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**IPA** Bulgaria – Türkiye

**PROJECT IMPLEMENTATION**

**MANUAL**

**Version 2 / 2024**

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# **Project Implementation Manual**

**Restricted Call for Strategic Project Proposal**

**No 2021TC16IPC005 – 2023 – 1**

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## **LIST OF ACRONYMS**

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



<b>PPA</b>	<i>Public Procurement Act of the Republic of Bulgaria</i>
<b>PPR</b>	<i>Project Progress Report</i>
<b>PR</b>	<i>Partner Report</i>
<b>SC</b>	<i>Subsidy Contract</i>
<b>TA</b>	<i>Technical Assistance</i>
<b>ToR</b>	<i>Terms of Reference</i>
<b>VAT</b>	<i>Value Added Tax</i>

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## 1. INTRODUCTION

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

**The PIM and its annexes may be amended during the project implementation period.** Any amendment of the PIM will be announced at the Programme's website: [www.ipa-bqtr.mrrb.bg](http://www.ipa-bqtr.mrrb.bg) and the latest version will be uploaded.

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

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

## 2. INSTITUTIONAL FRAMEWORK

The Territorial Cooperation Management Directorate at Ministry of Regional Development and Public Works of the Republic of Bulgaria is designated to perform the functions of the **Managing Authority (MA)** under the Programme. The MA is responsible for managing and implementing the programme in accordance with the principle of sound financial management and for coordinating the other Programme Bodies.

The Directorate for EU Affairs within the Ministry of Foreign Affairs of the Republic of Türkiye, appointed as the **National Authority (NA)**, cooperates in the joint programming, management and implementation of the Programme and provides assistance to the Managing Authority in its respective duties.

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

countries, according to the partnership principle. Representatives of the European Commission, the Accounting Body and the Audit Authority or other relevant bodies participate in the work of the MC in advisory capacity. The main competencies and responsibilities of the MC are as follow:

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

Detailed information on composition, chairmanship and decision taken by the MC is available on the Programme’s website: [www.ipa-bqtr.mrrb.bg](http://www.ipa-bqtr.mrrb.bg)

The **Joint Secretariat (JS)** of the Programme assists the MA/ NA and the MC of the Programme and where appropriate the Accounting Body and the Audit Authority in carrying out their duties. The main office of the JS is placed in Haskovo, Republic of Bulgaria. The JS has a branch office in the partnering country, placed in Edirne, Republic of Türkiye.

The JS main office is set up under the legal responsibility of the MA and the JS branch office is set up under the legal responsibility of the NA. The JS also takes part in the preparation and implementation of the decisions of the MC and carry out usual duties as MC secretariat. The JS shall also provide information to potential beneficiaries about funding opportunities under the Programme and shall assist beneficiaries in the implementation of operations. The JS is in charge of the technical implementation of the Programme and takes part in all phases of the programme’s lifecycle including launching of Call for proposals, evaluation and contracting of the approved projects, monitoring and control of the subsidy contracts, communication activities, etc.

The **Audit Authority (AA)** for the Programme is the “Audit of European Union Funds” Executive Agency at the Minister of Finance of the Republic of Bulgaria and shall be assisted by a Group of Auditors, comprising representatives from Bulgaria and Türkiye. The **Accounting Body (AB)** of the Programme is the “National Fund” Directorate at the Ministry of Finance of the Republic of Bulgaria and it is responsible for receiving payments from the EC.



### 3. INITIAL ACTIVITIES AND PROJECT SETTING UP

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

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

**Example:** If the Subsidy contract is registered on 22.07.2023 (Contract No RD-02-xx-xxx/22.07.2023), the first day of project implementation should be the day after - 23.07.2023.

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

#### 3.1. Project management staff and internal control system

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

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

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

Within 10 days from the beginning of the project implementation period the project partners, including the Lead Partner has to fill in JeMS section “**Contracting**” / “**Project Managers**” with the names and contact information for the people who manage the project.

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

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

### **3.2. Advance payment**

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

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

### **3.3. Procurement plan**

The LP has the obligation after signing of the Subsidy Contract to collect information about the procurement procedures to be carried out by all PPs and to summarize the information in the Project Procurement Plan (PPP) (Annex 2).

During preparation of the PPP, the LP should take into careful consideration the following documents:

- Public Procurement Act of Republic of Bulgaria (PPA);

- Act on the Management of Resources from the European Funds under Shared Management;
- Decree of the Council of Ministers No 4/2024 for determining the rules for review and evaluation of offers and the conclusion of contracts in the selection procedure by public invitation from beneficiaries of grant assistance from the European Funds for Shared Management Regulation (EU, Euratom) 2018/1046: Title VII-Procurements and concessions and especially Chapter 3-Provisions applicable for procurements in the field of external actions;
- Annex II of the Financing Agreement between Türkiye and EC
- Procurement Guidelines for the Turkish beneficiaries (Annex 16)

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

**NB!**

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

**Bulgarian beneficiaries** which are contracting parties within the meaning of Art. 5 and 6 of the Bulgarian Public Procurement Act shall apply the provisions of the Public Procurement Act and the acts on its implementation when awarding contracts to external contractors and spending the grant. Bulgarian beneficiaries (e.g. legal entities under the Commercial Law, Sole Proprietors, NGOs, etc.) which are not contracting parties under Art. 5 and 6 of the Public Procurement Act or which, for the performance of certain activities within the framework of the project, do not fall within the scope of the Public Procurement Act, apply the provisions of Law on the Management of European Funds under Shared Management and Decree of the Council of Ministers No 4/2024 for determining the rules for review and evaluation of offers and the conclusion of contracts in the selection procedure by public invitation from beneficiaries of grant assistance from the European Funds for Shared Management. . Bulgarian beneficiaries have the obligation to amend the organization's annual plans for public procurements and to include the expenditures under the

project within the 1<sup>st</sup> month of the implementation period. Certified copy of the amended annual plan for public procurements of each Bulgarian partner should be provided to the JS.

When planning their procurement procedures and preparing the project's PPP, the **Bulgarian beneficiaries** should respect the following:

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

The Turkish beneficiaries, in addition to the requirements related to Annex II of the Financing Agreement between Türkiye and EC and use the Procurement Guidelines for the Turkish beneficiaries (Annex 16) should respect the following in the process of preparation of the Procurement plan and implementation of procurement procedures:

- **In case the project partner intends to conclude two or more contracts with one and the same contractor (company/expert), regardless whether they have to be procured or not (i.e. even if they fall below the threshold of the Single tender procedure), all the related expenditures should be planned as one combined contract or procurement procedure in the initial PPP if the subject of the activities is identical/similar.**
- **If after the approval of the initial PPP during the subsidy contract implementation the project partner decides to award two or more separate expenditures (regardless whether they are planned to be procured or not) from the approved PPP to one and the same contractor and if the combined amounts of these procedures reaches the threshold of Simplified procedure (tender procedure between 20.000 € and 100.000**

€), the PPP must be amended. All the related expenditures should be planned as one procurement procedure, that can be launched only after the approval of the amendment by the JS. Amendments to PPP in this case are not applicable for expenditures that have been already contracted and/or paid.

- **In case a Project partner implements simultaneously more than one project** under the Instrument for Pre-accession Assistance, i.e. other contracts will be awarded under the Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16) , they are obliged to plan and implement the respective tender procedures so that the applicable procurement rules and thresholds are respected.

All expenditures which could be grouped together in procurement procedures, because of similarity of their nature, should be included in the Procurement plan. Expenditures under BC 1, 2 and 3, and all expenditures below the minimal threshold for single tender, which could not be grouped together with other similar expenditures, could be done without procurement procedures. There is no need to include the expenditures which will be treated as expenses “not to be procured” in the PPP.

Within 5 working days after receiving the PPP the JS shall review and comment or approve the submitted plan. The JS may return for corrections the PPP to the LP in case of identified mistake or inadequate information. The LP has to provide revised version of the PPP up to 3 working days after receiving the comments. The deadline for approval of the respective PPP by JS starts running again on the date the required information is received. Within 3 working days of the PPP's approval, the JS will notify the LP on the approval of the PPP.

**NB!**

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

If there is a necessity for amendment of the PPP, the LP has to consult the JS in advance.

**JS/ MA/ NA are not going to provide ex-ante control on the preparation and launching of procurement procedures. The project partners bear sole responsibility for the**

implementation of the procurement procedures in conformity with the Programme rules, their projects, the Public Procurement Act of R. Bulgaria, the Decree of the Council of Ministers No 4/2024 and the Annex II of the Financing Agreement between Türkiye and EC and use the description of practical application of procurements and simplified documents for those procedures given in Procurement Guidelines for the Turkish beneficiaries (Annex 16)

### 3.4. Initial online monitoring meeting

The initial online meeting has an introductory and advisory function. It's aim is to receive a realistic view of the readiness of the project teams for implementations of their projects. The participation of all partners is mandatory and will be held within 2 (two) months after signature of the Subsidy contract.

During the initial monitoring meeting the following issues will be checked and discussed with the project team:

- **Beneficiary capacity and resources** - the JS expert checks whether the project team is aware of the terms and conditions of the contract and the specific characteristics of the project - awareness of the programme implementation rules, awareness of procurement procedures and readiness for the tender procedures, visualization requirements, reporting and audit trail, state aid rules, etc. and whether the project partners have sufficient financial resources to meet current expenditures on the project.
- **Project management and coordination** - the purpose of the check is to ascertain whether the project partners have sufficient human resource and to ascertain the level of management skills of the Project manager and LP's team for implementation of CBC projects, to assess if the LP is aware of it's role and to assess the partnership relations between the project partners. The JS experts check whether the roles and responsibilities between the PPs are clearly defined, whether the coordination/ communication between them is good and whether the LP has enforced accounting system and common monitoring



and reporting system to ensure smooth project management.

- **Record keeping** - the purpose of the check is to verify that project documentation is kept separately from other documentation, in a project dossier containing all relevant documents, providing sufficient information on the project activities and whether it is properly organized and filled in.
- **Time schedule and progress of activities** - the purpose of the check is to verify the accuracy of the project timetable as well as the progress of the project activities in comparison with project time schedule and the contract obligation and if the implemented activities correspond to these in the subsidy contract. The JS experts will check the project progress and the measures undertaken by the PPs concerning the planned services, supplies and construction works.
- **Public procurement** - the purpose of the check is to verify that the public procurement procedures are implemented in accordance with the approved Project procurement plan and to check the specified types of procedures, deadlines, maximum available budgets, etc.
- **Information and publicity** - the purpose of the check is to verify whether the information and publicity activities are carried out in accordance with subsidy contract and whether the Programme communication and visibility rules are properly respected.

Based on the checks the JS officer(s) identifies potential risks which could endanger the proper and successful project implementation.

The initial online monitoring meeting provides also an opportunity to the beneficiaries for discussion with JS of matters concerning project implementation and reporting.

During an initial meeting the JS officer(s) prepares a standard Initial meeting report indicating the findings from the check and recommendations, if any. The participating PPs are to sign the prepared Report, make comments, if any and also fill-in and sign a Declaration for virtual visit (Annex 4).

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## 4. PUBLIC PROCUREMENT

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

- 1) **When the project partner is located in Bulgaria and**
- **is a contracting authority within the meaning of the Public Procurement Law (PPA), must apply one of the following procurement procedures:**
    - open procedure;
    - restricted procedure;
    - competition procedure with agreement;
    - agreement with preliminary calls for participation;
    - negotiation with publication of call for procurement;
    - competition dialogue;
    - partnership for innovations;
    - agreement without preliminary call of proposals;
    - agreements without preliminary call for participation;
    - agreement without publication of call for procurement;
    - competition for a project;
    - public competition;
    - direct agreement.
  - **is not a contracting authority within the meaning of the PPA, must necessarily apply the implementation of Chapter Four of Act on management of EU funds under shared management and the relevant Council of Ministers Decree or other procurement according to the national laws, regulations and administrative provisions into force.**

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



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2) When the project partner is located in the Republic of Türkiye and is a public authority under IPA III whose co-financing is transferred to the managing authority they shall refer to the national laws, regulations and administrative provisions, provided that the financing agreement allows it and that the contract is awarded to the tender offering best value for money, or as appropriate, to the tender offering the lowest price, while avoiding any conflict of interests.

For the award of goods, works or services in all cases other than those described above, the procurement procedures provided for in Articles 178 and 179 of the Regulation (EU, EURATOM) 2018\1046 and points 36 to 41 of Chapter 3 of Annex I to that Regulation shall apply. In such cases the beneficiaries, located in the Republic of Türkiye, shall refer to the Annex II of the Financing Agreement between Türkiye and EC and the description of practical application of procurements and simplified documents for those procedures given in **Procurement Guidelines for the Turkish beneficiaries (Annex 16)**

➤ **Other essential points**

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

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

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

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

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

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

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

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

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

*Relevant legislation: Article 2, point 19 and Article 61 of Commission Regulation (EU) 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.*

➤ **Conflicts of interest**

A conflict of interest occurs when the impartial and objective exercise of the functions of the

contracting authority, or observance of the principles of competition, non-discrimination against or equality of treatment of candidates, tenderers, applicants and contractors, is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with a Beneficiary of EU-funded programmes. A conflict of interest may arise where, for instance, a member of the evaluation committee or someone in the contracting authority or others involved in the procedure grant themselves, or others, unjustified direct or indirect advantages by influencing the outcome, or allow an expert or company to obtain information leading to an unfair advantage in subsequent or related procedures.

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

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

*Detailed definitions are lay down in: Article 61 of Commission Regulation (EU) 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.*

Each project partner, before signing contract with the selected contractor, should check the selected contractor and his representatives, members or other persons involved in his management for presence of a conflict of interest, in the sense of Article 61 of the Financial Regulation (Regulation (EU, Euratom) No. 2018/1046 of the European Parliament and of the Council of July 18, 2018. In that relation, for all procedures carried out or directly assigned activities the project partner must provide to MA filled and signed Annex 10 with the first request for payment under the current contract.

**NB!**

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

## **5. STATE AID AND DE MINIMIS PROVISIONS**

### **5.1. Basic rules**

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

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

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

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

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

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

➤ **Definition of undertaking**

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

➤ **Distortion of the market**

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

➤ **Single undertaking**

‘Single undertaking’ includes, for the purposes of Regulation (EC) 1407/2013, all enterprises having at least one of the following relationships with each other:

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

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

Public support given by the programme to undertakings will be granted under the de minimis rule.

This implies that undertakings will receive grants under the (INTERREG VI-A) IPA Bulgaria Türkiye Programme only if they have not received public aid under the de minimis rule totalling to more than EUR 300.000 within three fiscal years from the date of granting the aid. This ceiling is reduced to EUR 100.000 in the road transport sectors. The public aid considered for the applicable de minimis ceiling comprises all aids granted by the national, regional or local authorities, regardless of whether the resources are provided from domestic sources or are partly financed by the European Union.

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

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

The observance of the above mentioned conditions is closely verified / monitored by the Programme bodies at all levels (national controllers, JS and MA) not only during the pre-contracting phase, but also during the whole implementation period of the projects. The aim of the control during the implementation period of the projects is to identify any potential situation of state aid at the current stage of the project development. The checks are to be made by the national controllers and JS and if such situation is identified it should be reflected in the respective checklists issued by them and immediately reported to the MA.

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

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

## **5.2. De minimis aid**

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

### **➤ LEGAL BASIS**

COMMISSION REGULATION (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid: [http://ec.europa.eu/competition/state\\_aid/legislation/de\\_minimis\\_regulation\\_en.pdf](http://ec.europa.eu/competition/state_aid/legislation/de_minimis_regulation_en.pdf)

**Please note: This is a summary of the key points of Regulation 1407/2013 and hereinafter referred to as "the Regulation" but is not a substitute for the full text of the Regulation, to which reference should be made.**

### **➤ GEOGRAPHICAL COVERAGE**

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

### **➤ AMOUNTS OF SUPPORT**

The total amount of de minimis aid to a single undertaking is:

- EUR 300,000 over a period of three fiscal years

- EUR 100,000 over a period of three fiscal years for single undertakings performing road freight transport for hire or reward (as noted above, the aid must not be used to acquire road freight transport vehicles)

De minimis aid is deemed to be granted when the legal right to receive the aid is conferred, irrespective of the date of payment. In as INTERREG VI-A IPA PROGRAMME BULGARIA-TÜRKIYE this is understood as the date when the last contracting party signs the subsidy contract. The period of three fiscal years is determined with reference to the fiscal year of the undertaking.

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

➤ **SINGLE UNDERTAKINGS**

The ceiling on de minimis aid is calculated per single undertaking per Member State. Conversely subsidiaries of the same enterprises could not each receive de minimis support from the same Member State.

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

The notion of single undertaking includes all enterprises having at least one of the following relationships with each other, as provided for in Article 2(2) of Regulation (EU) No 1407/2013 on de minimis aid:

- a) One enterprise has a majority of the shareholders’ or members’ voting rights in another enterprise;
- b) One enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
- c) One enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;



- d) One enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

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

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

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

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

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

Should be considered that De minimis aid granted in accordance with art. 5, para. 1 of Regulation (EU) No 1407/2013 may be cumulated with de minimis aid granted in accordance with Commission Regulation (EU) No 360/2012. It may be cumulated with de minimis aid granted in accordance with other de minimis regulations up to the relevant ceiling laid down in Article 3(2) of Regulation (EU) No 1407/2013.

In addition, art. 5, para 2 of the Regulation (EU) No 1407/2013 indicates that De minimis aid shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Commission. De minimis aid which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission

➤ **EXCLUSIONS**

INTERREG VI-A IPA PROGRAMME BULGARIA- TÜRKIYE is not allowed to grant the following types of aid under the de minimis Regulation:

- Aid to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No 104/2000 ;
- Aid to undertakings active in the primary agricultural production ;
- Aid granted to undertakings active in the sector of processing and marketing of agricultural products in the following cases:
  - where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
  - where the aid is conditional on being partly or entirely passed on to primary producers.
- Support for acquiring road freight transport vehicles by undertakings in the road haulage business;
- Aid to export-related activities and aid contingent upon the use of domestic over imported good cannot be granted under the de minimis rule.

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

Agricultural products mean products listed in Annex I to the Treaty, with the exception of fishery and aquaculture products covered by Regulation (EC) No 104/2000.

Processing of agricultural products means any operation on an agricultural product resulting in a product which is also an agricultural product, except on-farm activities necessary for preparing an animal or plant product for the first sale.

Marketing of agricultural products means holding or display with a view to sale, offering for sale, delivery or any other manner of placing on the market, except the first sale by a primary producer to resellers or processors and any activity preparing a product for such first sale; a sale by a primary producer to final consumers shall be considered as marketing if it takes place in separate premises reserved for that purpose.

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

#### ➤ **ENSURING COMPLIANCE**

In order to ensure strict observation of the set maximum thresholds, in accordance to Art. 6(1) of Regulation (EU) 1407/2013 the Managing Authority shall request from the Bulgarian partners to declare any de minimis aid received in the fiscal year in progress and in the two previous fiscal years. The provided information shall be verified through the public Register of the de minimis aids, available on the webpage of the Bulgarian Ministry of Finance (<http://minimis.minfin.bg/>).

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

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

In case with already implemented project activities a Bulgarian partner exceed the maximum thresholds, the Managing Authority has the right to terminate the subsidy contract and to demand

repayment of the amounts already paid in accordance with the provisions of the subsidy contract and the applicable state/de minimis aid regime.

➤ **ADMINISTRATIVE ARRANGEMENTS**

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

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

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

## **6. REPORTING**

The reporting should be submitted to the programme through the Joint Electronic Monitoring System - JeMS, which is available on the following link:

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

There are two types of progress reports:

- One reporting process for finances, see Section 7
- One reporting process for content (activities) submitted on a quarterly base.

The activity report contains information on the overall project progress at work packages and activity level, including information on achievements, indicator progress, communication, involvement of target groups, project management, as well as possible problems and deviations.

There are two levels in the reporting stage.

1) The Project Partners (PPs) submit via JeMS to the Lead Partner (LP) a Partner Report (PR) about their progress. Its purpose is to report to the LP on the general progress of activities and related status of deliverables and outputs. The relevant supporting documents have to be uploaded in the respective section in Jems. The Partner Report is not subject to checks by the JS.

The use of the partner report is compulsory when the partners request first level control.

It is highly recommended that the partners draft their respective partner report throughout the reporting period and not to wait until the end of the period to complete it. This will allow a timely submission.

Once a Partner has filled-in all applicable sections, the file should be exported – printed, signed, scanned and attached to section “Report annexes”/“Partner report” and then “Submit”-ed.

2) The LP summarizes the information received from all PPs and prepares a joint Project Progress Report (PPR), which presents a general statement on the progress towards project objectives. The PPR is also submitted via the JeMS and signed by the authorized representative of LP.

The submission of PR (content) by PPs and the PPR (content) by the LP is on quarterly basis (three month) with the exception of the last reporting period, which may be shorter/ longer than 3 months depending on the time schedule of the project. The first reporting period starts with the start date of the project implementation period, defined in Article 2 of the Subsidy Contract. The last reporting period always ends by the end date of the project.

**Example:** *If the Subsidy Contract is signed on 22.07.2023, and the first day of project implementation period of a 22 months’ project is 23.07.2023, the first quarter of project implementation should be: 23.07.2023 – 22.10.2023 and the last reporting period (which in this case is less than 3 months) should be 23.04.2025 – 22.05.2025.*

The Project Progress Report (PPR) (Annex 3) shall provide information about the progress of the project work packages and their activities as they are implemented by all PPs within the respective reporting period and the level of achievement of the outcomes and the extent to which they are in

line with the relevant objectives. Additionally, brief description of the procurement procedures, visibility measures and project modifications shall be also provided in the PPR.

The electronic format of the PPR in JeMS is to be filled-in online by the LP (using the information from the PRs). The report has to be exported, printed, signed, scanned, attached to the system and submitted to JS for approval. The progress of the activities indicated shall cover only the respective reporting period. For each previous reporting period, the information (reported by the PPs and LP and approved by the JS) will be included automatically.

**NB!**

**JS assesses and approves only a printed and signed version of the PPR, created in JeMS.**

As an exception to the above rule, a filled-in version of Annex 3 to PIM – printed and signed - can be accepted for approval only in case of temporary lack of functionality of JeMS for export of the PPR and in case the information in the report matches the version created online.

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

At the beginning of the project implementation, LP shall fill-in and submit to JS an Initial *Compatibility Check Sheet* (Annex 9) of the project according to the Strategic Environmental Assessment of the Programme. The information provided in the Compatibility Check Sheet shall indicate for the presence / absence of environmental consequences of the envisaged project work packages. The document should be dated, stamped and signed by the legal representative of the LP. Final Compatibility Check Sheet is to be provided together with the Final PPR, aiming to assess the overall impact of the implementation of the project on the environment.

Please note that the PPR should include information about the implementation of the procurement procedures and contracts under the project and the relevant documentation should be uploaded in the respective sections in JEMS. Supporting documentation to verify the implementation of

activities under the work packages during the reporting period (see sources for verification in section 6.2) should be attached in section “Report annexes” in Jems.

<b>NB!</b>	<p><b>The reporting of the realization of the work packages resulting in the achievement of project deliverables in the PPR differs from the achievement of Output and Result Indicator/s (ORIs).</b></p> <p><b>The Lead partner has to submit the PPR with the relevant supporting documentation to the Joint Secretariat through JEMS. The deadline for submission of the interim quarterly PPRs is no later than 10 (ten) working days after the end date of the respective reporting period. The Project Partners and the Lead partners are reminded that failure to submit the required reports will be qualified as a basis for termination of the Contract by the MA.</b></p>
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The corresponding assessment and approval procedures on an interim PPR shall be done within 20 working days by JS after submission of the PPR by the LP to JS. In case of mistake/s the JS returns for corrections the PPR to the LP. The deadline for response / submission of the necessary documents or clarifications related to the PPR by the LP to the JS is 5 working days. The LP shall be duly notified for the approval of the interim PPR within 3 working days from it is approved.

The **Final Project Progress Report (FPPR)** has to be submitted within **15 (fifteen) working days** after the end of the project implementation. The information about the project’s contribution to the cross-border character, the horizontal issues, etc. shall be reported by the LP only in the FPPR.

The corresponding assessment and approval procedures on FPPR shall be done within 20 working days after submission of the it by the LP but not later than 15 working days after completion of the reports of all final site visits. In case of mistake/s the JS returns for corrections the FPPR to the LP. The deadline for response/ submission of the necessary documents or clarifications related to the final PPR by the LP to the JS is 5 working days. The LP shall be duly notified for the approval of the final PPR within 3 working days from its approval.

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

### **6.1. Content of the activity Project Progress Report (PPR)**

For the overall coherence of the report, the information provided about the activities and outputs must be fully consistent. This also means that the terminology should be consistent throughout the report and in line with the terminology used in the application form (AF).

Before reporting on indicators, the partnership should study the definitions provided for each indicator carefully. Reporting on communication activities is part of the routine reporting process. Projects should keep track of their progress/achievements against their objectives and indicators.

#### **6.1.1. Main Identification Data**

Parts of this section is automatically filled and contains administrative information about the project: reference number, title, name of LP, contact details, etc. LP should mark the reporting period. The PPR contains as well a statement of the LP, declaring that the information in the respective progress report and its attachments give a correct description of the implementation and the present status of the project.

#### **6.1.2. Highlights of main achievement**

Under this section, the LP has to provide a concise and coherent summary of the main achievements during the reporting period - the reached specific objectives and delivered main outputs by highlighting the added-value of the cooperation. If the project has already managed to improve the situation or solve a specific problem in the addressed field through the achieved deliverables / outputs this should be underlined by the LP, thus demonstrating the applicability and practical relevant of the project's outputs and main result. LP should also describe the



experience gained from cooperating in a cross-border environment, the added value and common benefits derived from working within the partnership.

As this summary can be made public, it should be coherent, easy-to-read, self-explanatory and it should not include reference to other parts of the report. The quality of the text should be neither too technical/scientific, nor too specialized, and it should avoid abbreviations and naming specific partners as the project achievements are of the partnership.

### **6.1.3. Overview of the outputs and results indicators achievement**

The information provided in this section is generated automatically from the information filled in the other sections of the PPR. It represents a common table, which provides a summarized picture of the value of achievement of each project deliverable, Output and Result indicator during the respective reporting period, as well as an automatic calculation of the cumulated values from previous and recent reporting period displayed as a percentage.

### **6.1.4. Project problems and deviations**

Under this section, the LP should describe, if the case, and justify all encountered problems, including delays from the work plan presented in the application form, problems that might impact the delivery of the investment, problems with procurement procedures, etc , and the solutions found, if any. Please, note that the information in this section has to be detailed in order the assessment of the PPR to be maximum comprehensive and prompt. All deviations and/or differences, in comparison to the Action plan set in the Application Form schedule, should be reported, as well as their impact on the implementation of other project activities. (Example: If the procedure for supply of promotional materials is not finalized, explain if and how this could affect the correlated project activities such as the planned public events, and suggest possible ways of remediation).

### **6.1.5. Target groups reached**

In this section, the LP should indicate the number of target groups reached during the reporting period and should provide information with regard to the sources of verification and explain the

type of involvement. Target groups (institutions) that have already been reached in a previous reporting period shall not be counted anymore, but information about their involvement shall still be provided.

#### **6.1.6. Work Plan progress**

This section is divided by Work Packages. LP should indicate for each WP whether it is completed or not. Some sections shall be pre-filled from the AF. LP should provide explanation about

1) the progress towards the objectives of each WP as defined in the AF. LP should choose from drop-down list the current status of the relevant objective (“fully achieved”, “partly achieved” or “not achieved”) and should provide written explanation in the respective text box.

2) additional explanations on the degree of involvement of each of the PPs in the realization of the WPs.

3) on the progress made under each activity and deliverable per each WP. The data for the realized WP in the current reporting period, as well as the percentage of the relevant expenditure reported up to the moment, is generated automatically by extracting it from the most recent invoice reports. The LP should provide brief description of the progress achieved under each Activity in the current reporting period and to indicate its status (“in progress”, “not started” or “finalised”), as well as to include information on the contributed deliverables indicating the units achieved in the reporting period, providing contribution description and uploading evidences (if applicable).

The descriptions of each WP should offer clear evidence that the implemented activities and reported associated costs are in line with the planned ones, as defined in the approved AF. Described activities should also be linked directly to the WP outputs and/or deliverables. The relevant evidences have to be uploaded. A timetable shall be filled electronically in the system and shall indicate the beginning and start period of each WP, thus allowing verification of the progress of the project in implementation the work plan/time table of the approved AF.

#### **6.1.7. Project Output and Results Indicators (ORIs)**

Under this section, LP should provide information on the achieved value of ORIs during the reporting period as well as justification on how it was achieved and a link to the uploaded evidences, if any.

The project/programme output and result indicator (ORIs) should be filled in the Final PPR with the achieved value from the start till the end of the project together with a justification.

- ORIs allow measuring the achievement of the quantitative targets presented in the Application Form, by the provision of indicators in aggregated form, since the beginning of the project. Please, note that the list from the initial PPR should be complemented with information for each reporting period.

#### **6.1.8. Horizontal principles**

LP should fill in this section only in the Final PPR and should select the appropriate level of contribution and provide relevant explanation. LP should provide concrete examples of project activities, which besides their aim related to the objectives of the project, clearly promote these principles, thus producing positive effects in real life.

#### **6.2. Assessment of the PPR**

JS is responsible for assessing and approving the project progress reports. The main objectives of assessment of the PPR include verification of the progress of the project, timely implementation of the work packages and activities and extent of the realization of the WPs, the achievement of project's deliverables and ORIs and their correspondence to the Application form.

The JS performs documentary check on the electronically submitted PPRs and the attached supporting documentation. If some information related to the PPR is not correctly/clearly described or any supporting documents are missing the JS will return the report for correction/clarification.

In case of identified risk during the reported period, the JS officers may proceed with on-the-spot visit.

**NB!**

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

Costs for project implementation are eligible, if the project partner submits together with PPR supporting documents, giving evidence for implementation of the activities. Required documentation depends on the nature of the activities relevant during the respective trimester, for example: pictures of the progress of implementation of investment activities (outdoor and indoor, when applicable), pictures of equipment/ supplies delivered (installed assets, when applicable), copies of studies/ analyses/ strategies, etc. intellectual deliverables (in electronic version), etc., protocols for acceptance and delivery, etc.

Generally, the required documents for specified activities are presented below (the list is not exhaustive):

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
<b>ORGANISATION OF PROJECT EVENTS (seminars, conferences, trainings, workshops, working meetings, etc.)</b>	<ul style="list-style-type: none"> <li>- Concluded service contract with the TOR and General and Special conditions;</li> <li>- Public announcement or invitations for participation;</li> <li>- Agenda/ training programme for each separate day of the event with visible date, venue, duration of the modules, name of lectures/ trainers/ moderators and whether coffee breaks/ catering/ interpretation are provided from the project, when applicable;</li> <li>- Registration List signed by the participants for each separate day of the event, containing full names, city/state, contact (phone, e-mail) of the participants and name of the organization/ institution they represent;</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
	<ul style="list-style-type: none"> <li>- Good quality photos in jpeg format for each separate day of the event, as well as of the rented hall and equipment and provided coffee breaks/ catering, when applicable; lectors/trainers/moderators/interpreters (the presentation screen, etc.); Programme/project visualization; participants (their total number to be visible on the pictures), of the dissemination of materials to the participants, etc. Photos should possess date, printed on them preferably automatically by the camera;</li> <li>- Presentations/training materials (with the name, title and signature of the lectors/ trainers, etc.) and translated materials, when applicable;</li> <li>- Copies of materials given to participants according to the planned in the application form;</li> <li>- Feed-back for response with recommendations and assessment from participants;</li> <li>- Report from the event and summary of the feedback;</li> <li>- Press releases with Programme/project visualization, when applicable;</li> <li>- Financial documentation, related to the above.</li> <li>- Uploaded information for the event on project's/ beneficiaries' web site/s;</li> <li>- Certificates/ gifts/ awards for participation, if applicable;</li> <li>- Service acceptance documents.</li> </ul>
<b>PARTICIPATION IN</b>	<ul style="list-style-type: none"> <li>- Invitations for participation;</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
<p><b>PROJECT EVENTS</b> (seminars, conferences, trainings, workshops, work meetings, exhibitions, etc.)</p>	<ul style="list-style-type: none"> <li>- Copy of the lists of participants;</li> <li>- Report from the PP's representative about the participation;</li> <li>- Good quality photos in jpeg format of the PP's representatives (in front of the agenda or other space of the seminar which gives sufficient information on the participation, Programme/ project visualization) for each separate day of the event. Photos should possess date, printed on them preferably automatically by the camera;</li> <li>- Travel evidences;</li> <li>- Uploaded information for the event on project's/ beneficiaries web site/s;</li> <li>- Certificates for participation, if applicable;</li> <li>- Financial documentation, related to the above.</li> </ul> <p>In case of participation in exhibition following to be presented in addition to the documentation listed above:</p> <ul style="list-style-type: none"> <li>- Plan of the hall;</li> <li>- Plan of the stand;</li> <li>- Good quality photos in jpeg format of the stand (on which the visibility plaque to be visible) and of the participants from the project for each separate day of the event. Photos should possess date, printed on them preferably automatically by the camera;</li> <li>- Service contract, including ToR and Organization and methodology (if execution of tender procedure is required);</li> </ul>

TYPE OF ACTIVITIES	SOURCES OF VERIFICATION
	<ul style="list-style-type: none"> <li>- Service acceptance documents.</li> </ul>
<b>Organisation or participation in on-line events (seminars, conferences, trainings, meetings, etc.)</b>	<p>In case an event or part of it is organised online without the physical presence of the participants at a certain place, except for the sources for verification described above for the regular events, the following sources of verification should apply as well:</p> <ul style="list-style-type: none"> <li>- e-mail invitations and received confirmations;</li> <li>- data for access to the virtual event (meeting ID, access link, etc.);</li> <li>- software log of the event;</li> <li>- screenshots taken during the event, indicating clearly date and number of participants;</li> <li>- audio/video recording (if possible);</li> <li>- list of participants (names and e-mails);</li> <li>- feedback from participants (in case of participation of target groups);</li> <li>- any other suitable for the purpose evidences.</li> </ul>
<b>Application for trade mark or patent</b>	<ul style="list-style-type: none"> <li>- Copy of the registration form;</li> <li>- Certificate;</li> <li>- Acceptance documentation, related to the above.</li> </ul>
<b>Tests</b>	<ul style="list-style-type: none"> <li>- Report on tests results;</li> <li>- Contract for the tests with explicitly stated expected tests procedures;</li> <li>- Certificate;</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
	<ul style="list-style-type: none"> <li>- Acceptance documentation, related to the above.</li> </ul>
<p><b>PUBLICITY MEASURES</b> <b>(publications, advertisement, project website, etc.)</b></p>	<ul style="list-style-type: none"> <li>- Contracting documentation;</li> </ul> <p><b>Publications/ advertisement:</b></p> <ul style="list-style-type: none"> <li>- Copy (sample), screenshots of the publication with Programme/ project visualization, including the first page of the newspaper/ magazine/ website and the header of the page and the page itself, where the publication is located;</li> <li>- link to the publication, if it is in an online media;</li> <li>- Acceptance documentation, related to the above.</li> <li>- In case of advertisement which is non-publication, in addition to the contracting and financial documentation to be presented: <ul style="list-style-type: none"> <li>- Photos of the advertisement;</li> <li>- Video/ audio materials with Programme/ project visualization;</li> <li>- Uploaded information on project's/ beneficiaries' web site/s, if applicable;</li> </ul> </li> </ul> <p>Website:</p> <ul style="list-style-type: none"> <li>- Screenshots;</li> <li>- Web site counter results, including launch of the site;</li> <li>- Service contract, including ToR and Organization and methodology and service acceptance documents (if execution of tender procedure is required);</li> <li>- Acceptance documentation, related to the above.</li> </ul>





<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
<b>INTERNAL CARRIED TASKS</b>	<ul style="list-style-type: none"> <li>- Reports on progress and related physical outputs;</li> <li>- Drafts;</li> <li>- Elaborated strategies, plans, researches, analyses, etc. in a readable file;</li> <li>- Technical documentations (test results, photos from tests, etc.);</li> <li>- Uploaded results on project's/ beneficiaries web site/s, if applicable;</li> </ul>
<b>EXTERNAL EXPERTS</b>	<ul style="list-style-type: none"> <li>- Document for tasks assignment (tender dossier, when applicable, contract, etc.);</li> <li>- Report for tasks completed;</li> <li>- Copies of elaborated materials;</li> <li>- Protocol for put-in-work;</li> <li>- Acceptance documentation, related to the above.</li> </ul>
<b>SUPPLIES (equipment, furniture, promotion materials, etc.)</b>	<ul style="list-style-type: none"> <li>- Documents from tender procedure, technical specification (when applicable), signed contracts;</li> <li>- Document for procurement, including Acceptance Certificate incl. type, number, quantities of the items, etc., signed by the contracting parties;</li> <li>- Declaration/ Certificate of origin for equipment/ supplies;</li> <li>- Available equipment with Programme visualization and copies from the elaborated promotional materials (with printed necessary Programme visual elements);</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
	<ul style="list-style-type: none"> <li>- Warranty cards, instruction manuals, licenses, passports, other documents depending on the type of the equipment;</li> <li>- Documents proving training of the staff to work with the supplied equipment, if applicable;</li> <li>- Documents for conducted tests and sample stars of the supplied equipment – protocols for tests, certificates for commissioning, etc., if applicable;</li> <li>- Inventory lists;</li> <li>- Good quality photos in jpeg format of the equipment with visible serial/ inventory numbers, producer, country of origin and visualization according to the Programme rules and photos of the promotional materials made during their acceptance, on which to be clearly visible the numbers and quantity of the items, etc.;</li> <li>- Acceptance documentation, related to the above.</li> </ul>
CONSTRUCTION AND REPAIR WORKS	<ul style="list-style-type: none"> <li>- Works contract incl. all annexes (bill of quantities, price offer, work schedule, analysis of unit prices, technical specifications, etc.). Addenda to the works contract, if applicable;</li> <li>- Correspondence between involved parties;</li> <li>- Construction permit/ Permit for placement, Environmental Impact Assessment, if applicable or statement from the relevant authority that permits are not necessary;</li> <li>- Acceptance protocols for implemented works, substitute tables, if applicable, signed by dully authorized representatives of the contracting parties;</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
	<ul style="list-style-type: none"> <li>- Documents supporting the execution of construction/ repair activities – Acts and Protocols in accordance with Ordinance 3/2003 for issuing acts and protocols during construction and according to the relevant Turkish national legislation, certificates and declarations for conformity of incorporated materials, construction work dairies, detailed payrolls for the quantities of implemented construction/ repair works, etc. (list of legislations can be found from the Construction Guide of the NA (<a href="https://cbc.ab.gov.tr/sinirotesi/50676/sinir-otesi-isbirligi-programlari-insaat-rehberi?lang=tr">https://cbc.ab.gov.tr/sinirotesi/50676/sinir-otesi-isbirligi-programlari-insaat-rehberi?lang=tr</a> however the beneficiaries are responsible to check and implement the amendments in related regulation);</li> <li>- Final report from the supervisor, if applicable according to Article 168 from Bulgarian Spatial Planning Act and according to the relevant Turkish national legislation, if applicable in accordance with the construction site category;</li> <li>- Technical passport of the construction site, if applicable;</li> <li>- Other statements or reports, if specially contracted or required by the national legislation depending on the type of construction/ repair;</li> <li>- Certificate for commissioning of the construction site/ Use permit/ other relevant documents, certifying the acceptability of the construction site/ repair works according to the relevant national legislation;</li> <li>- Publicity and visibility measures;</li> </ul>

TYPE OF ACTIVITIES	SOURCES OF VERIFICATION
	<ul style="list-style-type: none"> <li>- Photos of the objects of intervention with good quality – showing the state before, during and after the execution of construction/ repair activities, indoor and outdoor, when applicable.</li> </ul>
CONSTRUCTION AND REPAIR WORKS IN CASE OF ENGINEERING	<p>In case of engineering, including development of a detailed works design in connection with the envisaged construction, renovation and modernization of existing buildings, author supervision and implementation of the construction works, in addition to the above documents during monitoring phase the beneficiaries should provide:</p> <ul style="list-style-type: none"> <li>- Approved detailed work design in the "technical" and "working" phases, required according to the Bulgarian and Turkish legislation – (for BG partners also according to the scope regulated in the Spatial Planning Act and Ordinance № 4 of 21.05.2001 on the scope and content of investment projects) (list of legislations can be found from the Construction Guide of the NA (<a href="https://cbc.ab.gov.tr/sinirotesi/50676/sinir-otesi-isbirligi-programlari-insaat-rehberi?lang=tr">https://cbc.ab.gov.tr/sinirotesi/50676/sinir-otesi-isbirligi-programlari-insaat-rehberi?lang=tr</a>) however the beneficiaries are responsible to check and implement the amendments in related regulation),</li> <li>- new detailed bill of quantities prepared and signed by the designers</li> <li>- issued construction permit, / permit for placement, or statement from the relevant authority that permits are not necessary, if applicable</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
	<ul style="list-style-type: none"> <li>- all documentation regarding the implementation of construction, technological equipment and putting into operation of the object (cited above under CONSTRUCTION AND REPAIR WORKS)</li> <li>- documentation, related to author's supervision - it has to comply with the below sources mentioned about AUTHORS' SUPERVISION</li> </ul> <p>The sources of verification have to apply accordingly upon completion of individual phases of engineering.</p> <p>Important note: Contingencies in engineering contracts are not allowed!</p> <p>After assigning the works procedure to the sub-contractor, in case the total sum of the engineering/construction works exceeds the total sum of the corresponding subline set in the application form, the beneficiaries have to consider the possibilities to include co-financing as an option. The maximum amount of funding awarded cannot be changed and the major issues of the operation should not be affected. (see point 8.5. Budget changes).</p>
<b>CONSTRUCTION SUPERVISION</b>	<ul style="list-style-type: none"> <li>- Supervision contract incl. all annexes (price offer, work schedule, analysis of offer prices, etc.). Addenda to the supervision contract, if applicable;</li> <li>- Final report from the supervisor according to Article 168 from Bulgarian Spatial Planning Act and according to the relevant Turkish National legislation;</li> <li>- Technical passport of the construction site, if applicable;</li> </ul>

<b>TYPE OF ACTIVITIES</b>	<b>SOURCES OF VERIFICATION</b>
	<ul style="list-style-type: none"> <li>- Other statements or reports from the supervisor if such are specially included in the supervision contract;</li> <li>- Documents for payment of supervision service – copies of invoices, payment orders, bank transfer excerpts, etc.;</li> </ul>
<b>AUTHORS' SUPERVISION</b>	<ul style="list-style-type: none"> <li>- Documents for assigning the authors' supervision;</li> <li>- Authors' supervision contract incl. all annexes (price offer, work schedule, analysis of offer prices, etc.). Addenda to the authors' supervision contract, if applicable;</li> <li>- Documents certifying the implementation and the reporting of authors' supervision – time sheets, reports, protocols for put-in-work, forms for site visits, copies of orders/ instructions/ details/ other documents elaborated by the author during the construction;</li> <li>- Documents for payment of authors' supervision – copies of invoices, payment orders, bank transfer excerpts, cash receipts, etc.</li> <li>- In case of engineering the author's supervision is not eligible as separate activities and expenditures.</li> </ul>

## **7. FINANCIAL MANAGEMENT OF THE PROJECT**

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

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

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

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

### 7.1. **Organization of Bank Account and Bank Statement**

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

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

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

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

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

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

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

## 7.2. **Validation of expenditure by national controllers**

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

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

**The National Controller will not be assigned for the project partners, which expenditures for the reporting period are below 2 500 euro.** The respective expenditures will be declared in a subsequent Request for NC, which complies with this requirement for minimum spending requested for verification as well as provisions of the Subsidy Contract, including the fixed term of 10 days for submitting the request after each reporting period.

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

The process of National Control is as follows:



## Step 1

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

<b>NB!</b>	<p><b>When reporting expenditures on a contract for the first time, the project partner is obliged to submit:</b></p> <ul style="list-style-type: none"> <li>- <b><u>A declaration of conflict of interests check;</u></b></li> <li>- <b><u>A reference for similar activities (annex 5.1);</u></b></li> <li>- <b><u>A declaration for the absence of the circumstances under Art. 5k of Council Regulation (EU) No. 2022/576 of April 8, 2022</u></b></li> </ul>
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The LP/PP may request verification of expenditures **on a six months** basis after the starting date of the project implementation period. As an exception the LP/PP may request verification of expenditures **on a quarterly basis** after the starting date of the project implementation period, provided that:

- the total amount of the expenditures made during the quarter by the project partners is at least 15 % of the total amount of the budget of the respective project partner.

Submission of the Request for NC and the related documents should be done through the Jems by filling all relevant information in the partner report, attaching the relevant files in the the attachment section of the relevant expenditure and the general documents - to the Partner report,

including declarations and the signed Request for NC (Annex 5). The day of submission is considered the day of properly submitting the partner report with the request for NC attached in the system.

All annexes and supporting documents (invoices, technical documentation for delivery of the products, services and works, tender procedures dossier, pictures etc.) should be the original documents scanned in pdf format. If the originals are electronic documents, those shall be attached. The documents have to be structured in folders according to the corresponding expenditures, incl. the tender dossiers (if applicable), structured in sub-folders - tender dossier, offers, evaluation, contract, etc. and attached in one archive (e.g. “.rar”) file.

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

## Step 2

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

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

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

## Step 3

After verification, the Controller issues the Control Certificate (CC) to the project partner (via Jems). The NC sends to the beneficiary a electronically signed Control certificate, Report and Checklist for validation of expenditures.

#### **Step 4**

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

#### **Step 5**

After receiving the information and documents by other PPs for executed NC the Lead partner has to summarise the information from all partners and to prepare an aggregated Request for Payment (Annex 6) for the respective reporting period (one request for the entire project). The aggregated Request for payment must include the expenditures for all project partners for the respective reporting period. If some of the project partners have not made any expenditure during the respective reporting period he/she should declare that to the LP in writing. The LP submits this declaration to the MA together with the Request for payment. The request for payment is filling in on-line in the electronic fields available on JEMS and is to be sent by the LP to the MA through the system. The procedure is described in p. 7.3

#### **Step 6**

During the verification process the controller may identify some problems, which could be classified as irregularity or infringement of the applicable law and to provide the partner with recommendations for correction. The project partner has to consider the findings and

recommendations by the NC and to undertake measures to correct the gaps identified. “Corrective measures” do not concern already verified documents or results which have to be done on the previous stage, but it concerns the future implementation of the project. Where the recommendations are not clear or abstractive, the project partner should contact the MA for consultation.

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

During the verification process the MA may request additional documents and clarifications by LP and may initiate on the spot check, if necessary.

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

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

### **7.3. Submission of Request for payment**

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

Three types of payments are foreseen:

- Advance payment;
- Interim payments;
- Final payment.

The MA transfers advance payment in two tranches as follows:

- 10% of the total amount of the Subsidy Contract after receiving a request for advance payment no later than 45 days after the Subsidy Contract enters into force;

- and 10% of the total amount of the Subsidy Contract after one of the project partners awarded a sub-contract for investment activity and receiving a request for advance payment and a copy of the notification letter to the successful tenderer or a copy of contract for investment activity.

MA transfers the amount of advance payment to the LP within 20 (twenty) calendar days after receiving request for advance payment. Interim/final payments are to be executed by the MA within 45 (fourty five) calendar days after receiving request for interim/final payment

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

The total amount of the advance and interim payments of an operation cannot exceed 80% of the total value of the subsidy. Nevertheless the total amount of the advance payment and interim payments per project partner cannot exceed 100 % of the project partner`s total budget amount stipulated in the Application form. After the payments reached the 80 % of the subsidy, the covering of the advance payment starts with the verified expenditures (partially or entirely) and the MA informs the LP that the verified expenditures are paid with the advance payment. When the advance payment is fully covered with the verified expenditures the MA continues with the payment of the verified expenditures.

Unlike the advance payment, where validation of expenditure is not applicable, interim and final payments are based on costs actually incurred by the beneficiaries. The Request for payment should be submitted to the MA not later than 5 (five) working days from the date of receipt of the documents proving verification of expenditures by the National Controller/s for all project partners with performed NC check for the reporting period.

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

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

All partners are obliged to submit to the LP information for the validated expenditures for each reporting period. In 5 (five) working days period of receiving the documents from the partners the LP fills in on-line the electronic fields of the Request for advance/interim/final payment in the JEMS and sends it to the MA.

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

For an Advance payment only Financial Identification Form (FIF) for the LP (Annex 1) has to be attached to the request for advance payment. FIF should be in original (if there is a change in the Bank account) or copy signed and certified with "True copy". The Request for advance payment has to be submitted to the MA through JEMS.

In 5 (five) days period of receiving the documents from the partners the LP fills in on-line the electronic fields of the Request for interim/final payment in JEMS and sends it to the MA. Together with the Request for interim/final payment, LP has to submit through the JEMS the following annexes (collected from all project partners):

- Control Certificate(s) by the National Controllers;
- Project partners' Reports;
- Copy of the National Control Designation Certificate(s) – only for Turkish partners;
- Financial Identification Form for the LP (bank account details) (Annex 1);
- Declaration VAT status (Annex 11) – only for Bulgarian partners;
- Declarations for lack of double funding and revenue of the project (Annex 12) by each of the partners who reports expenditures. The Declaration has to be included in the respective request for payment;
- Appeal Declaration (against the NC Control Certificate, if applicable (Annex 7)).

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

The request for a final payment should be submitted by the LP within 15 days following the date of the final CC, issued by National Controller but not later than 110 days after the project completion.

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

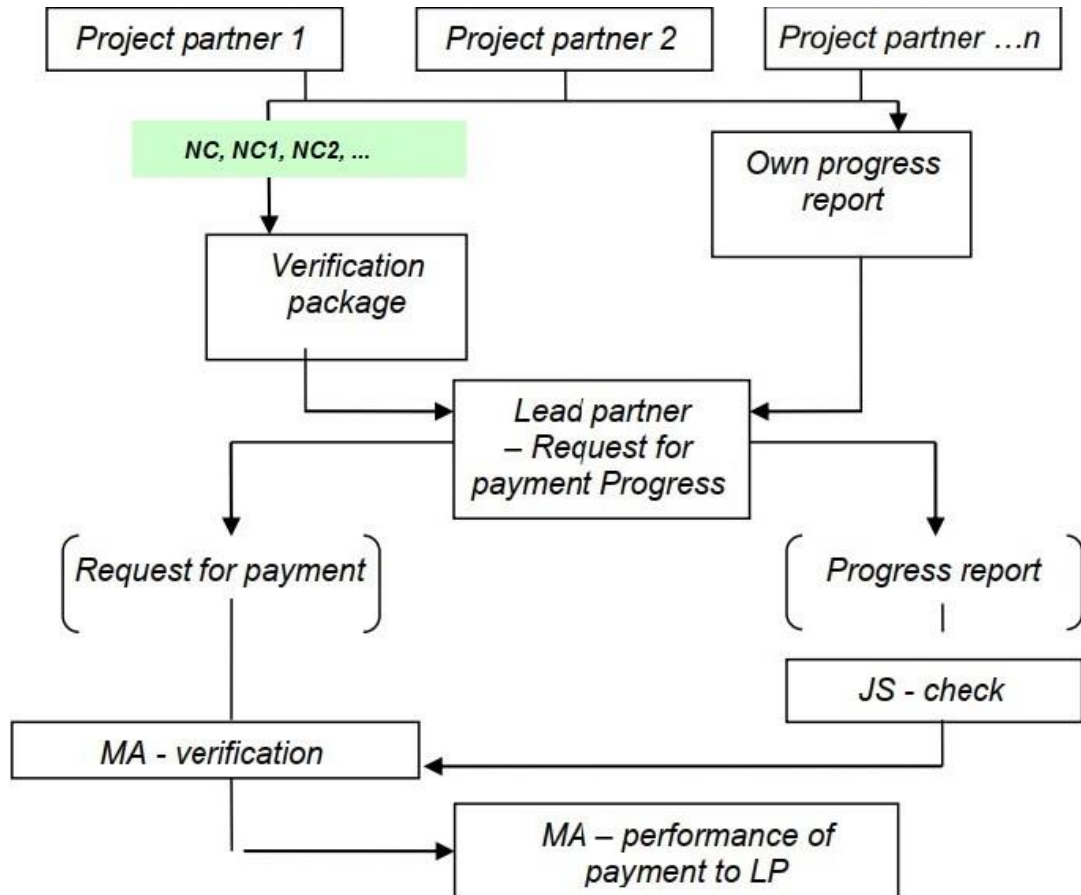
1. The amounts for each partner of the Request for payment (Validated eligible expenditures per project partner) must comply with the verified costs by the National Controllers. Accordingly, the total amount requested of the Request for payment must include the sum

of all verified costs of the partners. The amounts in each field of this document should be carefully calculated and indicated;

2. The Reporting period inspected by the Controllers as well as the Project duration period should comply with the dates specified in all relevant documents. Project duration and reporting period should be filled in correctly;
3. Aggregate amounts of each budget category written in the Invoice report and Financial report must be comparable and correctly calculated;
4. The Staff cost (BC1) Office, administrative costs (BC2) and travel and accommodation costs (BC3) must be included in the partner report of each project partner as a global sum on the basis of the flat rate percentage, indicated in the respective budget;
5. When reporting the costs associated with currency exchange and completing cost amounts in the electronic fields of the Invoice report, the official exchange rate of the currencies of the European Commission must be used (see section 7.7 “Exchange rates”).

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





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

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

#### 7.4. Reimbursement of Funds to the Lead Partners

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

- The LP submits the Request for Payment to the MA within the deadlines given in the Subsidy Contract;
- The reimbursement of funds to the LP will be initiated by the MA within the deadlines given in the Subsidy Contract;
- The LP may be requested to clarify/revise Request for Payment during the verification process. If the Request for Payment is rejected by MA the expenditures can be included in the Request for payment for the next reporting period;
- The reimbursement of funds will be performed by the MA after the verification process. In case the EU balance of the programme single bank account handled by the Accounting Authority does not cover the amount to be reimbursed, the reimbursement process will be suspended till the transfer of the EU contribution from the EC is credited to the Programme single bank account. In this case, the MA notifies the LPs for the amount of the verified expenditures. The MA transfer the amounts subject of payments after the necessary funds are ensured in the programme bank account;
- The verified expenditures subject of payment will be transferred by MA in bank account of the LP opened exclusively for the project. The LP is responsible to transfer the respective funds to each project partner according to the approved request for payment and within the deadline given in the Partnership Agreement.

The lead partner assumes responsibility for ensuring the implementation of the entire project.

When submitting a joint progress report, the lead partner must:

- “ensure that the expenditure reported by the partners has been paid in implementing the project and corresponds to the activities agreed between all the partners”, i.e., it is in line with the application form and subsidy contract
- check that any deviations from the application form, should they exist, have been properly described and justified in the progress report
- check that amounts and activities reported are correctly included in the joint progress report and that they give a correct description of the implementation and present status of the project This does not imply re-performing the checks already carried out at partner level, given the fact that financial control is a Partner State responsibility. However, it is still up to the lead partner, due to its role and understanding of the whole project, to satisfy

themselves that partners are reporting correctly by looking through the information available to them (partner report and outputs, control report (including control checklist), list of expenditure). Where there is any doubt, the lead partner must clarify the matter with the partner (and the relevant controller) before the cost item is included in the joint progress report that is submitted to the joint secretariat

### 7.5. Timeframe of reimbursement of Funds to LP

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



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

### 7.6. Eligibility of expenditure

➤ **No double funding in the declared expenditures is allowed**

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

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

<b>NB!</b>	<b>Every invoice or similar accounting document subject to verification must contain obligatory text, identifying the specific project: the number and name</b>
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of the project (for the expenditures related to the project preparation – the project name and/or the number of the call for proposals) and detailed information regarding the supplied products or services – quantity, type and unit prices.

If a **single invoice is used for claiming expenditures on more than one budget line as per the Subsidy Contract**, then the invoice or its attachments should have the expenditures divided as per the division in the budget (for example: hall rent, equipment rent, coffee breaks, etc.).

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

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

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



**NB!**

All payments of the project expenditures should be made by the project partners in a period of 45 days after completion of the project implementation period at the latest. For payments made after 45 days period mentioned above the respective expenditures shall be considered ineligible and shall not be reimbursed by the MA to the project partner.

➤ **Non-eligible expenditures**

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

- Interest on debt;
- The purchase of land and existing buildings;
- Second hand equipment;

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- Fines, financial penalties and expenditure on legal disputes and litigation;
- Costs of gifts;
- Costs related to fluctuation of foreign exchange rate.
- In-kind contributions (including unpaid voluntary work);
- Shared costs;
- Subcontracting between partners and/or associated partners of the same project for services, expertise, equipment and works carried out within the project;
- Charges for national financial transactions;
- Consultant fees between partners for services and work carried out within the project;
- Contracting of employees of the partner organizations as external experts, e.g. as freelancers;
- Other non-eligible expenditures according to EU and national legislation.

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

The expenditures for VAT is eligible for operation the total cost of which is at least EUR 5 000 000 (including VAT) and where the VAT is non-recoverable under national VAT legislation. In the implementation phase of the project the project partners should be requested to provide the necessary documentation proving the VAT requested for reimbursement is non-recoverable under national VAT legislation.

**For Bulgarian partners:**

In the implementation phase of the project the project partners should be requested to provide the necessary documentation proving the VAT requests for reimbursement is non-recoverable under national VAT legislation.

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The Bulgarian beneficiaries should attach with the first interim payment a declaration for VAT registration. Any change of VAT status should be declared with new declaration enclosed to the next payment.

When beneficiaries are VAT registered, the Declaration on VAT status must be accompanied by Annex 1 to the Instructions of the Minister of Finance of the Republic of Bulgaria (Guidance Letter № NF-1/09.01.2024) on the treatment of VAT as eligible expenditure. A scanned copy of the Certificate of registration under VAT law should also be enclosed (if the organization is VAT registered). When VAT is irrecoverable according to the VAT law and it is recoverable under the project, the documentation should be accompanied by the scanned copies of VAT Register of purchases for the reporting period. To each Register for purchases, a VAT statement with the generated by National Revenue Agency number should also be submitted, as well as the notification of acceptance of the documents received by the NRA.

**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 beneficiary 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.

### **Exchange rates (EU and local)**

The amount in the Invoice report shall be converted into Euro:

All sums in the Invoice report should be converted into Euro using the monthly accounting exchange rate of the European Commission of the month, in which the expenditures was submitted for verification to the NC.

The approved EU exchange rate for EUR into local currency is determined on a monthly basis at the beginning of each month. During the course of the project, funds held in the project EUR account will be exchanged and transferred to the local currency account. When buying goods/services for the grant project, you should be aware that exchange rates differences will occur. This is because banks use a rate based on the daily exchange rates as set by the country's national bank for conversion of EUR in local currency.

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

You can find the EUR currency exchange rate at:

[http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/infoeuro/index\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/index_en.cfm). Information on the exchange rate is updated every first day in the month to come

### 7.7. **Audit trail and accounting system of the partners**

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

Partners must ensure that all accounting documents linked to the project are available and that

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

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

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

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

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



➤ **Accounting System**

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

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

**7.8. Financial and accounting documentation of the project**

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

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

BC 1 STAFF COSTS	
Accounting and Financial documents	Other documents/conditions for eligibility of expenditure
<p><b>Flat rate</b></p> <p>The flat rate percentage remains the same for the entire project implementation. No check of the documentary evidences related to the staff costs will be performed by the national controller. The amount of the staff costs to be reimbursed will depend on the amount of the direct costs spent and verified by the NC. An administrative order/a letter for nomination of the project team members shall be provided to the Controller on request.</p>	<p>Staff costs include costs related to the organisation's own staff to be involved in project management (project team) and/or tasks related to the project content. Staff costs are related to activities which the partner organization would not carry out if the project was not undertaken. The staff costs include salary payments fixed in the employment/work contract, an appointment decision (in the case of natural persons working for the partner organization under a contract other than an employment/work contact), or by law relating to the responsibilities specified in the job description of the staff member concerned.</p> <p>Any other costs directly linked to the salary such as employment taxes and social security including pensions as long as they are fixed in the employment document or by law and they are in accordance with the legislation and standard practices in the country and/or organization and are not recoverable by the employer.</p> <p>The appointment of the staff by the project partners has to be done in accordance with the European and national legislation. The proper appointment of the project team is the sole responsibility of the project partners themselves.</p> <p>In the beginning of the project implementation each project partner must present:</p> <ul style="list-style-type: none"> <li>- a declaration that in the project implementation period he will keep up the necessary and qualified project staff for successful implementation of the project activities;</li> </ul>

	<ul style="list-style-type: none"> <li>- a nomination of the project team members – internal order, a letter, etc.</li> <li>- In case staff costs are not eligible for financing for the given project partner according to national eligibility rules, staff costs shall not be declared on flat rate basis to the project (i.e. the eligibility of expenditure does not depend on the form of reimbursement)</li> </ul>
<b>BC 2 OFFICE AND ADMINISTRATIVE COSTS</b>	
Accounting and Financial documents	Other documents/conditions for eligibility of expenditure
<p>The Office and administrative costs must be reported as a flat rate on the basis of the concrete percentage of the staff costs, envisaged in the budget of the respective project partner. This percentage remains the same for the entire project implementation. The amount of the office and administrative costs, which could be reported, depends on the amount of the staff costs spent during the reporting period. No check of the documentary evidences related to the office and administrative costs will be performed by the National controller. The amount of the office and administrative costs to be reimbursed will depend on the amount of the direct costs spent and verified by the National controller (NC).</p>	<p>The eligible expenditures under Budget category 2 include expenditures for rent of office (specifically for the purpose of the project), overheads (expenses covering electricity, heating, water, telephone, internet, other utilities), consumables (expenses covering paper, pens, CDs, folders, toners etc.), bank charges - expenses for opening and administrating the bank account where the implementation of the project requires a separate account to be opened (only for the Lead beneficiary) and charges for transnational financial transactions (for all beneficiaries), and maintenance costs (expenses for postal services, cleaning, security, insurances, business cards, coffee/biscuits for small project meetings).</p>
<b>BC 3 TRAVEL AND ACCOMMODATION COSTS</b>	
Accounting and Financial documents	Other documents/conditions for eligibility of expenditure

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

The category of expenditures covers travel and accommodation costs of project staff and shall be limited to the following costs – travel costs (tickets, travel and car insurance, fuel, car mileage, toll and parking fees); the costs of meals; accommodation costs; visa costs; daily allowance. The proper spent of the travel and accommodation costs is the sole responsibility of the project partners themselves.

**BC 4 EXTERNAL EXPERTISE AND SERVICES COSTS**

Accounting and Financial documents

Other documents/conditions for eligibility of expenditure

1) Rent of hall for events:

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

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)

2) Rent of audio/video equipment for events:

- Tender documentation (if applicable);
- Contract;

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between

<ul style="list-style-type: none"> <li>- List of participants, agenda, pictures and other documents proving realization of activity – to be provided for each day of the event;</li> <li>- Invoices and cash receipt notes/payment order/bank statements;</li> <li>- Accounting records.</li> </ul>	<p>Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)</p>
<p>3) Travel for events:</p> <p>3.1) Rent of vehicle (car, van, minibus, bus, etc.):</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Protocol and other documents proving realization of activity;</li> <li>- Invoices and cash receipt notes/payment order/bank statements;</li> <li>- Accounting records.</li> </ul> <p>3.2) Ticket costs (bus, train, airplane):</p> <ul style="list-style-type: none"> <li>- Airplane boarding cards;</li> <li>- Tickets;</li> <li>- List of participants, agenda, pictures and other documents proving realization of activity;</li> <li>- Invoice / protocol issued by the travel agency for the value of the Airplane ticket;</li> <li>- Bank statements;</li> <li>- Accounting records.</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)</p>
<p>4) Catering for events (coffee breaks, refreshments, lunches and dinners for participants in the events):</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Agenda where must be indicated that coffee breaks/refreshment/ lunches and</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)</p> <p>Expenditure for alcoholic beverages and cigarettes cannot be paid under the project. In case such</p>

<p>dinners for participants in the event have been provided;</p> <ul style="list-style-type: none"> <li>- List of participants, pictures and other documents proving realization of activity – to be provided for each day of the event and for each expenditure (e.g. lunch, dinner) – separate pack of pictures &amp; proofs;</li> <li>- Acceptance protocol;</li> <li>- Invoice, payment documents, bank statements;</li> <li>- Accounting records.</li> </ul>	<p>expenditure is made by the project partners, it will be considered ineligible and will not be reimbursed to the partner.</p>
<p>5) Accommodation for participants in the events:</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Agenda; list of participants, pictures and other documents proving realization of activity;</li> <li>- Invoice, payment documents, bank statements;</li> <li>- Accounting records.</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). The accommodation expenditures cannot exceed the limits determined in the Guidelines for Applicants.</p>
<p>6) Preparation of materials for events – invitations, agenda, presentations etc.:</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Acceptance protocol;</li> <li>- Invoices and cash receipt notes/payment order/bank statements;</li> <li>- Copy of the prepared materials;</li> <li>- Accounting records.</li> </ul> <p>A copy of each delivered item and a picture of all delivered materials, clearly showing their quantity.</p>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Elaborated materials should contain visibility elements, according the Programme rules.</p>
<p>7) Consumables for events – paper, files,</p> <ul style="list-style-type: none"> <li>- folders, cases, CDs, etc.:</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries</p>

<ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Acceptance protocol;</li> <li>- Invoices, cash receipt notes, payment orders, banks statements;</li> <li>- Accounting records;</li> <li>- A copy of each delivered item and a picture of all delivered materials, clearly showing their quantity.</li> </ul>	<p>and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)</p>
<p>8) Purchase of advertising materials – pens, key chains, CDs, USBs, hats, bags, note books, folders, etc.:</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Acceptance protocol;</li> <li>- Invoices, cash receipt notes, payment orders, bank statements;</li> <li>- Accounting records.</li> <li>- A copy of each delivered item and a picture of all delivered materials, clearly showing their quantity.</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Copies of the respective materials should be kept by the project partner.</p> <p>All advertising materials must comply with the Programme visibility rules in order the respective expenditures to be considered eligible.</p>
<p>9) Elaboration, design, translation of advertising materials:</p> <p>9.1) Information materials concerning project documents, project events, meetings, implementation provisions, etc.;</p> <p>9.2) Brochures, leaflets informing about the project implementation and results;</p> <p>9.3) Manuals and guidelines related to the project;</p> <p>9.4) Design of project logo;</p> <p>9.5) Design and printing of advertising items with logo of the project or with logo of the</p>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Copies of the elaborated/ designed/translated materials should be kept by the project partner.</p> <p>All advertising materials must comply with the Programme visibility rules in order the respective expenditures to be considered eligible.</p>

<p>Programme (pens, key chains, CDs, USBs, hats, bags, note books, folders etc.).</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Acceptance protocol/ report by the Contractor;</li> <li>- Invoices, cash receipt notes/payment order/bank statements;</li> </ul> <p>Accounting records.</p>	
<p>10) Publications in mass media – press, radio, TV:</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Acceptance protocol/ certificate/ report by the Contractor;</li> <li>- Invoices, cash receipt notes/payment order/bank statements;</li> <li>- Accounting records.</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Copies of the publications in print/electronic media and broadcasting in radio/TV should be kept by the project partner.</p> <p>All publications must comply with the Programme visibility rules in order the respective expenditures to be considered eligible</p>
<p>11) Consultancy, studies, designs, website development, etc.:</p> <ul style="list-style-type: none"> <li>- Tender documentation (if applicable);</li> <li>- Contract;</li> <li>- Acceptance protocol/ report by the Contractor;</li> <li>- Invoices, cash receipt notes/payment order/bank statements;</li> <li>- Accounting records.</li> </ul>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Reports on methodology applied and on the results of the researches/studies conducted.</p> <p>Reports, research, analysis, studies and other written documents must be in accordance to the EU requirements for visualization and should have information for the author and year of issue.</p> <p>The web site developed under the project must also comply with the Programme visibility rules.</p>



12) Interpreters, lecturers, trainers, moderators, etc. :

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

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)

13) Other including organisation or participation in online events (seminars, conferences, trainings, workshops, working meetings, etc.):

- Tender documentation (if applicable);
- Contract;
- Invoices, cash receipt notes/payment order/bank statements;
- Accounting records.
- Software subscription / license (if applicable for online events)

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16)

For expenditures related to online events, additionally document and provide in the Partner report:

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



**BC 5 EQUIPMENT COSTS**

Accounting and Financial documents

- Tender documentation (if applicable)
- Contract;
- Acceptance protocol, containing the type of the supplied equipment, exact number of the delivered items, their trademarks, models and serial numbers;
- Warranty card for the purchased equipment;
- Declaration/ certificate of origin containing the type of the supplied equipment, exact number of the delivered items, their trademarks, models and serial numbers;
- Invoices, cash receipt note, payment orders, bank statements;
- Accounting records;
- Document which certifies the posting of all assets purchased under the project, and their existence into in the organization's balance sheets, where they remain after the finalization of the project.

Other documents/conditions for eligibility of expenditure

Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Detailed and exhaustive documentation of the implemented tender procedure should be kept by the project partner – invitation letter and/or other documents related to publication of the tender, tender dossier, evaluation report and other evaluation documents, offers submitted by the participants in the tender procedure, etc.

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

	<p>If project partners declare that the equipment will be used after the project completion full invoice amount will be eligible for verification. The LP/ PP must provide Statement/ Declaration regarding purchased equipment, stating that the equipment shall be used by LP/PP for the same purpose for at least 5 years after project closure.</p>
<p><b>BC 6 COSTS FOR INFRASTRUCTURE AND WORKS</b></p>	
<p>Accounting and Financial documents</p>	<p>Other documents/conditions for eligibility of expenditure</p>
<ul style="list-style-type: none"> <li>- Tender documentation (if applicable)</li> <li>- Contract, Bill of Quantity (BoQ);</li> <li>- All guarantees provided for in the special conditions of the works contract;</li> <li>- Certificates/ protocols for the implemented works according to the national legislation;</li> <li>- Invoices, payment order, bank statements;</li> <li>- Accounting records;</li> </ul> <p>Document which certifies the posting of all assets purchased under the project, and their existence into in the organization's balance sheets, where they remain after the finalization of the project.</p>	<p>Tender procedure has to be conducted according to the National legislation for Bulgarian beneficiaries and Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16). Detailed and exhaustive documentation of the implemented tender procedure should be kept by the project partner – invitation letter and/or other documents related to publication of the tender, tender dossier, evaluation report and other evaluation documents, offers submitted by the participants in the tender procedure, etc.</p> <p>Local Act – permission for use of the construction according to the National legislation for construction works.</p> <p>Statement of the beneficiary confirming the existence of the performed construction works, their consistency with the provisions of the contract and the measures taken regarding the provisions of the contract and the measures taken regarding the requirements for publicity and transparency of all activities financially supported by the EU;</p>

	<p>All guarantees provided for in the special conditions of the construction and supervision contracts;</p> <p>Copy of the final report of the Construction supervisors according to the relevant national legislation (for BG LP/PP - according to art. 168, par.6 of the Bulgarian Territory Structure Act).</p>
<b>BC 7</b>	<b>PROJECT PREPARATION COSTS</b>
Accounting and Financial documents	Other documents/conditions for eligibility of expenditure
<p>Project preparation - meetings between partners, consultancy, elaboration of technical documentation (incl. feasibility studies, detailed design, technical drawings, etc.), elaboration of project proposal and application form, translation of documents, taxes and other charges:</p> <ul style="list-style-type: none"> <li>- Tender documentation (is applicable);</li> <li>- Contracts;</li> <li>- Acceptance protocols;</li> <li>- Invoice and cash receipt notes/payment order/bank statements;</li> <li>- Accounting records;</li> </ul> <p>Insurance policies (for insurance transactions involving members of the project team).</p>	<p>The expenditures for project preparation shall be reimbursed as a lump sum and must be requested for reimbursement only in the first reporting period of the respective project partner.</p> <p>In case of sub-contracting project preparation activities, National (MA) or Annex II of the Financing Agreement between Türkiye and EC and the Procurement Guidelines for the Turkish beneficiaries (Annex 16) (for the NA) rules must be observed in order for the costs to be eligible for reimbursement under the Programme.</p>

## 8. MODIFICATION OF SUBSIDY CONTACT

The Subsidy Contract determines the rights and obligations of the Lead Partner and the Managing Authority. The approved Application Form and the Partnership Agreement signed between the

Project Partners are integral part of the Subsidy Contract. The Subsidy Contract explicitly provides information concerning project implementation period. During the project lifecycle, due to certain reasons, some modifications/changes might be necessary concerning the project implementation bases and the conditions, defined in the Subsidy Contract, as well as in the approved Application Form and other annexes that are integral part of the Subsidy Contract.

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

According to their nature modifications/changes are a subject of:

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

**NB!**

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

The LP fills in the electronic form of the Request for modification/ or prepares Notification letter and submits it via e-mail to the JS. The Request for Contract Modification must clearly describe and justify the reasons for requested modification. If it is needed, the supporting documents may be attached to the Request according to the type of the modification. In one working day after receiving the request for modification, the JS assess the request and unlock the Application Form (AF) in Jems in case the requested modification imposes amendment of the AF.

In 5 working days the Lead partner make respective amendments in the AF in Jems. In case the request for modification requires amendment of the AF, it is consider submitted at the day the revised AF is submitted in Jems.

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

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

### ***8.1.1. Modifications requesting approval by MC and signature of addendum***

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

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

Modifications/changes in the project concerning inclusion of additional activities and/or outputs that will bring added value to the project are possible only in case they aim also to the enhancement of the successful implementation of the entire Programme, its expected achievements and capitalization of its outcomes and sustainability of the results from its

implementation. In case they will lead to the increase of the budget of the project, the MA will first review these additions of new activities/outputs before submitting them to the MC.

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

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

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



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

- "Revised Application Form" - filled in on-line in the Jems.

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

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

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

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contribution already transferred.

### ***8.1.2. Modifications requesting notification to the JS***

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

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

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

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

- "Revised Application Form" - filled in on-line in the Jems, including all requested changes filled in on-line in the Jems.

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

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

### **8.2. Administrative changes**

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

### **8.3. Modifications concerning the partnership**

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



**Addendum to the Subsidy Contract.****NB!****Replacement of the pre-defined Project Partners is not allowed.**

The LP has to assure that following the change(s) in the partnership the project still fulfils the requirement for partnership of the Programme and the general character (objectives and outputs) of the original project is not altered.



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

**NB!****The maximum number of partners in the project cannot exceed seven (7) including the Lead Partner.**

Amendment of partnership may be requested while having in mind the following conditions:

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

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

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

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

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

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

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

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

#### **8.4. Extension of implementation period**

Modifications concerning the extension of the implementation period **need the approval of the**

## **MC and signature of an Addendum to the Subsidy Contract.**

**NB!**

**Extension of the project implementation period can be granted only if not affecting the achievement of the target set by the n+3 rule.**

The LP should request this modification in case the project implementation is in such delay that the main project activities **cannot** be accomplished during the project implementation period of the Subsidy Contract and the achievement of the project objectives could be precarious.

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

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

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

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

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

### **8.5. Budget changes**

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

#### **8.5.1. Budget reallocation between project partners**

Modifications concerning budget reallocation between project partners' budgets **need the**

**approval of the MC, and signature of an Addendum to the Subsidy Contract.** The changes have to be agreed upon by all partners. The maximum amount of funding awarded **cannot be changed** and the major issues of the operation should not be affected.

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

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

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

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

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

#### **8.5.2. Budget reallocation between budget categories up to 20 %**

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

**NB!**

**The 20% limits shall not be considered separately for each single budget change of the respective budget category. The amount of each new requested reallocation between budget categories is cumulated to the total amounts of**

previous reallocations until the cumulated amounts of such reallocations reach 20% of the original amount of the respective budget category.

The reallocation between budget categories should comply with the rules for the minimum and the maximum thresholds of the amount of eligible expenditures for the specific budget categories

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

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

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

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

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

### **8.5.3. Budget reallocation between budget categories over 20%**

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

**NB!**

**Budget reallocation between budget categories over 20% of the total budget may occur only if the requested change does not alter the minimum requirements, the planned action, outputs and results and does not endanger the general project principle of co-operation. In addition to the above it is crucial**

for a project to keep constant those categories that are of crucial importance for the project implementation and the beneficiaries' cooperation.

The reallocation between budget categories should comply with the rules for the minimum and the maximum thresholds of the amount of eligible expenditures for the specific budget categories

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

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

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

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

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

#### **8.5.4. Budget reallocation inside a budget category**

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

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

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

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

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

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

#### **8.5.5. Inclusion of own co-financing**

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

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

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

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

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

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

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

**8.5.6. Addition of new activities leading to the Increase of the project budget and respectively of the amount of the subsidy**

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

**NB!**

**Modifications concerning increase of the amount of the subsidy of the strategic project are possible in case of the availability of financial resources under the Programme. The increase of the budget may be acceptable only if it is related to inclusion of new activities/outputs which aim also to the enhancement of the successful implementation of the entire Programme, its expected achievements and the capitalization of its outcomes.**

**To request a modification concerning the addition of new activities and increase of the amount of the subsidy the LP has to submit the following documents to the JS by e-mail:**

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

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

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

In case of **approval** of the request by the MC, an **Addendum to the Subsidy Contract** will be



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

### Summary table of types of project changes

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

		<ul style="list-style-type: none"> <li>- Evaluation of the Request by the MA;</li> <li>- Submission of the Request to the MC for approval;</li> <li>- MC decision;</li> <li>- Addendum to Subsidy Contract.</li> </ul>
<b>Budget reallocation between budget categories</b>		
<b>Reallocation up to 20% limit between budget categories</b>	<ul style="list-style-type: none"> <li>- Submission of Request for Contract Modification by LP to JS;</li> <li>- Unlocking the AF in Jems;</li> <li>- Evaluation of the Request by the MA;</li> <li>- Letter for approval or rejection of the Request by the MA.</li> </ul>	- n.a.
<b>Reallocation over 20% limit between budget categories</b>	- - n.a.	<ul style="list-style-type: none"> <li>- Submission of Request for Contract Modification by LP to JS;</li> <li>- Unlocking the AF in Jems;</li> <li>- Evaluation of the Request by the MA;</li> <li>- Submission of the Request to the MC for approval;</li> <li>- MC decision;</li> <li>- Addendum to Subsidy Contract.</li> </ul>
<b>Budget reallocation inside a budget category</b>		
<b>Budget reallocation inside a budget category</b>	<ul style="list-style-type: none"> <li>- Submission of Request for Contract Modification by LP to JS;</li> <li>- Unlocking the AF in Jems;</li> <li>- Evaluation of the Request by the MA;</li> <li>- Letter for approval or</li> </ul>	- n.a.

	<i>rejection of the Request by the MA.</i>	
<b>Inclusion of own co-financing</b>		
<b>Inclusion of own co-financing</b>	- <i>n.a.</i>	<ul style="list-style-type: none"> <li>- <i>Submission of Request for Contract Modification by LP to JS;</i></li> <li>- <i>Unlocking the AF in Jems;</i></li> <li>- <i>Evaluation of the Request by the MA;</i></li> <li>- <i>Submission of the Request to the MC for approval;</i></li> <li>- <i>MC decision;</i></li> <li>- <i>Addendum to Subsidy Contract.</i></li> </ul>
<b>Increasing of the amount of the subsidy</b>		
<b>Increasing of the amount of the subsidy</b>	- <i>n.a.</i>	<ul style="list-style-type: none"> <li>- <i>Submission of Request for Contract Modification by LP to JS;</i></li> <li>- <i>Unlocking the AF in Jems;</i></li> <li>- <i>Evaluation of the Request by the MA;</i></li> <li>- <i>Submission of the Request to the MC for approval;</i></li> <li>- <i>MC decision;</i></li> <li>- <i>Addendum to Subsidy Contract.</i></li> </ul>
<b>Project content changes</b>		
<b>Modifications in the project altering the approved objectives or outputs or concerning inclusion of additional activities and/or outputs</b>	- <i>n.a.</i>	<ul style="list-style-type: none"> <li>- <i>Submission of Request for Contract Modification by LP to JS;</i></li> <li>- <i>Unlocking the AF in Jems;</i></li> <li>- <i>Evaluation of the Request by the MA;</i></li> <li>- <i>Submission of the Request to the MC for approval;</i></li> <li>- <i>MC decision;</i></li> <li>- <i>Addendum to Subsidy Contract</i></li> </ul>
<b>Modifications of the approved project which will not affect the project's objectives and</b>	<ul style="list-style-type: none"> <li>- <i>Submission of Notification to the JS by LP;</i></li> <li>- <i>The JS does not</i></li> </ul>	- <i>n.a.</i>

<b>outputs and will not jeopardize the successful completion of the project</b>	<i>object/objects to the modification.</i>	
<b>Administrative changes</b>	<i>- Notification to the MA with copy to JS.</i>	<i>- n.a.</i>

## 9. MONITORING AND AUDIT OF THE PROJECT

### 9.1. Monitoring of the projects

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

### 9.2. On the spot visits

In order to assess progress in implementation of activities, their impact, quality and compliance with prescribed rules and procedures (including the expenditures) the JS will perform to the project **at least an initial online/physical meeting, on-the-spot visit (final) during its implementation period and an ex-post visit** during its sustainability period. In cases of serious problems occurred during the project implementation, or in case the subsidy contract envisages construction activities, **ad hoc visits** may also be performed by experts of the MA, NA and the JS.

Monitoring visits can take place either at the premises of the LP/PP, or at the investment site. Depending on the type of project activities, the JS may initiate an online monitoring visit or an on-the-spot visit. When carrying an online monitoring visit, the Beneficiaries must fill and sign *Declaration for virtual visits* (Annex 4)

According to the specific circumstances the JS/MA may formally inform the Beneficiary, by letter in appropriate term, for the upcoming monitoring visit in order to ensure his presence and assistance. In some cases, the monitoring visit may be carried out ad-hoc without prior notification.

During the visits two main instruments of monitoring are always applied – documentation check

and interviews with a focus on the progress of the activities, their timely implementation and the related spent and validated costs, achievement of project objectives as compared to the activities approved within the Subsidy contract, management and communication of the project, potential risks, problems, delays and their possible solutions.

During the monitoring visit a comparison must be made, based on the following issues (which are not limited):

In case of investment activities carried out:

- Description (location) of the object, scope of the constructed/reconstructed facilities, number of rooms/premises and surrounding places renovated; maintenance of the executed construction objects, etc.;
- Verification of the executed construction works for compliance with the approved drawings and related technical documentation;
- Verification if the constructed/reconstructed facilities are being used for the purposes of the project as it has been described in the Application form of the contract;
- Description of the office and other equipment purchased under the project; check if the equipment is used for the purposes of the project as it has been described in the Application form of the contract;
- Description of the trade mark, model, registration number, serial number of the electronic equipment purchased;
- Verification of all original documentation related to the project implementation;
- Verification of the availability and maintenance of information labels/boards/plaques/signs (if applicable), operational web site/s and any other publicity and visibility products and facilities.

For “soft” activities:

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



Verification of all original documentation related to the project implementation.

The minimum set of documentation for different types of activities to be checked includes:

Type of activities	Sources of verification
<b>Service activities</b>	Service contract and its annexes, correspondence, reports/deliverables, publications, invitations, agenda, list of participants, minutes of meeting/s. In addition, for 'training' services - contracts with trainers (if applicable), training programme, attendance lists (for each day of training), training materials/presentations, questionnaires to the participants, issued certificates (if applicable), photos. Acceptance and payment documentation.
<b>Supply activities</b>	Supply contract and its annexes, correspondence, delivery and acceptance protocols, certificates of origin, guarantee cards, publicity measures, photos of the equipment delivered, inventory lists (if applicable), payment documentation.
<b>Works activities</b>	Works contract and its annexes, correspondence, protocols for works completed, copy of the supervision report, copy of the required protocols in construction, permission/certification for right of use, other permits, Environmental Impact Assessment (if applicable), publicity measures, photos, payment documentation.

<b>NB!</b>	<b>For all main project events (press conferences, seminars, exhibitions, concerts, official opening of constructed/renovated sites, commencement of a site, etc.) the beneficiaries should invite JS to participate in the project implementation phases as an observer - in writing 10 days before the events.</b>
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During a monitoring visit, the JS expert shall prepare a monitoring visit report, where the findings from the checks in the relevant sections shall be recorded and recommendations could be given.

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It shall be signed by all participating PPs and each should receive a copy of it. The Beneficiary/ies should fulfil the recommendations within the given deadline.

### **Ad hoc visits**

These visits shall be performed in cases of serious problems occurred during the project implementation or performed risk assessment. They require detailed analysis of the situation and proposing of adequate corrective measures to be undertaken. The ad hoc visits shall be performed by the JS/MA/NA, in order to check:

- actual progress of the project related to the implementation of the activities and their compliance with the provisions under subsidy contract, programme rules and terms and conditions set out in the Application form (in case of unclear or misleading reporting);
- physical check of the investment activities and services provided, relevant documents, certificates, etc.

### **Final visit**

The final visit aims to verify the actual state of the project results as compared to the activities approved within the Subsidy contract. The following checks shall be made during the final visit:

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

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

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

The ex-post control includes documentary, online check and on the spot check of project results, including:

- online check if all project deliverables/intellectual products are available for the general public;
- online check of the availability and maintenance of information, services, operational web-sites and other publicity and visibility products.
- check of the location of the object/investment, scope of the constructed/reconstructed facilities, number of rooms/premises and surrounding places renovated, maintenance of the executed construction objects;
- check of the trade mark, model, registration number, serial number of the electronic equipment purchased;
- check of the condition of the equipment and if it is used for the purposes of the project, as described in the subsidy contract;
- check of the availability and maintenance of information labels/boards/plaques/signs (if applicable), operational web-sites and any other publicity and visibility products, and facilities;
- confirmation that all original documents related to the project implementation are kept.

#### **Audit of the project**

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



## 10.1 Introduction

This section has been developed with the purpose of clarifying and streamlining the requirements in the field of information and publicity, which need to be fulfilled by the project partners during the implementation stage of the Strategic Importance Project in the 2021 – 2027 programming period so it can achieve its main goals and ultimately inform the general public in all the partner regions of the Programme's achievements. The obligations of beneficiaries regarding information and communication measures for the public are included in art. 36 of the Interreg Regulation (EU) 2021/1059:

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1059&from=EN>

In order to complement and strengthen the measures set up in the programme Communication Strategy, an important role will be played by the projects themselves. Communication activities are an important and integral part of the project implementation, and thus require a good planning in order to correctly link the project communication objectives to the specific project objectives. The rules and recommendations included in this Chapter aim to help the project to implement its communication activities successfully.

The specific role of the project communication activities is raising awareness about the social importance of the project and dissemination of its results, while underlining the financial support from EU Funds. In other words, it is necessary that a project and its results are appropriately advertised to the public while underlining the fact that the project has been financially supported by the EU through the Programme. In order to achieve the best project visibility results the Beneficiaries must develop a Project Communication Strategy (Annex 14), where they should describe what kind of communication activities and instruments will be used, how their target groups will be involved in preparing, piloting and evaluating the solutions and how they will be encouraged to use these solutions in their daily work.

The following general notions are reflected in this section's provisions:

➤ ***Shared responsibility***

The responsibility for Programme information and publicity actions is shared by the Programme management bodies (which ensure the general communication at Programme level) and the

Beneficiaries (project partners), who are responsible for promoting and disseminating the project results. As a general principle the Managing Authority (MA), the Joint Secretariat (JS), being supported by the National Authority (NA) are responsible for delivering information and publicity at programme level, as project partners are responsible at project level.

All project partners must be involved in communicating and disseminating the project results.

➤ **Visibility**

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

The project partners have the following duties in details:

- Providing on their official website/social media sites, a short description of the project with aims, results, and emphasis on the EU financial support;
- Providing a co-financing statement on documents and communication materials;
- Displaying durable plaques or billboards clearly visible to the public, as soon as the physical implementation of project involving physical investments starts or purchased equipment is installed;
- Organizing a communication event with the European Commission and the Managing Authority representatives.

➤ **Transparency**

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

## 10.2 Legal framework

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

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

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




### **10.3 General requirements for the information and publicity measures**

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

**All information and publicity measures aiming at the general public must include the**

1. **Programme logo** of the (INTERREG –VI A) IPA Bulgaria Türkiye Programme 2021 – 2027, which could be downloaded from [here](https://ipa-bgtr.mrrb.bg/en/node/107): <https://ipa-bgtr.mrrb.bg/en/node/107>

Each project partner has the responsibility to make the general public aware of the project impact

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and to promote the financial contribution from the EU.

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

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




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

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

➤ **The Programme logo**

The INTERREG IPA Bulgaria – Türkiye Programme 2021 – 2027 refers to financing from both ERDF and IPA funds and the new universal brand for Interreg programmes. For the 2021-2027 programming period the branding also includes Interreg IPA and NEXT programs. It highlights the

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unique spatial cross-border transnational and interregional nature of the projects and programs. The harmonised Interreg brand helps providing greater visibility for Interreg at all levels and towards the widest audience.

The three basic elements of the brand are as follows:

1. The name of the programme;
2. The EU emblem;
3. The statement,

The brand is surrounded by a clear space area that defines the minimum distance to other elements such as other logos, pictures, texts or any other design elements. The elements of the brand represent a unit which is defined as unvariable.




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



Project partners are advised to always use the digital brand files available on the Programme's website for downloading here: <https://ipa-bgtr.mrrb.bg/en/taxonomy/term/22> and to not recreate or modify the brand in any way.

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



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Minimum width: 38.1 mm

In order to be further familiarised with the requirements and technical specification of the practical use of the brand, please check the following document here: <https://www.interact-eu.net/library/interreg-brand-design-manual-2021-2027/pageflip>.

#### **10.4 Implementation of information and publicity activities**

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

**Digital** communication channels and instruments:

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

**Standard** communication channels and instruments:




- Photos;
- PR activities - press releases, publications, interviews, communication strategy;
- Information plates with the obligatory visibility elements at the building entrance of the applicant, flying the EU flag, banners/posters on public events;
- Promotional materials – banners, small gifts, gadgets.

Public events:

- Awareness campaign, meetings, workshops, conferences, seminars, trainings, press events.

**NB!**

**According to the provisions of Article 36, Regulation (EU) 2021/1059, the**

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**following specific visibility actions are mandatory:**




**Each project partner must envisage the purchase of durable plaques or billboards signalling the investment activities to the public. These must be in place at the start of the physical implementation of a pilot involving investment, the purchase of equipment, or the installation of equipment.**

**The partners must plan and organize a communication event with the European Commission and the Managing Authority/Joint Secretariat representatives during the lifespan of the project.**

**It is strongly advisable that the beneficiaries keep a comprehensive photo archive of all project activities, especially public information and publicity activities. Regarding the photos from public events, project activities, already installed project equipment, the partners should fulfill the following requirements:**

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

➤ **Project Communication Strategy**

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The Project Communication Strategy (Annex 14) should be an integral part of the projects' development and implementation, setting in details the provisions for promotion of the project by all project partners, in relation to all project activities and prepared at the beginning of the project implementation cycle.

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

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

1. Overall communication objectives.
2. Target groups.
3. Specific objectives for each target group, related to the action's objectives and the phases of the project cycle:
  - Ensuring that the beneficiary population is aware of the role of the partners and of the EU financial support;
  - Raising public awareness about specific need/s, issue/s, impact/s.
4. Main communication activities that will be taken during the period:
  - The nature of the activities;
  - The responsibilities for delivering the activities.
5. Communication tools chosen (to be included details of advantages of particular tools in the local context).
6. Completion of the communication objectives (to be included indicators of achievement for the different tools proposed consistent with those set out in the logical framework for the action).






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7. Provisions for feedback (to be given details of assessment forms or other means used to get feedback on the activity from participants, when applicable).
8. Human Resources:
  - Person/days required to implement the activities;
  - Members of the team responsible for implementing the activities.
9. Financial resources (to be given a budget for implementing the communication activities in absolute figures and as a percentage of the overall budget for the action).

➤ **Promotional materials**

General rules and recommendations for project partners:

- Use the Programme logo on all produced promotional materials - publications and other printed materials such as newsletters, brochures, leaflets, press releases, advertisements, studies, researches, surveys, posters, banners, display panels, information boards, t-shirts, bags, pens, USBs, keychains, notepads, bookmarks, badges, as well as on audio-visual materials such as videos and audios, on vehicles, supplies and equipment, on websites, social media channels, etc. any other types;
- Use the vector format images of the Programme logo for professional design purposes without making any changes.
- Use local language whenever possible or produce bi-lingual promotional materials on both languages Bulgarian and Turkish;
- Use the local language of the participants for all communication activities towards the public and the target groups;
- Use these typefaces - Calibri, Arial or Times New Roman. Preferably use one typeface per publication;
- Use good standard of paper quality for bags (150 gsm or better);
- Use engraving as a more permanent method for branding small promotional materials;
- Illustrate your materials with high quality photos suitable for promotional purposes;
- Use environmentally-friendly materials;

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- Consult the Communication Officer for any questions concerning the communication and visibility issues, including the design of promotional materials.

## 11. PROJECT CLOSURE

The project closing process starts with submission of the Final PPR and the Final Request for Payment. The LP has to include all expenditures related to the last reporting period, and if relevant the expenditure of the project partners not submitted in the previous reporting periods.

**NB!**

**In case of final payment, the expenditures are eligible if they are carried out during the respective reporting period and are paid no later than 45 calendar days after the end date of the implementation period of the operation. Expenditures which are not carried out during the respective reporting period could be eligible if a necessary justification is provided.**

While project closing, the JS conducts Final on-the-spot visit to the project, approves the Final PPR and checks if all the activities are fulfilled according to the approved Application Form, and all the requirements arising of the Subsidy Contract (e.g. the project has been fully implemented by implementing the work packages, carrying out the planned activities, achieving the planned outputs and results, and the project is realized in due time, etc.)

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

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

### 11.1 Retention of project documents

**NB!**




The LP and all partners are obliged to retain for audit purposes all files, documents and data about the project for a period of 5 (five) years after the date of the notification by the MA for verified amounts under the request for final payment.

The following documents have to be retained as the project's audit trail:

No.	Document	Lead Partner	Project Partner
1.	<i>Approved Application Form</i>	<i>original</i>	<i>copy</i>
2.	<i>Partnership Agreement (and its amendments)</i>	<i>original</i>	<i>original</i>
3.	<i>Subsidy Contract</i>	<i>original</i>	<i>Not relevant</i>
4.	<i>Amendments of the Subsidy Contract</i>	<i>original</i>	<i>only if relevant</i>
5.	<i>Project Progress Reports</i>	<i>original / only electronic version</i>	<i>Not relevant</i>
	<i>Partner reports</i>	<i>Only electronic version</i>	<i>Only electronic version</i>
6.	<i>Request for Payment</i>	<i>original</i>	<i>Not relevant</i>
7.	<i>Control Certificates</i>	<i>original</i>	<i>original</i>
8.	<i>Each invoice and accounting document of probative value related to project expenditure (originals to be retained at the premises of the project partner)</i>	<i>only the LP's invoices in original</i>	<i>only PP's invoices in original</i>

No.	Document	Lead Partner	Project Partner
	<i>concerned)</i>		
<b>9.</b>	<i>All supporting documents related to project expenditure (e.g. bank statements, public procurement documents, etc.) to be retained at the premises of the project partner concerned</i>	<i>only the supporting documents of the LP in original</i>	<i>only the supporting documents of the PP in original</i>
<b>10.</b>	<i>All project deliverables (materials produced during the project period)</i>	<i>only the project deliverables of the LP in original</i>	<i>only the project deliverables of the PP in original</i>
<b>11.</b>	<i>If relevant, documentation related to on-the-spot checks of the controllers (to be retained at the premises of the project partner concerned)</i>	<i>only LP's on the spot check documentation in original</i>	<i>only PP's on the spot check documentation in original</i>
<b>12.</b>	<i>If relevant, documentation of monitoring visits of the JS</i>	<i>only LP's on-the-spot check documentation in original</i>	<i>only PP's on-the-spot check documentation in original</i>
<b>13.</b>	<i>If relevant, audit reports</i>	<i>All audit reports, LP audit report in original, all other reports - as a copy.</i>	<i>Not relevant</i>
<b>14.</b>	<i>Other official correspondence</i>	<i>original</i>	<i>only if relevant</i>

## 11.2 Sustainability of the project

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

The JS confirms the fulfillment of the requirement for ensuring of sustainability of the operation results by the Beneficiaries by conducting an on-the-spot ex-post visit.

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

- Check of the availability of project results (documentary and online checks for their usage after the implementation of the project);
- Check of the project reports and archive (check whether the project documentation is kept in archive premises/storage and contains all relevant documents, providing continuous and coherent project history and keeping audit trail);
- Check of the use of investments (check whether the assets/supplies/equipment are available and are used in accordance with the Subsidy contract conditions.);
- Check of documents showing how the sustainability of the project is ensured (i.e. protocols between institutions or official letters of related institution stating commitments to ensure security, provide maintenance and repair, and to be actively operated, etc.);
- Other checks (check for the overall sustainability of the project and whether the project partners realize common initiatives, including preparation and implementation of common projects or joint participation in events; check for the compliance with the Programme Visibilities rules.

Without prejudicing the right of MA to act accordingly if lack of sustainability of results achieved and/or assets gained are detected by a competent authority, in a time following completion of the action, but not later than 5 (five) years of its ending, MA may request partial or full recovery of the amount granted, based on the damages and omissions occurred.

### **11.3 Ownership of project results**

Title, industrial, and intellectual property rights in the outputs of the project and the reports and




other documents relating to it shall be ownership of the LP and PPs.

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

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

## List of Annexes:

Annex 1	Financial Identification Form
Annex 2	Project Procurement Plan
Annex 2.1	Declaration Project Procurement plan
Annex 3	Project Progress Report
Annex 3.1	Final Project Summary
Annex 4	Declaration for virtual visit
Annex 5	Request for National Control
Annex 5.1	A reference for similar activities
Annex 5.2	National control designation certificate (only for Turkish controllers)
Annex 6	Request for payment
Annex 7	Appeal Declaration
Annex 8	Request for contract modification
Annex 8.1	Budget modification table
Annex 9	Compatibility check sheet of the project with the Strategic Environmental Assessment
Annex 10	Declaration of conflict of interests check

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Annex 11	Declaration on VAT status
Annex 12	Declaration for lack of double funding and revenue of the project
Annex 13	Declaration for the absence of the circumstances under Art. 5k of Council Regulation (EU) No. 2022/576 of April 8, 2022 amending Regulation (EU) No. 833/2014
Annex 14	Communication strategy
Annex 15	Annex II of the Financing Agreement between the EC and Türkiye regarding Public Procurement.
Annex 16	Procurement Guidelines for the Turkish beneficiaries including annexes