl. the production buildings are a subject to an energy efficiency survey applicant should present:

- **Report on the results of an energy efficiency survey/audit** issued by a licensed

energy efficiency auditor in compliance to Ordinance No. E-PД-04-05 of 09.8.2016 for determining energy consumption indicators, the energy characteristics of enterprises, industrial systems and systems for external artificial lighting, as well as for determining the terms and conditions for performing energy efficiency survey/audit and energy savings assessment, according to Article 57 (6) of The Energy Efficiency Law in original language and English translation **signed/ signed with qualified electronic signature by respective organization as true copy.**

For Turkish partners

- A)** In case of **energy efficiency measures on the building stock** applicants should present:
- a.** Energy efficiency **audit report** issued by a licensed energy efficiency consulting firm or certified audit-project specialist in accordance with the directive published in the Official Gazette No. 28097 dated 27.10.2011 in accordance with the energy efficiency law.
 - b. Energy Identity Certificate** issued in accordance with the Regulation on Energy Performance in Buildings published in the Official Gazette No. 27075 dated 5.12.2008 in accordance with the energy efficiency law
- B)** In case of **energy saving measures in production lines** or industrial installations, applicant should present;
- a.** Energy efficiency **audit report** issued by a licensed energy efficiency consulting firm or certified audit-project specialist in accordance with the directive published in the Official Gazette No. 28097 dated 27.10.2011 in accordance with the energy efficiency law.

B10. In case of Supply of equipment, the applicants should present:

- **Detailed technical specifications for supplies** with units, unit prices and total prices in Euro - issued in the original language and English translation **signed/ signed with qualified electronic signatures by the respective partner**. Detailed technical specifications should be clear enough for determination of the seeking deliverables (if applicable);
- Market analysis – market analysis can be conducted by requesting **offers from at least 3 different providers** for the envisaged supply (signed by respective provider) - issued in the original language and English translation signed/ signed with qualified electronic signatures by respective partner as true copy **or** by print screen (indicating the websites) out the price offers for the specific items from the web pages of at least 3 providers or prints from national systems on public procurements, or an independent evaluation of the cost can be utilized. The expenditures included in the budget shall be an average of the price offers received, in order to account inflation and price instability budgeted expenditures based on the market analysis is acceptable to be increased by the average

national inflation rate of the past three years up to a maximum of 10%. In addition, in order to have a realistic budget of their project, the partners may make use of the statistical data on prices available at the level of each country, if available.

📌 IMPORTANT

Please note that in the technical specifications for supplies the trademarks and models must not be indicated!

Any other documents/permissions/authorizations/etc. concerning the project should be provided as Annexes.

📌 IMPORTANT

In addition, project partners may present separate documents with justification of expenditures planned in the budget for implementation of different activities. These documents will be taken into account during the assessment, budget optimization and projects' content modifications procedures and pre-contracting.

📌 IMPORTANT

Supporting documents must be supplied also in English translation (signed by respective organization as true copy or signed with qualified electronic signature by the legal representative of the respective organization) or at least the relevant parts of these documents, proving the partners' eligibility must be translated in English. **The translated version will prevail for the purposes of evaluation of the application.**

3.3. Documents for information (C)

The following documents are provided for information only:

C. Subsidy contract - draft version (for information purposes only).

📌 IMPORTANT

The Assessment Working Group/Evaluation Committee may **request additional documents or corrections at any stage of the assessment.**

4. How to Submit the Application

📌 IMPORTANT

The project proposal must be submitted entirely in electronic form using the Joint Electronic Monitoring System (JEMS).

No paper submission of documentation is required under this Call for Proposals.

Detailed instructions for access to the electronic system and submission of project proposal are provided in Attachment 3 "Instruction for electronic submission of project proposals in JEMS" to these Guidelines for Applicants.

The Annexes must be submitted using the forms included in the Application Package. Modifying the standard Annexes will result in the rejection of the Application.

The Application Form must be filled in English. The Supporting documents issued by national/ local authorities or other bodies shall be attached in the original language accompanied by a translation into English (as described in Section 2.2).

The documents issued by public authorities or other bodies should be scanned (when are issued on paper) or presented signed with qualified electronic signature of the respective authority/other bodies issued the document (in case are signed with electronic signature).

5. Deadline for Receipt of Applications

📌 IMPORTANT

The deadline for submission of the Project proposal in **JEMS system is 13.03.2024, 17:00 h Bulgarian local time.**

The application registered after the deadline will automatically be rejected.

6. Assessment and Selection of Applications

The project assessment and selection criteria prepared by the Managing Authority together with the National Authority and the Joint Secretariat are approved by the Monitoring Committee (MC).

The assessment of the project proposal is performed by Assessment Working Group (AWG), consisting of Chairperson, Secretary and voting members, all from the Managing Authority, the National Authority and the Joint Secretariat, and consist the following parts:

- **Verification of the submitted proposal** – performed by the AWG;
- **Administrative compliance and eligibility check**– performed by the AWG;
- **Technical and quality** – performed by the AWG, supported by external assessors.

📌 IMPORTANT

The application **registered after the deadline will automatically be rejected** and will not be subject of assessment.

In order to be proposed for financing, the project must be submitted within the deadline, must fulfil all administrative, eligibility and technical and quality criteria.

The results of each part - **Verification of the submitted proposal, Administrative compliance and eligibility assessment step** and **Technical and quality assessment step** will be summarized in the form of separated reports provided by the AWG and presented for approval respectively to the MC.

The MC will approve projects for financing until exhaustion of funding allocated for this Call for Proposals. The MC may also decide on creating reserve lists for project proposals, which have passed the assessment, but funding of which is unavailable under present Call for Proposals.

Each Lead partner will be informed with an official letter, signed by the MA on behalf of MC, about the decision of the MC on the approval/placement on the reserves list/rejection of their project. For the approved projects this letter will also provide information on the next steps. Upon receipt of the letter and in case of disagreement with the outcome, each Lead partner may issue a complaint towards the decision of the MC, following the standard complaint procedure described in Attachment 4 "Complaint Procedure" to these Guidelines for Applicants.

Potential applicant may find below the project assessment and selection criteria.

Before the assessment of the project proposal begins, a preparatory meeting of the AWG is organized. The purpose of the meeting is that all members of the AWG get familiar with the Guidelines for Applicants and Application Package, as well as the rules to be observed during the entire evaluation process.

At the conclusion of the preparatory meeting the Chairperson of the AWG **verifies the electronic submission of project proposal through the Jems.**

Only the proposal having met the submission deadline is subject to assessment.

The administrative compliance and eligibility check will be carried out by voting members of the AWG under the supervision of the Chairperson. The proposal will be examined by representatives of each country, filling in "yes" or "no" answer in the administrative compliance and eligibility check part of the grid, as published in Attachment 7. (for project proposals submitted under SO 2.1 Promoting energy efficiency and reducing greenhouse gas emissions) or Attachment 8 (for project proposals submitted under SO 2.6 Promoting the transition to a circular and resource efficient economy).

If the project proposal has received "No" on a specific criterion/a, the AWG could request additional documentation or corrections of the already submitted documents or project proposal.

The Assessment Working Group may request submission of additional documents / corrections of already submitted proposal / certified translation in English of any Supporting Document (in case the presented translation is considered as not convincing) during entire evaluation process.

All requests for additional documentation/corrections shall be sent to the email address, provided by the Lead partner in Annex A4, which shall be used as the only official communication channel with the Applicant during the entire assessment process, and will contain clear instruction

concerning the deadline for submission of the information and any other instruction if necessary. The deadline for submission of the information by the Applicant will to be defined, depending on the type of the requested information/correction/supporting document/s but shall be not less than 5 working days. The Managing Authority shall bear NO responsibility in cases when the Applicant does not respond to a clarification request within the set deadline. Furthermore, any requests for clarifications and notifications shall be deemed to have been received on the date upon which the Managing Authority has sent them to the Lead partner at the e-mail address, provided in Annex A4.

Technical and quality assessment

The aim of the quality assessment is the project proposal to be evaluated in relation to the set objectives and priorities, and ensures that the selected operation comply with SO 2.1 and SO 2.6 and which will guarantee the visibility of the Community funding.

The technical and quality assessment of the project proposal is carried out taking into account the submitted project proposal, annexes and supporting documents, including the additionally requested documents and corrections.

Detail information related to the projects assessment is provided in Attachment 6. Administrative compliance and eligibility and Technical and quality assessment for SO 2.1 and Attachment 7. Administrative compliance and eligibility and Technical and quality assessment for SO 2.6

Completion of assessment and conduction of pre-contracting procedures

Prior to signature of Subsidy contracts with the projects, proposed for financing by the MC, the Programme Managing bodies shall conduct a series of pre-contracting procedures with the selected applicants, including the following:

1. Documentary check of presence/lack of double financing – assessment of whether or not the proposed action/s has not already been financed under other EU funded Programmes;
2. Performance of on-the-spot visit of the investment projects, which include works components – assessment of whether or not the object, subject to the proposed investment, really exists and is in a physical condition as described in the project proposal and/or has not already been developed or is currently under development;
3. Budget optimization and projects' content modifications – final review of the budgets of the proposed projects, including seeking additional justifications for proposed costs and making revisions of unit rates, based on both the recommendations of the external assessors and the good practices of the MA and NA in terms of transparent and market-oriented financial allocations. Additionally, a verification procedure concerning additional documents will be conducted, as specified during the previous stages, in cases where additional documentation was requested prior to contract signature.

Based on the performed pre-contracting procedures, a final Pre-Contracting Report shall be submitted for approval to the MC, outlining individual findings for each project proposal, which

may recommend:

- Signature of Subsidy contract based on the proposed budget optimization and projects' content modification (if any) and the additional documents presented (if any), as there is no evidence of double financing as well;
- Declining signature of Subsidy contract in any of the following circumstances – lack of common agreement on the proposed budget optimization; additional documents as requested are not provided; there are substantial discrepancies between the physical condition of the object, subject to investment activities, specified in the project proposal and its present status (as identified during the on-the-spot check); there is an indisputable evidence of double financing.

7. Contracting

Contracting is the procedure carried out in order to conclude a Subsidy contract between the Lead Partner and the MA for the implementation of a project, approved for financing by decision of the JMC. This means that the Lead partner is responsible for implementation of the whole project.

□ IMPORTANT

The Lead partner shall sign a Subsidy contract for the whole amount of the approved budget (including the total IPA funds) with the Managing Authority

The implementation of the project may start only after the Subsidy contract is signed by both the MA and the Lead partner and is registered in the Registry system of the MA.

Draft Subsidy contract is presented in Annex C to these Guidelines for Applicants.

INDICATIVE SCHEDULE FOR SELECTION AND CONTRACTING OF THE PROJECT PROPOSALS	
Type of procedure	Term for implementation*
Administrative compliance and eligibility check	Up to 2 months after the deadline for submission of project proposals
Technical and Quality assessment of project proposals	Up to 2 months after publication of the results from Administrative compliance and eligibility check
Pre-contracting procedures with the projects, proposed for financing by the MC	Up to 1 months after publication of the MC decision for approval of the final list of projects, proposed for financing under the Call for proposals
Contracting	Up to 1 month after approval of the project proposal by the MC

** Please note that the term for implementation of the respective procedure is indicative and depends on the number of the project proposals received under the Call for proposals.*