Template for Final Strategic Report

EEA and Norwegian Financial Mechanisms 2009-2014

*According to Article 2.2 of the Regulations on the implementation of the EEA and/or Norwegian Financial Mechanisms 2009-2014, the National Focal Point shall submit to the FMC a final strategic report.*

## EXECUTIVE SUMMARY

*This section shall provide a concise and clear summary of the report.*

With the support of the EEA Financial Mechanism and the Norwegian Financial Mechanism (EEA and Norway Grants) implemented and successfully completed in Bulgaria were 15 programmes and a Technical Assistance and Bilateral Cooperation at National Level project. The total budget granted to the country as per the signed Memoranda of Understanding amounted to 126,6 mln. EUR that was complemented by a national co-financing at the amount of 15,6 mln EUR.

Five of the programmes were completed within the eligibility deadline set in the Regulations – 30 April 2016, while 10 programmes were granted 12 months exceptional extension until 30 April 2017. Second extra exceptional extension until 31 December 2017 was granted by the FMC at the request of the national Authorities for the completion of 3 very important projects that at 30 April 2017 were subject to complaint procedures. All three projects were completed successfully. Only one project could not be finalised due to filed complaints in the process of public consultations.

In total 728 individual projects, 156 mobilities and 135 scholarships were implemented that contributed to reducing the social and economic disparities and strengthening of the bilateral relations with the Donor States in the following priority areas: environment, energy, cultural heritage, justice and home affairs, green innovations, NGO Fund and Scholarship Fund. 199 of the projects and bilateral initiatives were implemented in partnership with Donor States.

The following main results were achieved: mapping of all ecosystem services out of Natura 2000 network; protective measures against invasive alien species, increasing the awareness of the importance of preserving the biodiversity, an integrated management of the water resources and annual monitoring of marine waters, decrease of CO2 emissions by 71 809 t/CO2 and increase of the use of renewable energy; to promoting active citizenship involvement in initiatives that support sustainable development, democracy and human rights; improved well-being of children and young people at risk by supporting successful initiatives for early child education and integration in kinder gardens, establishment of a cooperation model between teachers, educational mediators and families and by establishing of Youth centers; improved public health and reducing health inequalities by ensuring increased quality of prenatal diagnosis and neonatal care, high-quality medical and psychological rehabilitation and training of specialists and families in the implementation of modern methods of treatment and rehabilitation of children with mental, genetic and oncohematological diseases; restoration and conservation of sites of cultural heritage and provision of public access to them; increased public attention and public sensitivity in the field of domestic and gender-based violence; strengthened capacity of Bulgarian structures in the Home Affairs sector to implement policies and measures for prevention and combatting organised crime, incl. trafficking of human beings; improved access to justice, including for the vulnerable groups (e.g. victims, minors, minorities), improved efficiency of the court systems and increased competence within judiciary mainly in the field of human rights and reconstruction of 10 prison buildings and facilities in line with international standards.

During the whole period of implementation 41 calls for proposals were launched with a total number of 2813 project applications submitted and 749 projects contracted at the total amount of 74 994 172 EUR.

By the cut-off date of this report the overall financial implementation is as follows:

* Committed amount – 116,042,358 EUR;
* Disbursed amount – 107,954,885 EUR (93%);
* Incurred amount - 96,754,217 EUR (83% of the committed and 89% of the disbursed funds).

In total, the absorption rate at national level after the final date for implementation of the Technical Assistance Fund is expected to be above 85%. Five of the programmes achieved very high absorption rate above 90% (BG 04, BG 05, BG 06, BG 11 and BG 15).

The context of implementation of the programmes in the period 2012 – 2017 was characterised by:

Economic situation characterised by moderate stable positive trends – above 3% annual GDP growth as GDP grew from 78 089 mln. BGN (39 926 mln. EUR) in 2012 to 98 631 mln. BGN (50,4 bln. EUR) in 2017 representing an increase with 26%; decrease of unemployment from 12,3% in 2012 to 5,7% in 2017; FDI made in enterprises from the non-financial sector was maintained after the strong decline experienced in the post-crisis period – FDI in 2012 amounted to 21 623 EUR in 2017 against 21 623 mln.

* Unstable political situation with changes of 6 Governments, related changes in the top management and institutional restructuring in the PO institutions – this required substantial efforts for overall coordination in order to secure continuity and preservation of institutional capacity and memory. In spite of that there was a continued relevance of the selected interventions;
* Institutional restructuring among national structures in charge of management of the grants - a new management structure of the NFP was established during the last two years of implementation as a result of restructuring and merging of the 3 Directorates subordinate to the Prime Minister for EU Funds Management and Economic Policy into a new directorate “Central Coordination Unit”; restructuring and re-distribution of responsiobilities within the structure of the Certifying Authority in the beginning of 2018.

The main challenges and risks that had to be continuously monitored and mitigated during the implementation of the Grants were related to the high number of public procurement procedures, the smooth payment flow, the availability of adequate administrative and expert capacity at all levels in view of the high intensity of tasks performed by POs. Risk mitigation measures were coordinated between POs, NFP and FMO.

For the whole implementation period the CA has certified 182 reports incl. 171 Interim Financial reports and 11 Final Balance Reports and made payments on that basis amounting to 87,9 mln. EUR.

The Audit Authority carried out audit checks and issued audit reports from audit of operations for costs certified in 2013, 2014, 2015 and 2016 as well as performed system audits of all POS, incl. the NFP in its capacity of being responsible for the management of project BG 01.

In line with its information and publicity plan the NFP published a brochure dedicated to the 10th Anniversary of implementation of the Grants in Bulgaria, organised an exhibition demonstrating the main results acxhieved under all programmes and held a formal national event celebrating the 10th Anniversary. Closing events and a variety of information and publicity events were organised under all programmes.

Roma concerns – commitments under all relevant programs identified in the Working Paper at the total amount of 27 779 697 Euro or 21,94% of the total allocation contributed to improving the condition of the Roma population in Bulgaria

Bilateral relations were strengthened under all programmes as well as beyond the programme areas approved for Bulgaria through supporting initiatives of project promoters, of other stakeholders, under the priorities identified at national level, between Programme Operators and DPPs, between national authorities of Bulgaria and other beneficiary states;

Throughout the implementation period the Bulgarian authorities received the full support and assistance of the donors and the FMO on a day-to-day basis concerning management and operational issues. This support and first hand advice was of crucial importance for the successful overcoming of the most critical issues that put at risk attainment of all programmes’outcomes and objectives,

## ASSESSMENT OF THE EFFECT OF THE GRANTS

*Asses the effect of the Grants in relation to the overall objectives of economic and social development and strengthening of bilateral cooperation.*

* 1. Cohesion

During 2017 - the last year of implementation of the EEA and Norway grants 2009 - 2014 the overall macroeconomic environment was characterised by strengthening of the world economy after a long period of stagnation. In 2017, global economic growth approached 3 % — the highest rate since 2011.

For the period of actual implementation of the EEA and Norway Grants 2009 - 2014 Bulgaria witnessed a process of stable although moderate upward trend of economic and social development. The main development indicators showed that a nominal and real convergance to the more advanced European economies wаs taking place. With regard to macro-economic indicators the effect of the Grants shall be perceived in their contribution to the overall effect of donor funding incl. EU funds and bilateral cooperation programmes. In the context of a multi-challanging political situation this positive trend showed a better perspective for the country to tackle longer-term issues related to the economic, social and environmental dimensions of sustainable development.

If we take a look at the macroeconomic data in the beginning (2012) and towards the end of the implementation period (2017) the following changes could be observed:

*GDP -* in 2017 Bulgaria achieved a GDP growth of 3,6% against an EU-28 average of 2.5% as the country ranks 12th in GDP growth among EU member states. GDP growth was mainly driven by strong domestic demand with high level of private consumption and increasing public consumption. Real GDP growth is projected to reach 3.8% in 2018 and 3.7% in 2019. For the period 2012 – 2017 GDP grew from 78 089 mln. BGN (39 926 mln. EUR) to 98 631 mln. BGN (50,4 bln. EUR) representing an increase with 26%. For the same period the GDP per capita grew from 10 689 BGN (5465 EUR) to 13 884 BGN (7099 Euro) for 2017

*Employment -* Unemployment rate in 2012 was 12.3% compared to 5.6% in the pre-crisis 2008. In 2017 unemployment rate was 5.7% - the lowest for a nine-year period. Employment growth is expected to slow down in 2018 and 2019 due to labour supply limits. The unemployment rate is forecast to continue falling to 5.5% in 2018 and 5.3% in 2019. Particularly important is the structure of unemployment by age and level of education as it shows where the greatest share of unemployed people is and what policies should be developed and put in place to address the problem:

* The highest unemployment rate by age (11.8%) concerns people from 15 to 24 years old;
* The highest unemployment rate by level of education concerns people that have graduated 8th grade (15%) and people with a 4th grade or less (31%).

*Foreign Direct Investment (FDI)* - FDI in 2017 amounted to 901.9 mln. EUR, that represents an increase with 36.7% compared to 2016 as more than half of that amount was used for expanding the activities of foreign companies already established in Bulgaria. However the investments made in enterprises from the non-financial sector remain at the average post-crisi level and amount to 23,508 mln. EUR. In 2012 FDI made to enterprises from the non-financial sector amounted to **21 623 mln. EUR**. This shows that comparable level of FDI is maintained after the strong decline experienced in the post-crisis period. Private investment growth is expected to remain strong but the main driver of investment growth in 2018 is expected to be the capital expenditure of the government due to the accelerated spending of EU funds 2014-2020..

*Export/Import -* Export amounted to more than 52 billion BGN, representing an increase of 10.7% compared with 2016. However, the total foreign trade balance in 2017 was negative with import exceeding export with more than 6 billion BGN. Within the next 2 years strong domestic demand and rising energy prices are expected to keep Bulgaria’s demand for imports above the demand for its exports.

*Inflation -* after a long period of deflataion the strong private demand increased and the annual HICP inflation reached 1.2% in 2017. Over the next two years, inflation is expected to rise further due to increasing purchasing power of households, rising administrative prices and higher energy prices than last year. Inflation is forecast to increase to 1.8% in 2018 and remain at the same level in 2019.

*Current account surplus -* Bulgaria’s current account surplus declined to 3.0% of GDP in 2017, as import growth outweighed export growth. Further reduction is expected to 1.4% and 0.8% of GDP in 2018 and 2019 respectively as a result of the expected negative trade balance..

Public finances remain sound In 2017, the general government surplus widened further to 0.9% of GDP, mainly due to significantly lower-than-planned public investment. A fiscal surplus of 0.6% of GDP is expected in both 2018 and 2019. The general government debt declined to 25.4% of GDP in 2017.

*Regional imbalances -* Persistent regional imbalances continue to deepen inspite of the overall poisitive environment and upward economic development trends. This could be easily noticed at the labour market where the distribution of demand is strongly uneven – about 70% of all newly created job places in 2017 are concentrated in Sofia (city and municipality), Plovdiv and Stara Zagora. The strongest economically active regions and municipalities continue to be located in Southern Bulgaria, the only exception being the North-Eastern part of the country. The Southern regions develop closer cooperation links and establish an enabling environment for further development while business in the Northern regions work in a more closed and isolated environment.

Further decrease of unemployment could be seriously hampered by the unavailability of people seeking and willing to find jobs. This process shall largely depend on the profile of economically inactive people – their qualifications, attitudes but also on the ability of businesses to provide adequate conditions, incl. on-the-job training and qualification, flexible working time, etc.

Overcoming the significant regional imbalances in the next few years will be one of the most crucial challenges that policy makers and business have to face and tackle jointly. The support provided from EU funded programmes and bilateral cooperation programmes has been and will continue to be extremely helpful both in terms of financial assistance and of models and instruments to be implemented.

An overview of the above data - their qualitative dimension, inter-relation and trends show a mixed picture of strengths, weaknesses and opportunities. There is an evident strong dependence of public investments on EU and other donors funding that on one hand makes the effects of the funding more clearly visible, but on the other hand does not contribute much to the development of a culture of viable public and private investments.

While under the EU Structural and Cohesion Funds the more strategic investments have produced definite long-term impact, the impact of the EEA and Norway grants implemented in the period 2009 – 2014 has a short- to medium-term effect on sectors that are under financed, in areas that could not undergo progress or reforms with conventional tools and need innovative pilot models and approaches, especially in more disadvantaged regions.

The implementation of the EEA and Norway grants contributed to the achievement of the cohesion objective for reducing economic and social disparities in Bulgaria by drawing the country closer to the standards of European policies and practices on social and human development, environmental management and protection, performance of the judiciary and home affairs sectors and building of strong cooperation mechanisms at European level, preservation and promotion of cultural heritage, as well as in the field of fostering competitiveness and economic development through technological innovations, strengthened institutional capacities at national and local level for better public finance and public services management.

The interventions had direct and immediate effect on target groups as well as undisputable long-term economic benefit within the programme areas that could be summarised, as follows:

* In the environmental field - enhanced ecological status in line with acting directives and with the anticipation of society for a cleaner environment through the combination of measures that promote energy efficiency and low carbon economy, integrated management of the ecological status of ecosystems through their mapping, monitoring, development of management plans, awareness building, etc.;
* In the field of human and social development and institutional capacity building – by establishing enhanced inclusive social environment addressing the challenges to early education, integration of young people at risk, improving the capacity, accessibility and quality of public healthcare services with a particular focus on the most vulnerable groups – babies, people with physical and mental disabilities, Roma population;
* In the field of law making and enforcement Enhanced environment in the law making and enforcement field – through promoting higher quality standards of the judiciary, of human rights protection, fight against terrorism and other forms of violating or threatening citizens’rights,
* In the field of cultural heritage – by promoting diversity of culture and creating conditions for wider popularisation of cultural heritage.

These are all fields that have direct relation to the obligations of the country with regard to legislation and policies. But most importantly they affect directly each and every citizen in his every day life and in his perception of the perspectives for having beneficial environment and good reasons to stay, work and get involved in creating prosperity in his own country,

## Bilateral relations

Give a summary and analysis of how and to what extent the Grants contributed to strengthened bilateral relations in the reporting period. Describe any changes as regards visibility and image of the Donor State(s), and whether the Grants have enhanced cooperation with entities in the Donor State(s). Report on the implementation of the fund for bilateral relations at national level, as described in Article 3.5 of the Regulation.

An overview of the implementation of the Bilateral fund at national and programme level for the whole implementation period shows that implemented were 199 bilateral initiatives and projects.

179 projects with donor partner (about 20% of all projects) have been implemented during the reporting period.

Disbursed rate for the Bilateral funds at national and programme level is 74 % and Incurred rate is 48 %.

**Extent of cooperation**

Bilateral relations at national, programme and project level include study visits, conferences and other events for exchange, sharing and transfer of knowledge, experience and good practices, joint reports. The results of the projects have been duly disseminated by the parties. Implemented initiatives had focus in different issues of common interest. Bilateral cooperation created a fundamental basis for further activities linking science, policy and socio-economy through interdisciplinary approach. Results will be used by the local government structures for development of tools to support sustainable development.

**Wider effects**

For example, the exhibition “Legends in Gold. Thracian Treasures from Bulgaria” contributed to the development of cultural tourism in Bulgaria and improved the general knowledge of the Norwegian society in general about the Bulgarian history and culture. The development of cultural tourism has a positive effect on the economic development of the regions and the reduction of unemployment. It should be noted that cultural sites in Bulgaria are in less developed regions and the development of new tourism opportunities leads to a reduction of economic and social disparities.

Bilateral cooperation within the project TUNESinURB under BG 03 resulted in the first national assessment and mapping of ecosystem services, provided by urban ecosystems. Maps for the capacity of urban ecosystem services and the GIS-based demo version are practical tool in supporting decision-makers and urban planners in their work.

One of the projects under BG 05 addressed the issue of e-democracy. With the help of experts from Iceland the initiative provided guidance for the development of e-democracy in Bulgaria, an area in which the country has been lagging behind. As a result of the project the Green Paper for the development of E-Democracy in Bulgaria was developed for the first time in the country. A collection of articles on E-democracy from Bulgarian and foreign authors was published and thanks to the participation of Icelandic experts in the project it reached better visibility. The project improved the Bulgarian-Icelandic relations at government and civil experts’ level and a model of a National E-Civil Initiative was developed and proposed to the Bulgarian policy-makers.

Within the same programme experts from Norway helped to be set up a social enterprise in the town of Sopot to provide employment in a specialized working environment for 25 people with disabilities and in an ordinary working environment to six more people from the municipalities of Sopot and Karlovo. The social enterprise continues to work after the project end. It is used by the Social Service Centre in Sopot and is financed from the municipal budget and donations.

**Shared results**

The possibility to take part in various seminars and trainings helped the project promoters and the representatives of the target groups to develop their skills and competences, and created conditions for establishing and developing partnerships with entities from the donor states.

The contribution from the Norwegian partners through transfer on knowledge and competence has been very much appreciated both by the Bulgarian promoters and by the local communities. Many good examples of successful partnerships could be given.

The Icelandic model for reversing teenage substance abuse was replicated in Bulgaria through the Bilateral Fund at national level. Following a joint study of the problem of drug usage among youth in Smolyan region, the Icelandic experts have drawn up an action plan and provided the Regional Health Inspectorate with tools which have proven to be useful in Iceland when combating drugs and when educating youth about the harm of substance usage.

On the Green Bootcamp, organized in the framework of the predefined project under BG 10 the start-ups had the opportunity to strengthen their knowledge on pitching, finding and attracting investors and funding, marketing & sales and branding positioning. In addition, six of the companies received individual coaching with consultants from the respective economic sector or having the expertise on business modelling. The teams gained extremely valuable, hand-on knowledge and expertise on how to solve problems and challenges, how to grow their business more efficiently and be more sustainable and competitive. All participants in the training and the mentoring programme reported that they have acquired new knowledge that helped them assess, from a different angle, the possibilities for doing business and that they now feel well prepared to start green business initiatives. A good example can be given with one of the participant (Sea Harmony Ltd.) that participated in different competitions for start-ups and international events and had the opportunity to introduce its innovative green production technology related to horizontal mussels’ farms.

**Improved knowledge and mutual understanding**

The knowledge sharing under BG 07 was related, for example, to the exchange of information on planning health care in crisis situations such as terrorist acts, natural disasters and industrial accidents. The experience was shared between medical specialists from the mountain region of Smolyan in Bulgaria, the Regional council for medical insurance in case of disasters, accidents and crises and the Norway organization “Culture breaks borders”. A significant transfer of Norwegian know-how and practical experience in terms of practical approaches for work in schools, training volunteers and best practices in consulting people with eating disorders was also carried out within BG 07.

The main purpose of the partnership among UNICEF Bulgaria, the National Committee for UNICEF in Norway and the National Ombudsperson in Bulgaria, established with the support, provided by the Bilateral Fund at national level, is to protect children’s rights with a focus on: ensuring children’s access to justice; developing and strengthening the capacity of the Ombudswoman’s administration to exercise independent monitoring on how children’s rights are respected in Bulgaria; raising the awareness and sensitizing the Bulgarian public on knowledge, respect and adherence to the rights of children. Norway was the first country in the world which established the institution of the Children’s Ombudsman – back in 1981. Ever since, it has reaffirmed itself as a role-model for independent monitoring and promotion of child rights, and a good platform for child participation. The Bulgarian Ombudsperson awarded the first children-ambassadors, who will be responsible for promoting the role of the institution and for helping their peers to recognize the Ombudsman not only as a defender of children's rights and interests but also as their ally and friend.

In the framework of BG 06 the project partners had a crucial role in the development of an understanding about the youth participation and inclusion in the social and political processes of the community in the Donor state. There were youth exchanges between young people from Norway and Bulgaria implemented aiming at mutual understanding of the cultural reality in both countries and know-how transfer in the field of active citizenship and volunteer actions.

The bilateral relations have led to a higher level of pedagogical competencies for working in a multicultural environment, Innovative teaching practices and innovative pre-school methods developed as result of exchanges of experience and good practices.

In order to facilitate partnerships some of the POs established contacts data bases of Bulgarian entities and entities from the donor states, others use membership in organizations such as the Norwegian-Bulgarian Business Group to provide contacts of interested parties and to promote the programmes and the opportunities for joint initiatives and cooperation.

The exchange of knowledge, experience and good practices between the Bulgarian entities and the entities from the donor states was further facilitated by the bilateral workshops organized by the NFP and the POs. These thematic events were very successful and demonstrated that this format for encouraging and supporting networking, ideas sharing and project planning is effective. The interest shown in the events was high and as a result new partnership ideas appeared even between organisations which had not known each other before the seminars.

Bilateral relations have enabled decision-makers and community stakeholders to share experiences, lessons learned and good practices, as well as the establishment of long-term cooperation between government institutions, experts and local governments. The joint conferences, seminars, workshops and study tours served as meeting points for the two countries involved. Even new policies were developed – a proposal for legislative amendment as regards Roma settlements was drafted under BG 14.

The cooperation with international organizations, such as the Council of Europe (CoE) helped the better realization of project activities, particularly those related to: coordination of events in other European countries and participation of experts from other EU countries; elaboration of gap analysis, preparation of recommendations for the improvement of the legal basis and legal experts’ training.

The Council of Europe in its capacity of both DPP and project partner, has actively contributed to ensuring compliance with the international human rights standards.

CoE’s experience related to developing and implementing tools for support of vulnerable groups (including Roma) had also very good impact during the programmes’ and projects’ implementation.

With the assistance of the Council of Europe a Comparative analysis of the CE Member States and national legislation as regards e-summoning was prepared, and its goal was to identify best practices in the field of electronic summoning and e-justice in CoE and EEA member states, as well as their applicability in Bulgaria.

The added value of the cooperation with the CoE was the creation of a good basis for the establishment of a constructive and long-lasting bilateral relationship between the Project Promoters and the CoE.

## REPORTING ON PROGRAMMES

## Overview of Programme achievements

*Analyse how and to what extent the Programmes have contributed to the Programme Area and Grants’ objectives.*

All 15 programmes supported under the EEA and Norway grants for Bulgaria were successfully completed and reported achievement of planned outputs, outcomes and relevant indicators. Only one out of the 770 projects approved could not be finalised due to enormous delay in the public procurement procedure.

The Programme Areas approved for Bulgaria as per the Memoranda of Understanding for the EEA and Norway Grants cover objectives that fully correspond to national priorities and identified needs in the specific sectors. At the same time they have been selected and negotiated at the programming stage between Bulgarian authorities and donor states having two very important background considerations in mind:

* To ensure in their entirety an integrated approach to a wide range of equally important and urgent issues that have to be solved to the best of public interest
* To complement EU funds in a way that would allow to strictly avoid overlap and be targeted to areas lacking support, to fulfil national obligations and commitments related to EU acquis and that at the same time have a common European dimension and that would be recognisable.

Some of the programmes delivered outcomes and benefits that are shared and contribute to the objectives of more than one programme area. Provided below is a summary of the overall achievements of programmes implemented under the different Programme Areas. It should be noted that there are few programmes that either cover more than one PA or their achievements are relevant to more than one PA or even priority sector.

Integrated Marine and Inland Water Management

*Objective: Good environmental status in European marine and inland waters -*

With the support of programme *BG 02* Integrated Marine and Inland Water Management the requirements of the harmonised Bulgarian legislation were fulfilled, the annual monitoring of marine waters was started, accumulation of missing data and measures for assessment of marine conditions were implemented, chemical pollution of the Black Sea, the Danube river and inland freshwater basins was investigated, development or updating of river basin management plans was supported.

Biodiversity and Ecosystem Services

*Objective: Halt loss of biodiversity*

Programme BG 03 Biodiversity and Ecosystem Services contributed to halting loss of biodiversity through:

* a comprehensive mapping of all ecosystem services out of Natura 2000 network thereby ensuring that 100% of the territory of the country will be mapped and all necessary prerequisites and conditions for the assessment and valuation of ecosystem services wil be in place;
* Protective measures against invasive alien species implemented and a regional network established for exchange of information and expertise on invasive species;
* Increasing the awareness and knowledge of the wider public on the threats to and importance of preservation of biodiversity.

Energy Efficiency and Renewable Energy

*Objectives: Reduced emissions of greenhouse gases and air pollutants*

*Increased share of renewable energy in energy use*

The objectives of the two PAs were achieved by the interventions implemented under programme BG 04 that contributed to decrease CO2 emissions by 71 809 t/CO2, to increase the use of renewable energy by production of energy of 23 800 MWh/year, to improve energy efficiency in public buildings by saving 5 605 MWh/year and to increase the administrative capacity of the state and municipal authorities and institutions to plan and implement EE&RES measures through provision of trainings and counseling.

Funds for NonGovernmental Organisations

*Objective: Strengthened civil society development and enhanced contribution to social justice, democracy and sustainable development*

The BG 05 programme contributed to promoting active citizenship involvement in initiatives that support sustainable development, democracy and human rights. Important outcome represents the increased capacity for involvement of NGOs in policy and decision making process, networking and building cross-sectoral partnerships.

Children and Youth at Risk

*Objective: Improved well-being of children and young people at risk*

The programme BG 06 contributed to improved well-being of children and young people at risk by supporting successful initiatives for early child education and integration in kinder gardens, establishment of a cooperation model between teachers, educational mediators and families and by establishing of Youth centers that are equipped with all necessary facilities and capacity to provide opportunities for social inclusion, integration, acquiring of qualification, social and other necessary sli;;s by young people at risk with a focis on Roma.

Public Health Initiatives

*Objective: Improved public health and reduced health inequalities*

The programme BG 07 achieved outcomes that relate directly to improved public health and reducing health inequalities by ensuring increased quality of prenatal diagnosis and neonatal care, high-quality medical and psychological rehabilitation and training of specialists and families in the implementation of modern methods of treatment and rehabilitation of children with mental, genetic and oncohematological diseases, creation of a uniform health information system to serve the entire health system and support national policy decisions, improved access to sexual and reproductive health services for adolescents aged 10 to 19 years old with a specific focus on vulnerable groups.

Conservation and Revitalisation of Cultural and Natural Heritage

*Objective: Cultural and natural heritage for future generations safe-guarded and conserved and made publicly accessible*

The Programme BG 08 supported interventions for increasing the role of culture for sustainable economic growth through restoration and conservation of sites of cultural heritage and provision of public access to them, reconstruction of exhibition areas, fostering the application of digitalisation of cultural heritage, promoting the cultural specificities of different ethnic groups in the country in the context of innovative events attracting the audience;

Scholarships

*Objective: Enhanced human capital and knowledge base in the Beneficiary States*

The BG09 programme made a substantial impact supporting the modernisation and internationalisation of the Bulgarian higher education and research in line with the Higher Education Development Strategy 2014-2020 and promoted the bilateral and multilateral cooperation between Bulgaria, the EEA FM donor states, the other EEA FM beneficiary states and third countries which participated in BG09 projects for inter-institutional cooperation.

Green Industry Innovation

*Objective: Increased competitiveness of green enterprises, including greening of existing industries, green innovation and green entrepreneurship*

The programme BG 10 contributed largely to the promotion and awareness on greening of processese, products and technologies and the impact this could have on competitiveness of businesses and on the environment. The outcomes of the programme that contribute to the PA objectives encompass reducing wastewater and saving 100.000 cubic meter water from pollution; re-use or recycling of almost 70.000 tonnes of waste, 60.000 tons of reduced CO2 emissions, saved 12.000 megawatt hours of energy.

Capacity building and Institutional Cooperation between Beneficiary State and Norwegian Public Institutions, Local and Regional Authorities

*Objective: Strengthened institutional capacity and human resource development in public institutions, local and regional authorities in the Beneficiary States within the agreed priority sectors through cooperation and transfer of knowledge with similar institutions*

The BG 11 programme very efficiently contributed to the PA objective by supporting only two projects that strengthened institutional capacity of local authorities and their National Association for pro-active participation in the policy making process, in proposing draft lawas, new methodological tools in local governance, etc. the programme contributed to an activated cross-border institutional dialogue and exchange of experience and information.

Domestic and Gender-based Violence

*Objective: Gender-based violence prevented and tackled*

The BG 12 programme succeeded to achieve outcomes that have for the first time consistently tackled the issues of domestic violence (DV) and gender-based violence (GBV). This was achieved through increased public attention and public sensitivity, developed and proposed for discussion amendments to the legal base concerning DV and GBV, extended scope of the services provided to victims of DV and GBV and increased administrative capacity for the continued transfer of knowledge and best practices.

Schengen Cooperation and Combating Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups

*Objective: Increase citizen’s security through improvement of the efficiency of cooperation between law enforcement authorities in the Schengen Member States in fighting organised crime, including trafficking in human beings*

The BG 13 programme ensured strengthened infrastructure and capacities of Bulgarian structures in the Home Affairs sector to implement policies and measures for prevention and combatting organised crime, incl. trafficking of human beings, by at the same time abiding fully to the principles of human rights protection.

Judicial Capacity-building and Cooperation

*Objective: A fairer and more efficient judicial system*

Programme BG 14 had a substantial impact in support of the Bulgarian judicial reform according to the goals outlined in the main strategic documents at national level - the Strategy to Continue the Reform of the Judiciary in the Conditions of Bulgaria's full European Union membership (2010) and its updated version adopted in 2014. The impact could be found with regards to improved access to justice, including for the vulnerable groups (e.g. victims, minors, minorities), improved efficiency of the court systems and increased competence within judiciary with a focus on human rights protection.

Correctional Services, including Non-custodial Sanctions

*Objective: Improved correctional services system in compliance with relevant international human rights instruments*

The BG 15 programme contributed to solving key problems in the penitentiary system in Bulgaria related to treatment of prisoners in compliance with the relevant human rights standards and establishing the basis for a sustainable modernisation effect. The most tangible impact of the Programme was related to the renovation of the prison buildings and facilities and to increased application of alternatives to imprisonment, incl. pilot electronic monitoring.

* 1. **Overview of calls and financial figures**

Provide, in table form, information on the number of calls and financial figures on commitments/disbursements, per programme.

Status and results of the calls undertaken:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Programme | Number of open calls launched /completed during the reporting period | Submitted project applications | Contracts signed | Committed funds |
| BG 01 | 2 calls were completed | 14 | 10 | 289 225 |
| BG 02 | 3 calls were completed | 13 | 11 | 6 917 215 |
| BG 03 | 1 call (SGS) and 3 open calls were completed | 31 | 24 | 4 322 482 |
| BG 04 | 1 call (SGS) and 2 open calls were completed | 103 under calls 1 and 2 and 21 under the SGS | 52 | 12 619 707 |
| BG 05 | 3 calls were completed | 1 825 | 454 | 9 980 317 |
| BG 06 | 2 calls were completed | 57 | 15 | 7 655 582 |
| BG 07 | 4 calls were completed | 98 | 25 | 5 575 729 |
| BG 08 | 4 calls were completed | 372 | 32 | 12 317 426 |
| BG 09 | 6 calls were completed | 85 | 56 | 709 072 |
| BG 10 | 3 calls were completed | 110 | 32 | 11 460 767 |
| BG 11 | The programme consists of pre-defined projects | | | |
| BG 12 | 5 calls were completed | 56 | 18 | 1 831 955 |
| BG 13 | 1 call was completed | 1 | 1 | 144 682 |
| BG 14 | The programme consists of pre-defined projects | | | |
| BG 15 | 1 call was completed | 27 | 19 | 1 170 013 |

|  |  |  |  |
| --- | --- | --- | --- |
| **Programmes** | **Budget (incl. nat. co-financing )** | **Payments** | **Absorption rate (%)** |
| ***BG 01*** | 2 036 600 | 1 040 070 | 51.07 |
| ***BG 02*** | 9 411 765 | 8 287 862 | 88.06 |
| ***BG 03*** | 9 411 765 | 6 177 468 | 65.64 |
| ***BG 04*** | 15 600 288 | 14 290 498 | 91.60 |
| ***BG 05*** | 11 790 000 | 11 019 272 | 93.46 |
| ***BG 06*** | 10 153 074 | 9 367 425 | 92.26 |
| ***BG 07*** | 15 782 353 | 12 762 557 | 80.87 |
| ***BG 08*** | 16 470 588 | 12 186 653 | 73.99 |
| ***BG 09*** | 1 764 706 | 1 222 669 | 69.28 |
| ***BG 10*** | 13 699 000 | 12 185 574 | 88.95 |
| ***BG 11*** | 2 371 765 | 2 207 779 | 93.09 |
| ***BG 12*** | 2 352 941 | 1 946 422 | 82.72 |
| ***BG 13*** | 7 058 823 | 5 669 573 | 80.32 |
| ***BG 14*** | 3 636 471 | 3 077 825 | 84.64 |
| ***BG 15*** | 10 122 824 | 9 615 405 | 94.99 |
| ***TOTAL*** | 131 662 963 | 111 057 752 | 84.35 |

## Individual Programme summaries

Give a *summary* of achievements for each Programme.

*The summary shall include a description of:*

1. *the Programme’s most important outcomes (effects of the outputs delivered/funded by the programme);*
2. *the Programme’s contribution to the two objectives of the Grants;*
3. *major deviations from plan;*
4. *use of funds for bilateral relations.*

**BG 01 “Technical Assistance and Fund for Bilateral Relations at national level (FBRNL)”**

*Budget of the project: 2 036 600 EUR (incl.1 403 600 Euro TA and 633 000 Euro under the Fund for Bilateral relations)*

Under BG 01 project the regular technical assistance activities (expert support, verification of payment claims, organization and participation in Annual and other meetings, incl. CC meetings, attendance of working meetings and seminars organized by the FMO, audit activities, activities of the Certifying Authority, monitoring on-the-spot) were performed during the implementation period.

Details on the achievements under the FBRNL are provided above under p. 2.2 Bilateral relations.

**BG 02 “Integrated Marine and Inland Water Management”**

*Budget of the programmes: 9 411 765 mln. EUR (incl. grant amount and national co-financing) Programme Operator: Ministry of Environment and Water (MoEW)*

*Donor Programme Partner: Norwegian Environment Agency (NEA)*

Before Programme implementation the large amount of data relevant to the water management is stored in incompatible information systems existing at many different bodies. An integrated water management has to be established despite the geographically determined strong differentiation of the natural water resources in Bulgaria and their irregular distribution across different seasons, which deepens due to climate change. The Integrated management of water resources is essential for achieving economic and social welfare without influencing the sustainability of ecosystems. Urgent actions were needed at national and international level for resolving the problem as integrated management is impossible without an information system incorporating and analyzing data from a variety of sources, providing a powerful tool for decision making.

Programme contributes for implementing of monitoring of Bulgarian Black sea territorial water and filling all gaps in monitoring data of marine waters, identified during the initial assessment of the state of marine environment in Bulgaria for defining of the Good Environmental Status (GES) with respect to the 11 Descriptors set by Marine Strategy Framework Directive (MSFD). Based on the achievements under the Programme, Bulgaria became one of the first countries that applied the new requirements. The Maritime Strategy of the Republic of Bulgaria and a program of measures for achieving and maintaining good status of the marine environment were adopted. The Programme contributed for the preparation of Second River Basin Management Plans (2016 – 2021) for East and West Aegean River Basin Districts. New equipment for sampling and analyses was delivered. The suggested regulatory amendments will replace the administrative bans applied so far by stricter regulation of the activities through implementation of precise assessment. Semi-intensive fish-farming will improve the water quality and preserve the economic functions of reservoirs. Elaborated measures and lessons learned will be transposed in River Basin Management Plans of other Basin Directorates in Bulgaria.

Through project UGISWMR was developed a modular geographic information system with a service-oriented architecture which to serve all institutions responsible for water management. Upgraded system has functionalities for automatic electronic reporting to Water Information System for Europe (WISE) and provided a large number of functionalities for electronic coverage of the whole process of water management in Bulgaria.

The system increased the volume of incoming monitoring data and significantly improves the spatio-temporal characteristics of the monitoring process while at the same time achieving a much better traceability of the phenomena and processes in the Bulgarian Black Sea waters.

The institutional capacity related to the monitoring and assessment of the Black Sea environment was increased.

The Programme contribution has a key role at national but also at regional level, by sharing the results with the other Black Sea countries.

Within the Programme was developed a model and various marine and freshwater organisms were investigated as bio indicators for the chemical pollution of the Black Sea, Danube River and other freshwater basins, as well assessing their safety as food. The assessment of safety showed that consumption of the Black Sea fish poses no risk to human health and the applied programmes of measures are effective and reasonable.

The Programme envisaged intervention in response to the key challenge to optimize the future development of hydropower for achieving a balance between economic and environmental interests because Hydroelectric power plants (HPPs) occupy the largest share of renewable energy in Bulgaria. They have a negative effect on river ecosystems related to fragmentation of river habitats and changes in river morphology. The Programme, through project Anchor, contributed with assessment of the combined impact of hydropower plants on river ecosystems. The National methodology for classification of river stretches according to their admissibility for the construction of hydroelectric power plants, through applying the common approach to sustainable hydroelectricity defined by the International Commission for the Protection of Danube River was developed.

**BG 03 “Biodiveristy and Eco-system Services”**

*Budget of the programme: 9 411 765 mln. EUR (incl. grant amount and national co-financing) Programme Operator: Ministry of Environment and Water (MoEW)*

*Donor Programme Partner: Norwegian Environment Agency (NEA)*

Through the Programme implementation the main nine types of ecosystems on the whole territory of Bulgaria, excluding those in Natura 2000 protected areas were identified, assessed and mapped. The potential for providing of ecosystem services by them was accessed including socio-economic aspect.

The elaborated national methodological framework was verified and specified on-the-spot. The developed guide for monitoring defines measures that have to be implemented for future updating of framework and ensuring sustainability of collected data and results.

The obtained GIS databases, maps of ecosystem types, ecosystem conditions and ecosystem services provided will be of use for the future by policy makers, conservationists, local authorities and public awareness-raising.

Other Programme intervention was to channel the efforts for preservation of biodiversity and environment through upgrading of the Bulgarian National Biodiversity Monitoring System (NBMS) with additional functionalities for biodiversity, soils and forest, which allows analysis of the biodiversity monitoring data and data for ecosystems.

Following the worldwide practice for inclusion of volunteers for enhancing the efforts to halt loss of biodiversity through the projects under small grants scheme were realized a number of educational programs and practical seminars for volunteers and awareness raising on this topic. Viable mechanism was established for inexpensive data collection using the engagement of the wider public rather than highly qualified and scarce scientific resources. After collecting the data from the volunteers, it passes expert quality review before being imported in the system. Used approach “learning by doing” was proven as powerful educational instrument for children and young adults, more effective than traditional school’s routine for acquiring of knowledge. Awareness-raising for importance of biodiversity and protection of environment among children will provide future leverage effect.

Under the Programme were implemented all necessary measures at this stage for resolving of Invasive Alien Species (IAS) issues at regional level and to implement the requirement of EU Regulation 1143/2014 on IAS. Consequently, 12 countries were involved in the ESENIAS-TOOLS project which produce networking and development of IAS tools in the frame of ESENIAS (East and South European Network for Invasive Alien Species) in order to support the management of alien species in Bulgaria and in the overall region. The technical infrastructure for the network, including a geo-referenced database and tools were created. The data on alien species from the ESENIAS countries were collected and entered into the database. The network was extended with 3 new member countries Slovenia, Hungary and Ukraine. 205 communications were disseminated as 5 books, 54 scientific articles, 86 published abstracts. New alien species for ESSENIAS region were discovered. The project results will be of benefit for the IAS scientists, policy makers, managers and the society at national, regional and European level.

The integration of environmental considerations into other policies was identified following a review of legislation in the process of drafting the Bulgaria 2020 plan. In Bulgaria these policies are the responsibility of different ministries. By integrating environmental considerations into other line policies, the Ministry of Environment and Water attempt to establish lead role of environment protection and sustainable use of resources.

Under the Programme was implemented an initiative for ensuring farmers' rights to access plant genetic resources for agricultural activities and food production in context of the implementation of signed international treaties: the Plant Genetic Resources Agreement and the Nagoya Protocol. A draft national strategy has been developed with an action plan for applying of integrated approach for ensuring of farmers rights. Capacity in this area is increased through on-the-spot training and consultations with farmers. Awareness of the need to preserve traditional knowledge and cultures, studies of practices and policies have been carried out.

Other sectoral policy, supported by Programme BG 03, was the use of computer models for simulation of forests development and the provision of ecosystem services under different silvicultural treatments/absence of any treatments in conditions of climate change. Implemented measure under the Programme is pilot and focusses on the Regional Forestry Directorate Smolyan’s territory. Measures for forest management, addressed to forest practitioners and forestry administration were identified and presented to 170 people from all stakeholders’ categories.

The payments for ecosystem services are an efficient way for preservation of biodiversity. The Programme supported the pilot testing of a partial experimental Regional forest territories development plan, integrating payments for forest ecosystem benefits, according to the developed ordinances, in a pilot region in Western Stara Planina. Secondary forestry legislation integrating ecosystem services and the biodiversity was developed.

Under the Programme was developed strategic framework for sustainable use of coastal ecosystems and the services and resources they provide in the Black Sea. Preserved ecosystems (forests, grasslands, farmlands, wetlands) provide very good opportunities for tourism, leisure and recreation. Ecosystem degradation and climate change have a direct impact on them. In line of demands of society an analysis of policies and legislation related to the environment and ecosystem services and a study of coastal ecosystems, ecosystem services and climate change were conducted.

**BG 04 “Energy Efficiency and Renewable Energy”**

*Budget of the programme: 15 600 288 EUR (incl. grant amount and national co-financing)*

*Programme Operator: Ministry of Economy and Energy*

*Donor Programme Partner: The Norwegian Water Resources and Energy Directorate*

The use of energy from renewable sources and improving energy efficiency are key priorities in the Energy Strategy of Bulgaria. Therefore, activities in areas such as improving energy efficiency in buildings, increasing awareness of and education in energy efficiency and renewable energy solutions, increasing renewable energy production for heating and improving capacity at national, regional and local level on renewable energy solutions were implemented under BG 04.

The Programme contributed to: significant improvement of energy efficiency of 115 buildings and reduction of CO2 emissions by 13 012/year, put into operation installations with total capacity of 10 MW for production of energy for heating and/or cooling from: biomass, solar, aerothermal, geothermal and hydrothermal energy and to increase the administrative capacity of the state and municipal authorities and institutions to plan and implement EE&RES measures through provision of trainings and counseling. As a result 95 trainings took place and 2 611 representatives of municipalities and state originations were trained. The knowledge acquired by trained experts from municipal authorities resulted in the development of 47 energy efficiency plans and 32 plans for renewable energy development.

The project promoters gained experience in the development and management of donor projects, which is essential for achieving maximum cost effectiveness. Improvement of management, technical and financial capacity of the municipalities and private companies will support its sustainable development over a long period of time through extended experience at local level in promoting viable project proposals in the field of energy efficiency and renewable energy.

Implemented measures under the Programme are not only beneficial for the environment by improving air quality and reducing greenhouse gas emissions but they also lead to improvement of energy security by reducing dependence on imported energy from countries outside the EU. The wider effects of what has been achieved within the Programme could be presented by its contribution towards alleviating energy poverty by reducing the energy costs of the households and the companies, which resulted in increased competitiveness, job creation and greater economic activity. These effects imply improved public health and quality of life of Bulgarian citizens.

**BG 05 “NGO Programme in Bulgaria”**

*Budget of the programme: 11 790 000 EUR (grant only)*

*Programme Operator: Open Society Foundation*

*Programme Partner: Workshop for Civic Initiatives Foundation*

The NGO Programme was operated as a complex initiative for supporting civil society development, involving notonly re-granting, but also significant capacity-building components, opportunities for bilateral exchange and learning, as well as a range of complementary actions with a visible emphasis on countering hate speech. Over 85 % of the project promoters believe to have improved their capacities as a result from participation in the programme. More than half of the participating organizations have succeeded in increasing their membership base. For example, the Roma Academy for Culture and Education reported increase of self-esteem and capacity of Roma volunteers and team for participation in local policy development. Time Heroes Foundation used their experience and knowledge of working with volunteers to help other CSOs, informal groups and active citizens to improve their skills in volunteering.

It is noteworthy to emphasize that through the years of its operation, the EEA Grants NGO Programme played a significant role for maintaining the advocacy, watch-dog and monitoring functions of Bulgarian NGOs, which were otherwise scarcely supported. A good example is the project of Biodiversity Foundation and the Norwegian Environment Agency, which included a series of activities for building capacity of NGO s, youths and citizens for use of geographic information systems (GIS) and strengthening the monitoring skills and advocacy of policies for regional sustainable development. The Bulgarian Institute for Legal Initiatives developed a tool and methodology for civil society monitoring and transparent parliamentary appointments in Bulgaria. The project of Rodilnitsa Association advocated for a change in maternal health care and policy in Bulgaria to promote respect for human and civil rights of mothers and babies, while the project for strengthening the protection of human rights in Bulgaria of Bulgarian Lawyers for Human Rights reinforced the NGO’s contribution to democracy and their role as a corrective to the state institutions. Overall, 37 % of the supported projects included activities for registering, monitoring or reporting of specific human rights violations, including more than 230 initiatives for raising citizens’ awareness on their rights.

With its variety of projects the NGO Programme made a contribution to social justice by providing opportunities to bridge some of the numerous gaps in the Bulgarian social policy and test inspiring ideas. A total of 53 % of the supported NGOs believe that their projects have contributed to diminishing social inequalities in Bulgaria. For example, Habitat for Humanity demonstrated new approach for improved social service in the area of housing conditions. In many cases the NGO Programme brought relief and comfort to the life of people in dire need as well as the promise that with good ideas and compassion the Bulgarian society may fare better. Theatre “Emergency” demonstrated how art can overcome differences and teach us tolerance, particularly when everyone is involved in theatre making instead of being a passive spectator. Between 2012 and 2016, and especially in the midst of the refugee and migrant influx from 2013 civil society organizations, informal groups and volunteers were at the helm of providing aid to refugees and asylum seekers. The Cultural Adequation project of A25 Cultural Foundation complemented the efforts of the state for their integration by taking the “alien” newcomers out of their isolation in the reception centres and campuses. Some of the project promoters were the ones to provide training for civil servants and lawyers in migration law, for example the Foundation Access to Rights. National Media Campaign: Cuisine Against Xenophobia aimed on the other hand at bringing the gap between Bulgarians and the migrant community and overcoming mistrust.

Almost a half of the project promoters reported a contribution to sustainable development, including successful engagement of citizens and local communities in NGO activities for sustainable development. A total of 34 projects stimulated policies for balanced development and sustainable use of natural resources. 32 projects contributed to preservation of biodiversity and endangered species. For example, Junior Achievement Bulgaria and its Norwegian partner developed a training programme, which boosts the knowledge and skills of young people from both countries related to sustainable development and green entrepreneurship.

**BG 06 Children and Youth at risk**

*Budget of the programme: 10 153 074 EUR (incl. grant amount and national co-financing)*

*Programme Operator: Ministry of Education and Science*

*Donor Programme Partner: Council of Europe*

The programme addressed in innovative manner the youth problems and provided a model for participative and tolerant environment for the young people in Bulgaria. The main focus was the establishment of Youth Centres with the Council of Europe (CoE) Quality Label to promote the priorities of the CoE’s youth sector by actively addressing human rights education, intercultural learning, youth participation, active democratic citizenship and social inclusion of young people in its activities, as well as implementing working practices and infrastructure in line with the CoE priorities. A range of services related to the acquisition of new skills, culture and sports activities, motivation for personal development, as well as outreach activities directed towards Roma children and youth were promoted. Youth Leader Councils were established to support the management and activities of the Youth Centres and to ensure the participation of youth in the decision making processes. Local NGOs, volunteers, youth workers and experts from local institutions were involved in the centres.

One of the main achievements of the programme wa awarding the Quality Label of the CoE – International Youth Centre in Stara Zagora. In addition, the Quality Label was awarded to a second youth centre, International Youth Centre in Plovdiv, which placed Bulgaria in the unique position of being the only country with two youth centres distinguished with the CoE’s Quality Label.

The main objective now is to extend their target groups and territorial coverage, and to disseminate the knowledge and skills acquired at the youth work trainings through multiplier trainings and encouragement of voluntary participation. The Youth Centres established a National Youth Centre Network, which will be responsible for coordination of activities, popularization and acknowledgement of the youth work in Bulgaria, development of National youth centre quality standards, and participation in the development and implementation of policies related to the young people.

The training of pedagogical specialists and management staff in kindergartens to provide early multicultural education resulted in better proficiency in Bulgarian language, improved social skills, and the children from underprivileged or Roma families are better prepared to start their school education. More than 50 children from Roma neighborhood, who had never been to kindergarten before, were taught for 2 academic years with doubled Bulgarian language lessons. All of them were subsequently admitted to the 1st grade of school education.

The Roma educational mediators trained continue their work in the youth centres, kindergartens or as municipal officers. One of the programme’s results was providing evidence for the benefits of employing Roma educational mediators that led to the official recognition of the profession Educational mediator and its inclusion in the National Professions and Positions Classification (since September 2017).

The activities related to taking the drop-out children and youth back to the education system and the active work with the parents in specific communities continues.

The equipment and furnishing of the kindergartens created a favorable environment for continuing and further developing the multicultural education and training. A model for work with children whose mother tongue was not Bulgarian is established in one of the biggest marginalized communities in Sofia. The new kitchen and canteen continues to provide services to an increasing number of children who have no access to healthy and variable food.

**BG 07 “Public Health Initiatives”**

*Budget of the programme: 15 782 353 EUR (incl. grant amount and national co-financing)*

*Programme Operator: Ministry of Health*

*The Supporting Unit – Operational Programme Technical Assistance Directorate was renamed as Good Governance Directorate by the Council of Ministers Decision No 545 of 23 July 2015.*

Under the Bulgarian Public Health Initiatives Programme a total of 29 projects and a small grant scheme were implemented. Over 400 high-tech medical devices have been delivered through the programme, which contributes to the quality of prenatal diagnosis and neonatal care in 33 hospitals in the whole country reducing the rate of infant mortality and the rate of malformations detected during pregnancy. The delivered equipment shall benefit to improvement of pregnant women and new-born children of the 28 districts around the country.

A model of web-based immunization registry, as well as registers for rare diseases and diabetes, has been developed. An information system has been set up to regulate the construction and operation of non-ionizing radiation facilities and an information system for mental health care. That creates a uniform health information system to serve the entire health system and support national policy decisions.

To improve access to sexual and reproductive health services for adolescents aged 10 to 19 years old with a specific focus on vulnerable groups, over 1 500 medical examinations of individuals in the target groups and over 5 400 medical counselling have been performed. More than 6 000 sexually transmitted diseases tests have been performed, medical supplies and equipment have been delivered, which meets the growing needs and comprehensive health services in terms of family planning and contraception of the target group and Roma adolescents in particular.

Nine centres for work with children with mental, genetic and oncohematological diseases have been renovated or newly created, with emphasis on children suffering from cerebral palsy, cardiovascular diseases, autism and youth suffering from eating disorders. More than 1000 medical specialists and other care givers have been trained to work with disabled children and over 900 family members of children from the target groups, which have ensured access for children with disabilities with high-quality medical and psychological rehabilitation and training of specialist and families in the implementation of modern methods of treatment and rehabilitation.

Home health services have been provided to pregnant women and children up to 3 years with emphasis on groups at risk with a focus on the Roma population. “Parental training” was conducted for over 1 600 persons. Over 7 000 free medical examinations and medical consultations have been conducted. The studies conducted enable many Roma women and children to receive adequate health care, to overcome their mentality or their isolation so that they can also receive adequate treatment.

A financial support for 135 students and postgraduates of Roma origin was provided under the small grant scheme in order to cover annual training fees and monthly scholarships. Advocacy trainings were organized as part of summer camps. The trainings were aimed to develop personal skills for working in Roma community. Students were trained to build certain role models and initiatives for positive changing of the Roma community. Training sessions were consists in more rights and access to quality health care for the Roma, on-the-job training and leadership skills, advocacy and conflict resolution. After graduation these professionals who are traditionally linked to their communities will serve the Roma population. They know their mentality and traditions, which will facilitate relations of trust with patients from the community.

The results of the Bulgarian Public Health Initiatives Programme have made an important contribution to the overall improvement of healthcare policy and to reducing inequalities in access to healthcare.

**BG 08 “Cultural Heritage and Contemporary Arts”**

*Budget of the programme: 16 470 588 EUR (incl. national co-financing)*

*Programme Operator: Ministry of Culture*

As a result of the programme’s implementation eight buildings of cultural heritage value were restored and rehabilitated, incl. the Shishman’s Bath in Veliko Tarnovo, the Thracian mounds “Helvetia” and “Griffoni” in Kazanlak, an Ethnographic Museum in Sozopol, the Ancient Ceramic Centre in Pavlikeni and open-air museum “Maltepe” in Maritza Municipality as well as three important sites of the ancient heritage of Sofia; 3 new museums and cultural facilities were opened contributing to improved accessibility of the cultural heritage to the public – a Turkish Warehouse and Epigraphic Centre in Vidin, a new complex museum and library in Dimitrovgrad and a new Gallery in the Pomorie Municipality; 11 digital centres were created in cultural institutes, libraries and universities and over 270 000 items of cultural heritage converted into digital format, incl. documenting, storing and giving access of the wide public to the documentary archive of the public library in Veliko Tarnovo town; digitization of Thracian tombs in the municipality of Topolovgrad; digitalisation of the rich Bulgarian literary heritage; digitization and conservation of documentary historical sources at the University of Economics in Varna and others. 40 new exhibitions of contemporary arts, incl. arts and culture of minorities were developed thus contributing to reaching a broader audience.

The overall objective of the Programme to reduce economic and social disparities has been achieved through the financing of projects that lead to cost-effective and sustainable use of the existing cultural heritage infrastructure by applying state-of-the-art conservation, research and promotion technologies based on best practices of donor countries, such as the project "Perperikon-past for future" with beneficiary the Municipality of Kardzhali; project “Ancient Ceramics Centre – Pavlikeni, Promotion and Modernization”, with beneficiary Municipality of Pavlikeni, project "Sozopol - preserved cultural heritage and cultural identity through the ages" with beneficiary Municipality of Sozopol, etc. The Programme focused on modern technologies for digitalization and creation of new content of electronic databases, thus ensuring access for the broader public to cultural heritage and cultural products, creates opportunities for organizing digitized collections and centres, increased the capacity of museum workers and create better conditions for the conservation and preservation of the original cultural values (project “Contemporary approaches to research, presentation and access to the literary heritage of Gabrovo Province” with beneficiary Regional Historical Museum of Gabrovo, project “Digital cultural and historical heritage of Plovdiv Municipality” with beneficiary Municipality of Plovdiv, project "Creating a Digital Centre for Cultural heritage in the Municipal Historical Museum - Tutrakan" with beneficiary Municipality of Tutrakan, etc.). The development of cultural tourism has a positive effect on the economic development of the regions and the reduction of unemployment. It should be noted that cultural sites in Bulgaria are in less developed regions and the development of new tourism opportunities leads to a reduction of economic and social disparities, incl. for vulnerable groups with focus on Roma population.

Seven out of 32 projects have been realized in partnership with organisation from the Donor States that contributed with their valuable experience in the field of conservation of cultural heritage, digitalisation and contemporary arts and culture. Only one project was financed under the fund for bilateral relation but this is considered as a best practice for the whole FMs - a large exhibition dedicated to the Thracian art and culture "Legends of Gold" was organized in Bergen, the Kingdom of Norway from 01.09.2017 to 10.12.2017. The exhibition was a joint initiative of the Ministry of Culture of the Republic of Bulgaria in cooperation with the National Museum of History - Bulgaria, the Norwegian Institute for Cultural Heritage Research (NIKU) and the Bergen City Museum with the support of the Norwegian Embassy and the National Focal Point.

The exhibition presents the rich cultural heritage of Bulgaria, including some of the most valuable artefacts from the heritage of the Thracian from the National Museum of History and 11 regional museums in Bulgaria. The exhibition contributed to the development of the cultural tourism in Bulgaria and improved the general knowledge of the Norwegian society about Bulgarian history and culture.

Substantial deviation from the plan under the programme is related to the failure to implement the pre-defined project on the Second Stage of the Sofia Arsenal Museum for Contemporary Arts due to administrative and judicial procedures with suspensory effect. The whole project was cancelled and the Project Promoter reimbursed the incurred amounts. Despite the fact that the second stage has not been implemented, the Museum is functioning and since its opening in 2011 until now over 100 events – exhibitions, workshops, lectures, theatre performances and concerts have been organized, including with the participation of artists from Norway.

**BG 09 “EEA Scholarships Fund”**

*Budget of the programme: 1 764 706 mln. EUR (incl. grant amount and national co-financing)*

*Programme Operator: Ministry of Education and Science*

*Donor Programme Partner: Icelandic Centre for Research (RANNIS), Iceland, National Agency for International Education Affairs (AIBA), Liechtenstein, Norwegian Centre for International Cooperation in Education (SIU), Norway*

By providing opportunities for student scholarships and stimulating the international mobility of students, academics and researchers, the programme substantially impacted the modernization and internationalization of the Bulgarian higher education and provided access to quality education and professional development.

Mobility projects were not limited only to dissemination of best practices, but also to elaboration of joint projects under Erasmus+ and Horizon 2020 programmes. Much more than the expected research papers have been published as a result of both mobility projects and inter-institutional cooperation projects. It should be noted that the most of the mobility projects and all inter-institutional cooperation projects have a strong research component.

The total number of joint services reported is 116, including joint research papers, joint curricula and training modules, jointly developed computer programmes and algorithms, a patent awarded.

10 students in total received mobility grants for short-term mobility in the Donor States. All of them attended summer school courses in Norway and Iceland and language courses in Norwegian. 7 Ph. D. students in total benefited from the mobility grants. The reason for that low student mobility is the insufficient number of inter-institutional agreements concluded between the higher education institutions from Bulgaria and the donor states for student exchange.

65 research and administrative staff members participated in trainings within the programme and reported increased skills and competences.

Special trainings were organized for improving the skills and competence level of the university staff of the Medical University in Plovdiv concerning diseases that Roma population is mostly suffering from.

**BG 10 Green Industry Innovation Programme**

*Budget of the programme: 13 699 000 EUR (100 % Programme grant rate)*

*Programme Operator: Innovation Norway*

The Green Industry Innovation (GII) Programme contributed to “greening” of the Bulgarian economy. One of the most prominent environmental results of the programme is linked to reducing wastewater: the projects in Bulgaria saved 100 000 cubic meters from pollution.

The projects under the GII Programme also led to the re-use or recycling of almost 70 000 tons of waste. Another green result is 60 000 tons of reduced CO2 emissions. The projects furthermore reached a yearly saving of 12 000 megawatt hours of energy, which equals the yearly energy consumption of 10 500 households. Finally, 180 new jobs were created, with a good geographical distribution throughout Bulgaria.

The project results are a positive indicator for increased competitiveness of the enterprises involved. The programme has raised better public awareness on the advantages of green production and products/services. Six hundred members of staff trained on business opportunities reported that they now feel well prepared to start green business initiatives.

The programme has also led to improved working conditions at production lines, with less dust and lower emissions of harmful substances. An integral part of the projects and the activities accompanying the programme was to enhance the companies’ competence in the field of corporate social responsibility. The projects also involved raising of environmental awareness among the staff.

The GII Programme was recognized in Bulgaria as a transparent and flexible instrument that not only benefitted private businesses, but also made a difference for communities and regions, and changed attitudes and behaviors. A considerable number of projects have influenced the social and economic development in the area, in which they are functioning mainly through hiring local people and opening new jobs. There is also direct economic impact on the economic performance of the project promoters through increased income and profits.

The programme made the innovative environmental technologies more accessible to Bulgarian companies. Moreover, it produced positive changes within the financed companies, by giving them the possibility to develop the businesses in a sustainable way, through improvements related to the way the business operation is carried out or a better material flow in manufacturing and supply-chain. The products and services created with programme support have less of an impact of the environment (less polluting and less resource-intensive) or less impact on human health than traditional equivalents.

Many good examples of successful partnerships in the frame of the programme could be given, but the most enlightening one is the project “Green Monitor”. The project promoter together with its two Norwegian partners have developed and tested an innovative IT system in order to facilitate and streamline the activities related to the malignance of the manufacturing equipment that monitors the maintenance of industrial machines. The project has combined three different types of expertise: the project promoter’s know-how in software development, the know-how of the Norwegian company in preventive maintenance and engineering knowledge in the metal-cutting industry and the know-how in math and statistical analyses and algorithms development of the Norwegian university. This is a good example of how an innovation should be developed in cooperation between two companies and academia to the mutual benefit for all participants.

The programme does not have any specific focus on Roma issues, but indirectly contributes to Roma integration through ensuring employment and income. In about 20 % of the projects, Roma people have been involved both during the implementation and after the projects finalization. In some companies, Roma people represent about 30 % of the employees. An example could be given with a project, carried out by the state enterprise “Prison production”, located in Sofia prison, and in which 80 Roma people have been trained and acquired new skills, which would give them a good advantage on the labour market.

**BG 11 “Capacity building and institutional cooperation”**

*Budget of the programme: 2 371 765 EUR (incl. grant amount and national co-financing)*

*Programme Operator: Good Governance Directorate, Council of Ministers*

*Donor Programme Partner: Norwegian Barents Secretariat (NBS) and Norwegian Association of Local and Regional Authorities (KS)*

The programme was implemented in partnership with Norwegian Association of Local and Regional Authorities (KS) and Barents Secretariat. The cooperation between the Norwegian and Bulgarian counterparts contributed to the development of networks, exchanges of knowledge and dissemination of best practices. Cross-border cooperation with neighbouring EU countries was strengthened under the programme.

The programme sets a platform for capacity building, development of modern and efficient public administration at central and local level and improvement of public services.

The programme made use of the available financial allocation through two pre-defined projects. Both predefined projects took into account the need to improve the dialogue and cooperation between central and local governments (and among local authorities) as a solid base to increase jointly their institutional capacities. Building the capacities of public institutions and developing their human resources was a crucial tool for improving the services they provide to the population.

1030 men and 814 women politicians and staff members, representatives of the civil society and local authorities were directly involved in the biletaral cooperation. The two indicators have been overachieved, the reason is the great interest of the participants in the different types of events during the implementation of the two projects.

During the implementation of the Programme – 5 new practices/legislative or policy proposals, including IT-systems, developed or adopted in the beneficiary state, as a result of transfer of knowledge from the donor state.

Of major importance was the enhanced institutional capacity for policy making, ensured by the project of NAMRB. It assisted Bulgarian association largely to participate more effectively in the dialog with the central authority. The new knowledge, expertise and skills, which members of the Management Board and the Supervisory Board and the NAMRB representatives in the various consultative bodies obtained, greatly contributed to the sustainability of this activity, which was vital for the association. Studying the experience of KS by the staff of NAMRB was of utmost importance for maintaining a successful and productive dialogue with the central government in the future. On this basis, new good practices and methods of partnership with the government and parliament were developed and implemented, making the efforts of NAMRB more successful. A direct measure of the success of these efforts was the number of accepted and adopted legislative changes, which had been based on proposals and initiatives by NAMRB.

The other pre‐defined project between the Norwegian Barents Secretariat and the Bulgarian Ministry of Regional Development and Public Works established a new and unique approach to the understanding of borderland developments and cross-border cooperation, through capacity building and development of a cross‐border cooperation data center.

A new form of collaboration was established within the programme – a Fund for municipal solidarity. The core purpose of the Fund was to accumulate reserves through voluntary contributions from each municipality, which then can be used to the financial benefit of local authorities beset by calamities.

**BG 12 “Domestic and Gender-based Violence”**

*Budget of the programme: 2 352 941 mln. EUR (incl. grant amount and national co-financing)*

*Programme Operator: Ministry of Interior (MoI)*

*Donor Programme Partner: Council of Europe*

The outcome: Domestic violence reduced was achieved through five awareness raising campaigns with special focus on Roma that reached people through the use of different ways for communicating the message – media, dissemination of information materials, events, etc. Through the use of innovative approaches such as mobile units and on-line platforms project promoters managed to provide support services to DV victims. In order to raise awareness among Roma and other vulnerable communities influential members of the target groups participated in the information campaigns.

As regards the outcome for reduction of gender-based violence two shelters were built and started functioning and provided safe accommodation and support to the victims. The centre in Russe provided fifteen services to members of the target group and the centre in Aksakovo granted additional six services. In addition, the Ministry of Justice and the Council of Europe developed the strategic documents for the amendments in the Bulgarian legislation. The paper “Legal, Institutional and Policy Analysis” provided accessible and valuable material, which can be used by other organizations and in other projects dealing with DV and GBV.

The implemented awareness raising activities were both indoors - social debates, round tables, seminars, public discussions, as well as outdoors - door-to-door information campaign, concerts, radio clips, dissemination of brochures and posters. Others tools used were short films that deal with the main types of gender-based violence in the Roma community. The Hotline for reporting harmful and illegal content and behaviour on the Internet received 150% more signals while the one of the Bulgarian Helpline for Online Society accounts for 30% increase of reports which indicated the increased level of awareness and attitudes in the society.

As regards the impact on Roma communities one of the most significant outcome is the fact that Roma especially women start to regard domestic and gender based violence as a problem that needs to be corrected and fought but not as part of the family traditions and lifestyle.

The overall objective of the programme to reduce economic and social disparities was achieved through change in the public perception related to the domestic and gender-based violence not only among the target group – the victims but also for the general population and the public authorities dealing with such cases. Some of the awareness raising campaigns have been carried out in small municipalities, incl. with predominantly Roma population that contributed to reduction of the social disparities. As regards the strengthening of the bilateral relations with the Donor States, it should be noted that two projects under the programme were implemented in partnership with Norwegian organisation and one with the Council of Europe. The cooperation with the Academy of Human Rights in Norway in legal, institutional and policy analysis gave the possibility to use the Norwegian experience in the field as well as to finalize the most comprehensive national study on domestic and gender based violence and elaborate victims support model. The proposals for legal amendments and the strategic documents elaborated under the project of the Ministry of Justice and Council of Europe were a step ahead to the improvement of the legal basis in the field of GBV and DV as well as for strengthened administrative capacity of the officials from the Ministry of Interior and the Ministry of Labour and Social Policy.

One problem identified under the programme was the use of the fund for bilateral relations: PO amended and relaunched the call for proposals under the Bilateral fund twice during the programme implementation with the aim to attract more potential project promoters and increase the interest in the call. All four offers received were rejected after consultation with FMO because of lack of justification and unclear information regarding the project activities, project partners and envisaged results as well as because of lack of the relevant experience in the field of domestic and gender based violence.

**BG 13 “Schengen cooperation and Combating Cross-border and Organised Crime, incl. Trafficking and Itinerant Criminal groups”**

*Budget of the programme: 7 058 823 mln. EUR (incl. grant amount and national co-financing)*

*Programme Operator: Ministry of Interior (MoI),*

*Donor Programme Partner: Norwegian Police Directorate, Council of Europe*

The programme outcome: Development and improvement of structures, systems and technical equipment in order to improve the implementation of Schengen acquis was achieved through the extended radio coverage in the border zone with Greece – 70% increase in Kardjali and Smolian regions and 50% in Haskovo region that ensures better communication, interaction and speed-up data transfer for the purposes of border management between the relevant departments of the Ministry of Interior. Through the specialized trainings, best practices and knowledge were transferred to 208 officials working in the field of Schengen cooperation and combating cross-border and organised crime. A handbook has been elaborated that provides for the sustainability of the results achieved.

Under the outcome “Strengthening the cooperation between the police in the Schengen Member States” the cooperation between the Bulgarian authorities and other member states counterparts was strengthened, incl. the bilateral cooperation between Bulgaria and Norway. A training centre

was created to train police officers and NSIS end-users for the purpose of the international exchange of operational information and Schengen cooperation. As a result, the professional capacity of the participants in the trainings was increased and there was exchange of operational experience in SIS II as well as in the field of effective implementation of European exchange information systems. In addition, gap analysis, trainings and recommendations for the enhancement of the asset recovery system in Bulgaria was prepared in cooperation with the Council of Europe that is a good basis for continued future cooperation between the Bulgarian institutions and their relevant counterparts.

The outcome “Improved capacity to prevent and combat cross-border organized crime, including trafficking in human beings and itinerant criminal groups” was achieved through trainings and specialised equipment aimed at gaining knowledge to fight organized and cross-border crime and promote the coordination, cooperation between GDCOC experts, magistrates and experts from partner countries in the field of combating trafficking in human beings, cultural and historical goods, and counterfeiting. There is also an increase in the detection of organized crime groups (for example Bulgarian-Serbian groups) and the detention of their members.

The improved knowledge in human rights based policing created conditions for strengthening the capacity of police officers for observation of the European standards. The police officers increased their knowledge about Roma culture (e.g. on Roma history, culture, values etc.) with the aim to abolishing the stereotypes against Roma. The strengthened capacity and professional qualification of police officers in the field of human rights resulted in the decrease of the relative number of violations of human rights by police officers.

In the field of trafficking of human beings trainings were held for the representatives of relevant authorities in gaining knowledge about the practical application of Transnational Referral Mechanism, raising awareness among Roma population about the threats of THB and providing psychological, physical, social and humanitarian support in crisis centers (both short and mid-term assistance).

The programme contributed to reducing the economic and social disparities through implementation of measures aiming at increasing the citizen’s security, improvement of the efficiency of cooperation between law enforcement authorities in the Schengen Member States in fighting organised crime, including trafficking in human beings as well as increasing the capacity of the Bulgarian police to work in line with the applicable EU standards in the field of human rights.

The overall objective for strengthening bilateral relations between Bulgaria and Norway was achieved through four projects within the programme implemented in close partnership with organizations from the Donor Programme Partner and the Council of Europe – three pre-defined projects and one small grant scheme contract.

Two contracts were successfully implemented under the Fund of bilateral relations. The partnership led to establishing new contacts and improvement of existing ones, strengthening cooperation and mutual understanding between partners.

There were no major deviation from the plan but it should be mentioned that some of the pre-defined projects were implemented at a substantially lower amount that initially planned. That is mainly due to competitive prices received under the public procurement procedure but as a result of the delayed projects’ implementation is was not possible to reallocate the savings and to use them for additional activities.

**BG 14 “Judicial Capacity-building and Cooperation/Improvement of the Efficiency of Justice/A fairer and more efficient judicial system”**

*Budget of the programme: 3 636 471 EUR (incl. grant amount and national co-financing)*

*Programme operator: Ministry of Justice*

As a result of the programme’s implementation the access to justice, incl. for vulnerable groups was improved through the established national telephone hotline and the regional centres in two of the largest Roma communities in Bulgaria (Sliven and Vidin) for providing free legal aid (in total more than 10 000 individuals benefited from free legal aid). The efficiency of the court system as a whole was improved through the establishment and use of the e-summoning system as well as through development and adoption of a mechanism for quality assessment of the workload of the judicial system that increased the effectiveness of the individual judges. E-summoning system will help to accelerate the legal process, reduce litigation costs, increase efficiency and access to justice and will create, in the long run, prerequisites for a reliable, efficient and transparent work of the judiciary in Bulgaria.

The competence of the judiciary was increased through establishment of comprehensive human rights trainings at the National Institute of Justice with more than 1000 magistrates and experts trained in human rights and practices; the long-term internship of 9 Bulgarian judges from different levels of the court system have a twofold effect: pending complaints against Bulgaria decreased significantly and national judges improved their capacity dealing with the European Convention on Human Rights and raised their awareness of the cases and more generally the work of ECtHR; the domestic remedies in respect of execution of judgements of the ECHR were reinforced and the capacity of the Government Agents increased. The first in Bulgaria e-Portal on Human Rights was created with information on activities of the public authorities and the translations into Bulgarian of the most important judgments of the European Court against Bulgaria and other countries. In addition, the capacity of the General Directorate “Security” to act in compliance with the applicable international human rights standards was increased.

The programme contributes to reducing the economic and social disparities through establishing the necessary conditions for fairer and more efficient judicial system and improving the access to justice for vulnerable groups, including Roma.The bilateral outcome was achieved through the implementation of various initiatives, including study visits to partner organizations and similar institutions, conferences and other events with European dimension under the five pre-defined project. During a study visit to the Norwegian court administration, the participants discussed and identified common challenges with regard to guaranteeing human rights and the continuous upgrading of magistrates’ professional qualification. A Bulgarian delegation also visited Norway and get familiar with the Norwegian system for legal aid, incl. at municipal level.

There were no major deviation from the plan and the programme was implemented without extension, by 30 April 2016. All projects have been successfully implemented and achieved their planned indicators.

In addition, the bilateral initiatives under the Bilateral Fund lead to strengthening the cooperation between the Kingdom of Norway, Council of Europe and Bulgaria by exchange, sharing and transfer of knowledge, experience and good practices. The most successful initiatives are related to exchange of experience between Law faculties in Bulgaria and Norway for enhancing the efficiency of the University education in the field of human rights; the preparation of a report on the status quo on the execution of judgements of the ECHR; piloting HELP distance learning course on Anti-discrimination that included trainings of magistrates and judicial assistants in discrimination legal protection basic standards and their application in Bulgarian case law including minorities and persons from vulnerable group and a seminar for Bulgarian judges organised in partnership with the Norwegian Courts administration on the topic: “Motivations of judicial decisions and the European Court of Human Rights – how to avoid violation judgments”

**BG 15 “Correctional services, including non-custodial measures”**

*Budget of the programme: 10 122 824 EUR (incl. grant amount and national co-financing)*

*Programme operator: Ministry of Justice*

*Donor Programme Partner: Council of Europe*

The programme contributed to overcome the challenges connected with prison overcrowding by renovation of 10 prison buildings and facilities in line with the standards of the Council of Europe. The reconstruction of Debelt Prison Hostel (with capacity of 450 inmates) in line with all international standards was of a significant importance since it provide accommodation for inmates from Burgas Prison, which is one of the most overcrowded in Bulgaria. The same applies for Razdelna Prison Hostel, where the reconstruction facilitated the reduction of prison population in Varna Prison. A very sensitive issue has been effectively targeted, namely the specific needs of the inmates in the only female prison in Bulgaria in the city of Sliven. A medical centre and a nursery have been equipped in order to meet the standards on female health and child care. Thus the social relations between the mother and the child has been facilitated and an adequate care ensured for mothers and children in the conditions of imprisonment. The infrastructural improvements and the reduction in overcrowding have been of direct benefit for the Roma inmates.

As a result of the programme’s implementation the application of alternatives to imprisonment has been increased. A programme for electronic monitoring and a programme for probation work with juveniles have been developed, incl. the necessary amendments in the legislation. As a part of the electronic monitoring all 183 target offenders (53 of Roma origin) have been involved in initial sessions for getting acquainted with the imposed measure. Awareness raising activities on the electronic monitoring included three information campaigns in the cities of Varna, Sofia and Stara Zagora. In addition, 60 probation officers were trained on programmes for alternatives to prison.

Eight of the projects under the Small Grant Scheme have a direct contribution to achievement of the outcome: Increased focus on vulnerable groups in prison. The activities under the projects included preparation of specialized training programmes, piloting of models of after-care services for recently released prisoners, analyses and surveys, vocational and educational training, etc. The addressed target groups were prison staff, prison inmates with a particular focus on vulnerable groups, and prisoners close to release.

In addition, the competences of both inmates and prison staff have been improved: a new integrated approach was introduced in educating and consulting recently released prisoners by piloting after-care services and inter-institutional support networks at local level. The intensive trainings of staff also improved the motivation, since higher qualification and on-the-job trainings were reported to increase job satisfaction.

The programme contributed to reducing the economic and social disparities through improved conditions in prisons and improved competences of inmates and prison staff, with special focus on vulnerable groups. Programme BG15 has achieved its strategic goal, namely to influence practices and capacity of the Bulgarian penitentiary system in a way to enable it to comply with the international standards on human rights protection. The programme contributed to strengthening the cooperation between the Bulgarian institutions in the field of correctional services and the respective institutions in Norway as well as to use the recognised experience of the Council of Europe.

There were no major deviation from the plan. The programme NG 15 is one of the most successful programmes is Bulgaria with all planned indicators achieved and as a result of the good management the overall absorption rate of the programme is close to 95%.

In total seven bilateral initiatives have been carried out with the support of the Fund for Bilateral Relations at programme level. A very good cooperation has been established between the PO, the General Directorate `Execution of Penalties` and the Directorate of Norwegian Correctional Service (KDI). KDI experts have delivered training on strategic planning and management of the correctional services to management staff of General Directorate `Execution of Sentences`, prisons` directors and heads of probation offices

## MANAGEMENT AND IMPLEMENTATION

## Management and control systems

Provide information on any changes in relation to the description of the implementation framework provided in accordance with Article 4.8.1 of the Regulations. Describe strong and weak points of the national management and control systems established in the Beneficiary State.

Provide a general assessment of the efficiency and effectiveness of the national management and control structures established in the Beneficiary State.

For the period under review, there were Parliamentary elections in 2013, 2014 and 2017. The change of the Government resulted in having for a number of programmes designated new Heads of Programme Operators and changes in the institutional set up. Even when this did not lead to any serious structural and organizational changes, this also affected the progress of those programmes under which measures and documents were pending approval and launching.

Being fully aware of this potential or actual consequence the NFP monitored the individual programmes closely and intervened as much as possible, given its competencies and mechanisms of influence, to keep the level of high management commitment and ensure continuity.

There were also several amendments of the structure of the National Focal Point. Following the structural changes, the MCS has been respectively updated, approved by the Head of NFP and submitted to the FMO.

Efficiency and effectiveness of the national management and control systems

Elaboration of the management and control system (MCS) at national level, issuance of compliance assessment report by the Audit Authority, submission of both documents to the FMO and final approval took place in 2012.

The NFP has been monitoring closely the different stages of preparation and implementation of programmes with a view to providing guidance and assistance or consultation with the FMO on issues that require more precise tackling from a legal point of view. The NFP maintained and regularly updated a risk register per programmes as part of its management and control tools at national level. This allowed following closely the emergence of any deviations or bottlenecks in the system with a potential direct impact on the grants. In addition, the NFP conducted monthly meetings with POs in order to discuss with them the progress and risks related to the programmes’ implementation.

The key challenges during the implementation period were related to the high number of public procurement procedures, the smooth payment flow, the availability of adequate administrative and expert capacity at all levels in view of the high intensity of almost all tasks performed by POs.

Concerning financial management and reporting, the Certifying Authority elaborated and provided a set of internal rules, procedures and documentation to support the process of certification of interim financial reports and to ensure reasonable assurance that the financial and accounting systems of the POs were effective and sound, the expenditures incurred were in compliance with all applicable rules at programme and project level and with good financial and management practices.

In the course of implementation of programmes and projects, as well as of the functions of national structures certain provisions and procedures have proofed to be inefficient or creating unnecessary obstacles and limitations to implementation (e.g. payment schemes, procedures and deadlines for amending contracts, introducing additional restrictions in grant contracts, etc.) NFP and POs have coordinated amendments to MCS in cases where this has been crucial, but the complicated procedure for approving of any changes to legally binding documents within administration did not always allow timely reaction.

## Compliance with EU legislation, national legislation and the MoU

*Provide information on compliance with the regulatory environment of the Grants in the Beneficiary State (the MoU and the Regulations, as well as compliance with the EU legislation on matters such as state aid, environment and public procurement). This section should provide details on problems encountered and solutions implemented by the National Focal Point. Please provide your main observations on what worked, what didn’t work, why, and what could be done better (lessons learned).*

The programmes in Bulgaria were implemented fully in line with the Regulations and the Memoranda of Understanding on the implementation of the EEA FM and NFM.

In order to ensure the compliance with the state aid rules the NFP has designated an expert in the field who ensured that state aid issues are tackled for all programme areas in the process of preparation and approval of programme proposals and in the phase of implementation (call for proposals and approval of projects), incl. on the basis of expert opinions provided by the Ministry of Finance. In the Programme Implementation Agreements signed between the NFP and the POs it is explicitly stated that the POs have the obligation to respect the applicable rules on state aid in the national and EU legislation.

One of the most critical aspects during the programmes’ implementation were related to defining the most appropriate state aid regime applicable to the specific programme and measure. After consultation with the Ministry of Finance the measures 1,2, 5 and 6 under the programme BG 07 were announced in compliance with art. 2, para 2 of Commission Regulation 360/2012 from 25 April 2012 concerning application of de minimis for enteprises of general public interest (requiring that the total amount of de minimis aid granted to one enterprise should not exceed 500 000 Euro in total for three consecutive budgetary years). For all remaining calls for proposals under the programmes BG 01 – bilateral fund, BG 02, BG 03, BG 04 – calls 2 and 3, BG 08, BG 12, BG 13 and BG 15 the de minimis rules were applied in accordance with Commission Regulation (EU) No. 1407/2013 of 18 December 2013 and selected projects were entered in the de minimis Register. It should be mentioned that one component under the programme BG 04 (“Utilisation of hydropower potential”) was cancelled as a result of delay in identifying the applicable state aid regime. Due to the complexity of the infrastructure property related issues in the water sector the Ministry of Finance issued guidance to the PO to apply Regulation 1407/2013 or alternatively the provisions of chapter 7 of the General Regulation (EC) 651/2014 for group exemption. As a result of the insufficient time for revision of the Guidelines for applicants the PO after consultation with NFP and FMO took a decision to cancel the component and reallocate its budget to other programme components.

As regards the selection procedure is should be noted that as a result of established inconsistencies and not sufficiently justified decisions of the PO, project evaluation and selection procedures were re-opened under two programmes – BG 08 Cultural Heritage and Contemporary Art (measures 1,2 and 3) and BG 12 Gender-based Violence (measure 1). The reason for the re-opening under both programmes was improper handling of administrative and eligibility criteria at the first stage of the evaluation procedure - stage of administrative and eligibility check. Administrative and eligibility assessment was repeated under both components that resulted in lower number of applicants rejected at this stage. The NFP was closely involved in the whole process of reassessment of the administrative and eligibility criteria.

One of the main problems encountered during the period is related to public procurement procedures and their appeal before the Commission for Protection of Competition and the Supreme Administrative Court. During the period, a new Public Procurement Act entered into force as of 15 April 2016 that introduced new European Directives in the field of public procurement. A new Law on EU Funds Management was adopted on 22 December 2015 and amended on 7th June 2016 but the EEA FM and NFM are not included in the scope of the general rules for implementation of EU Funds.

Problems encountered in the implementation period were related mainly to public procurement and regulatory requirements towards investment/infrastructure projects. The NFP has required all POs to perform ex-ante control on the public procurement procedure in order to reduce the potential problems with the tender documents and to reduce the appeals. The POs are encouraged to organise trainings for the Project Promoters in order to prepare good quality documents and reduce the risk of appeals.

The NFP has also prepared a Roma Plan for the implementation of the special concern in the MoUs at least 10% of the allocation to go towards improvement of the situation of the Roma population. The implementation of this requirement was strictly monitored by the NFP at the stage of programmes’ preparation and implementation and reported on annual basis. The main problems encountered was related to the fact that in Bulgaria the ethnicity is a matter of self-determination and substantial part of the Roma population chooses not the determine itself as part of the Roma community.

Irregularities and complaints

Provide an assessment of irregularities detected during the reporting period and any financial corrections made (including net corrections), *per programme and in total*. Also, provide information related to irregularities at Beneficiary State level.

Finally, provide a summary of the complaints received under the complaint mechanism referred to in Article 11.8 of the Regulation.

During the whole period of implementation of the EEA FM and NFM in total 21 irregularities are reported at programme level, as follows: 6 irregularities under the programme BG 01, 1 irregularity under the programme BG 02, 1 irregularity under the programme BG 03, 5 irregularities under the programme BG 06, 2 irregularities under the programme BG 07, 2 irregularities under the programme BG 09, 1 irregularity under the programme BG 13, 2 irregularities under the programme BG 14 and 1 under the programme BG 15. The total amount of the imposed financial corrections is 23135 Euro (19665 Euro net corrections).

In addition 22 irregularities are detected at project level, as follows: 2 irregularities under the programme BG 02, 1 irregularity under the programme BG 03, 5 irregularities under the programme BG 06, 9 irregularities under the programme BG 07, 3 irregularities under the programme BG 11 and 2 irregularities under the programme BG 14. The total amount of the imposed financial corrections is 186 331 Euro (158 381 net allocation).

It should be noted that 84 irregularities at project level are not reported through DoRIS in line with Art. 11.7.1 (c) of the Regulations – irregularities in projects are detected and corrected by the Programme Operators before inclusion of the expenditures concerned in the statement of the actual expenditures incurred in an interim financial report or in the final financial report. The abovementioned irregularities are reported to the NFP and included in the register of irregularities at national level, as follows: 4 irregularities under the programme BG 03, 20 irregularities under the programme BG 04, 24 irregularities under BG 07, 31 irregularities under the programme BG 08 (18 of them subject to financial corrections), 3 irregularities under the programme BG 12 and 2 irregularities under the programme BG 13.

There were no irregularities reported at Beneficiary State level.

The main types of irregularities detected comprise of:

1. **Non-compliance with the rules on public procurement, for example:** non-compliance with time limits for receipt of offers or with time limits for receipt of request to participate; insufficient time for potential tenderers to obtain tender documentation; artificial split of contracts, unlawful selection criteria or methodology for evaluation, failure to state the selection criteria in the contract notice and/or award criteria in the render specifications; not clear requirements or requirements that restrict unreasonably the participation of potential applicants; award of additional works/services/supply contracts; substantial modification of the contract’s elements set out in the contract notice or tender specifications, etc.
2. **Ineligible expenditures, for example:** exchange losses not covered by a provision explicitly approved by the FMC/NMFA for the programme; business trips abroad, incl. expenditures for local transport and accommodation exceeded the applicable limitations under the national legislation; costs that are covered by other sources (double funding), e.g. costs for preparation of programme proposals paid based on civil contract for activities included in the job descriptions of the respective experts; missing assets, failure to comply with the requirements for depreciation expenditures of budgetary organizations;
3. **Other funding, related to insufficient audit trail** (expenditures nit recorded in the accounting system of the POs/PPs, effective price comparison, etc.)

29 of the abovementioned irregularities are detected as a result of the Audit Reports of the “Audit of EU Funds” Executive Agency for the expenditures made in the period 2013 and 2014 (in some of the Irregularity Reports more than one irregularity was reported related to the same programme or project – the total number of irregularities detected of the Audit Authority is 50 out of which 25 are related to public procurement procedures; 22 to ineligible expenditures and 3 to other fundings related to audit trail).

Two irregularities are detected by the Certifying Authority, 1 by anonymous signal and the remaining 13 irregularities reported through DoRIS and all irregularities under Art. 11.7.1 (c) of the Regulations were detected by the POs as part of the ex-post control of the public procurement procedures and the verification of expenditures.

There were several complaints against decisions of the POs for imposing financial corrections (under BG 04, BG 06, BG 07 and BG 08) before the administrative courts (regional and Supreme Administrative Court). The possibility to appeal financial corrections before the court is regulated in the new Law on EU Funds Management that is not directly applicable for the EEA Grants. Despite this there are already court’s decision considering that the appeals are admissible and the decision of the POs were cancelled. There are several complaints against imposed financial correction that have not been decided by the closure of the programmes (e.g. under BG 07). The Programme Operators have deducted the respective amounts from the Final Balance under the programmes but in case the decisions are in favour of the appealing Project Promoters, the POs shall reimburse the amounts from their own accounts.

A summary of the complaints received under the complaint mechanism referred to in Article 11.8 of the Regulation

During the whole period of implementation of the FMs the NFP has received 22 signals as follows: 1 complaint under the programme BG 03, 1 complaint under the programme BG 04, 2 complaints under the programme BG 06, 3 under the programme BG 07, 6 under the programme BG 08, 2 under the programme BG 09, one under the programme BG 10 and 6 under the programme BG 14. In the period 2014-2015 the complaints were related mainly to project evaluation and selection procedures while in the period 2016-2017 the complaints concerned mainly public procurement procedures and projects’ implementation. Seven of the complaints have been received through the “irregularity button” available at the NFP web-site.

According to the established procedures, all signals have been carefully checked by the irregularity officer at the NFP and the respective sectoral experts. The opinion of the PO and/or other competent authorities have been requested and analyzed. When considered necessary, monitoring on the spot have been performed by the NFP and/or by the respective POs. Finally, a feedback has been prepared to the person having submitted the signal/complaint within a 3-months period.

Programme conditions and post-completion obligations

What did the NFP do to ensure the fulfilment of the conditions set in programme agreements?

How will the NFP ensure the fulfilment of post-completion obligations?

The NFP prepared and signed Programme Implementation Agreements with all Programme Operators where it is explicitly stated that the NFP entrusts the implementation of the programme to the respective PO and the PO shall be obliged to implement the programme while meeting the conditions under the Programme Agreement and the annexes that form an integral part of it. The Programmes Operators were obliged to implement the programmes in accordance with its aim, results, outputs, indicators and planned targets, as well as all conditions arising out of the Programme Agreement.

In the initial stage of programmes’ implementation, regular meetings were organised and regular correspondence with the PO exchanged to give the necessary guidance on the steps to be followed. The pre-payment conditions are related mainly to presenting detailed budget of the programmes; verification of payment claims by external legal entities independent and unrelated to the POs and detailed rules on the use of the bilateral fund. For all the conditions the NFP checked carefully all relevant documents presented by the POs and confirmed to the FMO that the respective conditions have been fulfilled. The relevant exchange of information have been kept in the NFP archive.

As regards the post-completion obligation it should be noted that according to the Management and Control System at national level all Final Programme Reports were checked by the NFP before there submission to the Certifying Authority. The NFP reviewed the fulfilment of all general and post-completion obligations related to ownership and use of the equipment, insurance and maintenance. In addition, the NFP foresee to perform on-the spot monitoring of a sample of projects across all programmes to check the sustainability of projects’ results and the fulfilment of post-completion obligations by the Project Promoters.

## Monitoring, reviews, evaluations and audit

During the whole period of implementation the NFP has monitored closely the overall implementation process through regular monitoring meetings with the POs, technical meetings and day-to-day communication with POs and if necessary, with project promoters of larger projects.

The purpose of the regular meetings with the POs was to review the progress under all programmes, to identify problematic issue and find the most appropriate corrective actions. There was a special format to be filled in by the POs with horizontal information on the progress of the programmes as a whole and detailed information on each project. The horizontal information included financial progress (contracted and disbursed amount), status of implementation of bilateral and complementarity funds, estimated amount and intended use of savings, irregularities detected, recommendations from audits and external monitoring missions and follow-up. The project level information included financial and technical progress, identified problems, amendments to grant award contracts, risks and mitigation measures taken/planned by the PO. The monitoring reports were submitted by the POs and the identified risks were discussed during the meetings.

As a result of the regular monitoring the NFP identified several projects that are considered with a high level of risk under the programmes BG 02 and BG 03, BG 04, BG 07, BG 08. There were more frequent meetings with the POs under these programmes to discuss matters of urgency related to the implementation of projects and with the purpose to review the issues from the perspective of all involved parties, incl. project promoters. As a result of these regular meetings some of the most risky projects under the programme BG 03 and BG 08 were successfully implemented with the deadline of 30 April 2017 and achieved their intended outcomes.

In addition to the regular horizontal and programme level monitoring, NFP representatives were involved in project level monitoring through on-the spot visits to projects, participation in working meetings with POs and project promoters, in workshops, round tables and conferences, closing events at programme and project level. The purpose and result of attending these events was to have a closer look into the practical dimensions of projects and how the outputs and outcomes would feed into the targeted policies, interaction with stakeholders and target groups, how the activities are perceived by the wider public and in what ways they could bring more added value.

NFP representatives took part as observers in the Cooperation Committee meetings under all programmes held in Bulgaria or in the donor states which is an opportunity to be informed and give advice related to the bilateral aspects of the programmes.

Another very useful form of monitoring were the meetings between the FMO, NFP and the POs that give the possibility to use the FMO experience and guidance on solving problematic issues under all programmes

As a result of the strict monitoring performed, the NFP provided horizontal guidance to all Programme Operators aiming at better programmes’ implementation, for example:

* after consultation with the FMO it was decided that the so called “second advance payment” could be provided to Project Promoters in cases when there is contract signed and the respective guarantees are provided in order to ensure the necessary financial resources to speed up the implementation process;
* the potential savings under the programmes were analysed and in some cases reallocated for additional activities under the same project, for additional activities following a procedure under Art. 6.9 of the Regulations or in some limited cases to additional activities under the Fund for Bilateral Relations at programme level;
* some of the most problematic projects under the programme BG 02 and BG 07 was monitored on a more frequent basis, especially after the Donors decision to allow exceptional extension by 31 December 2017. In all cases, there were court appeals with suspensory effect and the POs reported to the NFP and FMO on a weekly basis on the status of the procedures, the signing of contracts and implementation of projects’ activities;
* The absorption and implementation of the Bilateral Funds were monitored on a regular basis through requesting information from the POs and participation in the Cooperation committee meetings.

No reviews and evaluations have taken place during the period. The NFP was planning to commission an evaluation on results and impact across programmes.  In order to have all major programmes’ outcomes available and assessed the idea was to launch the evaluation after the completion of all programmes. A tender dossier was prepared but the tender procedure was delayed and this would not allow to launch and finalise the evaluation within the deadline for eligibility of costs under the project BG 01 (31 August 2018).

The NFP has already started to prepare the evaluation plan under the Technical Assistance Fund 2014 – 2021 where an evaluation on the potential for upgrade and extending the results achieved under the period 2009-2014 will be assessed (consistency, continuity  and building on results of programmes).

The NFP has not commissioned any audits during the period. All programmes have been audited on a sample basis by the Audit Authority and the NFP was informed about the results. In case of signals or potential irregularities the NFP informed the Audit Authority and based on this the respective projects could be included in the audit sample.

## Information and publicity

Provide a summary of the information and publicity activities undertaken by the National Focal Point, including:

1. the status of implementation of the Communication Strategy for the Grants, including examples of information and publicity measures;
2. an assessment of the results of the information and publicity measures in terms of visibility and awareness of the Grants mechanism and its objectives, and of the role played by the Donor State(s), as provided for in subparagraph (f) of Article 2.2 of the Information and Publicity Requirements (Annex 4);
3. an assessment of the information and publicity activities implemented by the Programme Operators, including the arrangements referred to in paragraph 2 Article 4.7 of the Regulation and the websites where such information may be found.

The following milestones can be distinguished as communication achievements for the 2009 – 2014 period:

* **Establishment of a website**– website dedicated to the EEA and NG was established following the acquisition of the eeagrants.bg and norwaygrants.bg domains. The website has provided information for all programmes including calls for proposals, events, documents and all relevant data. This tool has been taken to the next level as of June 2018 with an upgrade to serve as a portal for all programmes and a single point of information.
* **Establishment of a Facebook page** and regular updates with content, establishment of a network of pages – although having a relatively late start, the Facebook page of the Bulgarian NFP was launched in 2016 and has now close to 1000 followers. The aim is not only to bring the grants closer to the general public by sharing information and results, but also to establish a network of Facebook pages with POs and project promoters. This also helps tackle a crucial issue – it is often the case that the NFP finds it difficult to follow the results at project level. Facebook allows us to establish links and be more present at project events and share stories.
* **Organisation of opening and closing event, celebration of the 10 years anniversary** – the events served as an introduction and a public announcement for the launch of the actual implementation and a conclusion with results and statistics. As the closure coincided with the 10 years anniversary the NFP organised an exhibition at a popular public location showcasing photos and information from more than 30 projects throughout the history of the grants in Bulgaria. The exhibition was formally opened together with the Norwegian Embassy. Art installations developed under the Cultural Heritage programme were showcased during the opening event. For two weeks the exhibition was a popular stop for thousands of people, including tourists visiting Sofia, passing by people and people related to the implementation of the grants. Overall, all events were in the highlights of the media as they marked important stages of implementation and were joined by high level politicians.
* **Working together – Embassy, POs, FMO** – the active collaboration with our partners in the Norwegian Embassy, the FMO and the Programme Operators has always been vital for our success. A much necessary communication training for POs was organised by the NFP and the Communication Department at the FMO. We hope that this good practice will be transferred to the next programming period. We also find essential the active collaboration with the Norwegian Embassy as a way to attract more media attention and to showcase the Donors’ contribution and the bilateral aspect.
* **Printing of information and publicity materials** – two brochures were printed and are also available online: one to mark the start of the programming period and the closure (10 years anniversary). The brochures showcased the contribution of Norway, Iceland and Liechtenstein, the supported areas, horizontal concerns, the bilateral aspect and the overall results. Additional publicity materials were produced to make visible the grants.

**Challenges for the reporting period the NFP faced:**

* Being flexible – seven years after the signature of the MoUs communication and the way we share information and speak to the world has changed in so many ways. We have witnessed the rise and decline of Facebook which is a huge thing all by itself. Adapting to new environments is among the key topics especially when working in the administration. In this regard, the Communication Workshops, organised by the FMO are very useful as they provide opportunity for discussion between countries and experts in the field and new trends are explored and brought to implementation.
* Working with the POs – we identify the need for regular meetings and live discussions on foreseen communication activities. Otherwise the NFP is rarely part in the planning of events and thus we miss the opportunity to explore synergies with other programmes or possible side initiatives and collaborations. As the NFP has to ensure POs communication activities, the NFP and the Norwegian Embassy organised several meetings with communication experts from the POs. However the format wasn’t very productive and the topic became part of the agenda for the regular meetings with the POs on the overall implementation of the programmes.
* Working with the media – the media environment in Bulgaria is very difficult as journalist tend to follow high-level politicians and rather be focused on news with social impact. Therefore it is even more important to promote project stories and people affected by the grants.

The overall assessment of the communication activities of the Programme Operators is that they comply with the minimum requirements laid down in the Regulation and Annex 4. An outreach of the funding opportunities has been provided as well as development and implementation of publicity measures in order to secure transparency and visibility of the supported initiatives. The Programme Operators have developed websites and facebook pages to promote the funding through the EEA and Norway Grants.

However, there is much room for improvement and focus that are to be taken as lessons learnt for the 2014 – 2021 programming period:

* More communication dedicated staff – the understanding that communication is a crucial part of the process of programme management and implementation should be the starting point;
* Maintaining a living online presence – establishing a webpage and social media profiles is an important step, but having regular updates is crucial for reaching target groups;
* Coordination of communication initiatives with other actors in the respective sector (involvement of sectorial organisations, relevant stakeholders) as well as with other POs and NFP;
* Evaluation of results – conducting surveys, event attendance, web page visits, reach and response.

## SUMMARY LIST OF ISSUES AND RECOMMENDATIONS

*This section should reflect the National Focal Point’s overall views and assessments of achievements. Please provide your main observations on what worked, what didn’t work, why, and what could be done better (lessons learned). Examples of good practice can be presented here.*

From the perspective of the Bulgarian National Focal Point (NFP) the second programming period of the EEA and Norway Grants 2009 – 2014 was completed successfully in terms of accomplished measures and activities, achieved indicators and outcomes and utilized funds. The data from final programme reports, from the project level information and from the monitoring carried out by POs and NFP provide sufficient grounds to conclude that delivered outcomes will be sustainable and have a good potential for multiplication and for steering new culture and attitudes towards finding solutions to problematic issues of sectoral or national importance and towards providing care to the most vulnerable groups in society through the combined efforts of public authorities, the NGO sector and citizens.

The Grants involved a wide range of stakeholders and of type of interventions that were well focused to the specific needs of target groups. It created a different experience from that under the ESIF but also made it possible the actual synergy between funding sources to become a strategic tool in achieving national policy objectives. They proved to be a strong capacity building tool especially for institutions and structures that had not been involved in EU funds management. Thus we can confirm that currently at all sectoral ministries at national level and at their structures at regional level there is a good level of capacity for programming and for funds management. Furthermore the implementation of the Grants allowed a very diverse type of project promoters, partners and target groups to benefit from the outcomes achieved – NGOs, public authorities, citizens, business, that is a prerequisite for a strong perception on shared values to be triggered.

Another extremely important opportunity that was quite well utilized by the programmes was the bilateral cooperation with counterpart institutions, with a variety of project partners as well as in the course of scholarships and academic mobility. The transfer of good practices and knowledge was an unique feature of the Grants and although at a different speed and intensity, it brought a stronger European dimension to the programmes’ achievements. Particularly beneficial were the partnerships with donor state entities or international organisations in areas where the donors have long lasting experience with introducing advanced technologies or with building participative models of support and improving the welfare and living conditions of disadvantaged groups or groups at risk of social exclusion. At the same time there were also successful partnerships in which all partners benefitted from collaborative work, investigations and problem solving of common challenges – such examples were witnessed in the environment sector, in the sector of academic research, etc.

Utilisation of bilateral funds experienced problems under some programmes because of the impossibility of POs and DPPs to identify at an earlier stage interesting bilateral initiatives or to find interested donor partners. This issues should receive greater attention by the partners in the new programming period since the launch of programmes’ implementation. In addition cooperation initiatives implemented between representatives of beneficiary states or with the involvement of neighbouring countries had also immense effect on the transfer of knowledge and networking.

Implementation of the grants did not go smoothly at all stages. The main difficulties and weaknesses were experienced with regard to insufficient institutional/administrative capacity and delays in the launch of pre-defined projects, calls for proposals as well as severe delays due to numereous complaints within the public procurement procedures. The period of implementation coincided with a complicated political situation, several changes of Government or of individual ministers, restructuring, changes in the POs’ teams that had noticeable although temporary drawback impact on few of the programmes, especially when the most intensive preparation for launching the different type of interventions took place. The efforts of the NFP to minimize the negative effect of institutional restructuring or political changes played a role but could not entirely eliminate the risks.

Based on the experience and common challenges met in the implementation of all programmes the following lessons learnt could be drawn:

1. Rigid time schedule management should be in place through the whole implementation period – taking into account that most of the programmes and projects were successfully completed only as a result of extensions granted the strict monitoring of time schedules developed for all stages of the implementation process is critically essential;

1. Common guidelines/rules on horizontal issues should be directly applicable where such have a direct impact on implementation *(such as: setting limits of duration of calls for proposals; payment mode; incentives to programme management teams; rates of daily allowance for business trips; financial corrections; in-direct costs*).
2. Clear, systematic and accessible information on the most important rules applicable in donor states (VAT regimes, legal status of potential beneficiaries, state aid, etc.) should be made available.
3. Training for PO staff on topics related to amendments in legislation applicable to programmes’ management, incl. state aid and public procurement, is very important prerequisite for the proper operational and financial management of programmes. The PO shall also organize trainings and provide clear guidance for all Project Promoters;
4. One programme in one PA managed by one PO could secure better focus and more efficient use of resources.
5. Regular meetings between the NFP and the POs are essential in order to discuss problematic issues, possible corrective measures and horizontal concerns. There was also a good practice in some of the POs to hold regular meetings with the Project Promoters that is considered a good opportunity to discuss common challenges and exchange experience;
6. Some of the projects are finally implemented at substantially lower amounts that initially foreseen which also have a direct effect on the absorption rate of the programmes – the PO shall strictly analyse the budget of the projects during the evaluation phase and afterwards during the projects’ implementation. The savings realized under the project shall be identified and reallocated on time to other initiatives under the same projects or under the programme.
7. Under some programmes unspent funds at significant amount were available as due to the restrictive rules the funds were not contracted. The practice of different/varying treatment of rules or introduction of restrictive rules by POs should be avoided. The NFP will have to play a more active role in this regard.
8. A good quality Description of the Management and Control System at programme level are essential for the proper implementation of the programmes. The NFP should be more actively involved in the preparation of the Management and Control Systems and support the POs through clear horizontal guidance and more detailed template to be used by all POs.

## ATTACHMENTS TO THE STRATEGIC REPORT

The Strategic Report shall include a number of attachments. DoRIS reports are available for extraction to be used for attachments 1-5 and are the same ones as have been used for the Annual Strategic Reports. The reports can be accessed from the folder called: *Strategic Report Attachments* which is located under the *Country report* folder. Please follow the following link in the reports section of DoRIS (<https://doris.eeagrants.org/MapReports/>).

1. For each programme, a table showing the breakdown of applications received and projects selected / contracted, as well as the types of intervention supported.

[DoRIS report to be extracted. The report is based on information provided by Programme Operators in the Annual Programme Report tasks]

1. For each Programme, a table providing information about donor partnership projects (names of Donor State entities, number and proportion of partnership projects) and a summary table on donor partnership projects at the Beneficiary State level.

[DoRIS report to be extracted. The report is based on information provided by Programme Operators in the Project Level Information (PLI) registration.]

1. A list of irregularities detected at the Beneficiary State level and at programme level during the reporting period and the remedies taken. Provide an update on previously reported irregularities.

[DoRIS report to be extracted. The report lists all irregularities detected at the Beneficiary State and Programme level.]

1. For each programme, a list of irregularities detected at project level during the reporting period and the remedies taken. Provide an update on previously reported irregularities.

[DoRIS report to be extracted. The report list all irregularities detected at project level.]

1. With reference to the monitoring plan, give an overview of the monitoring and audit activities carried out in the Beneficiary State, and a summary of the main findings.

[This is a non-public attachment.]