**APPLICATION GUIDELINES**

**FOR THE RESTRICTED CALL FOR PROPOSALS “YOUTH CENTRES: A POWERFUL FACTOR FOR LOCAL DEVELOPMENT”**

**DEFINITIONS:**

 **“Donor Partnership Project”**: a project implemented in close cooperation with project partner(s) whose primary location is in one of the Donor States;

**“Donor Programme Partner”**: a public entity in a Donor State designated by the FMC advising on the preparation and/or implementation of a programme, and/or participating in the implementation of a programme;

**“Donor States”**: Republic of Iceland, Principality of Liechtenstein and Kingdom of Norway;

**“Eligible expenditures”**: expenditures which can be approved in a project, in the according to the Article 8.2 “General principles on the eligibility of expenditures”, Article 8.3 “Eligible direct expenditures in a project”, Article 8.4 “Standard scales of unit costs”, Article 8.5 “Indirect costs in projects” and Article 8.6 “Purchase of real estate and land” of the Regulation on the implementation of the European Economic Area Financial Mechanism 2014 – 2021;

**“Evaluation”**: a systematic, objective and independent assessment of the design, implementation and/or results achieved in the programmes and projects with the aim to determining the relevance, coherence and consistency, effectiveness, efficiency, impacts and sustainability of the financial contribution;

**“Excluded costs”**: expenditures which cannot be approved in a project and cannot be included in a claim for reimbursement, in the meaning of Article 8.7 “Excluded Costs” of Regulation on the implementation of the European Economic Area Financial Mechanism 2014 – 2021;

**“Financial Mechanism Committee”** (hereinafter referred to as the FMC): the committee established by the Standing Committee of the EFTA States to manage the EEA Financial Mechanism 2014 – 2021;

**“Financial** **Mechanism Office”** (FMO): the office assisting the FMC in managing the EEA Financial Mechanism 2014-2021. The FMO, which is administratively a part of the European Free Trade Association, is responsible for the day-to-day implementation of the EEA FM 2014-2021 on behalf of the FMC and serves as a contact point;

 **“International Partner Organisation”** (IPO): international organisation or body or an agency thereof, involved in the implementation of the EEA Financial Mechanism 2014 – 2021, designated by the FMC;

**“Irregularity”**: any infringement of the legal framework of the EEA Financial Mechanism or any provision of European Union law or of the national law of the Beneficiary State, which affects or prejudices any stage of the implementation of the EEA Financial Mechanism 2014 – 2021 in the Beneficiary State, in particular, but not limited to, the implementation and/or the budget of any programme, project or other activities financed by the EEA Financial Mechanism 2014 – 2021;

 **“National Focal Point”**: a national public entity (the Central Coordination Unit Directorate within the Administration of the Council of Ministers of the Republic of Bulgaria) designated by the Beneficiary State to have the overall responsibility for reaching the objectives of the EEA Financial Mechanism 2014 – 2021 and implementing the MoU;

**“Non-governmental organisation** (NGO)“: a non-profit voluntary organisation established as a legal entity, independent of local, regional and central government, public entities, political parties and commercial organisations. Religious institutions and political parties are not considered NGOs;

 **“Programme”**: a structure setting out a development strategy with a coherent set of measures to be carried out through projects with the support of the EEA Financial Mechanism 2014 – 2021 and aimed at achieving agreed objectives and outcomes;

**“Programme agreement”**: an agreement between the Financial Mechanism Committee (FMC) and the National Focal Point (NFP) regulating the implementation of a particular programme;

**“Programme area”**: a thematic field within a priority sector with specific objectives and specific measurable results;

**“Programme grant”**: the financial contribution from the Donor States to a programme;

**“Programme implementation agreement”:** an agreement between the Programme Operator (PO) and the National Focal Point (NFP), regulating the implementation of a particular programme.

**“Programme Operator”**: a public or private entity, commercial or non-commercial, as well as non-governmental organisations, having the responsibility for preparing and implementing a programme;

**“Programme Partner”**: a public or private entity, commercial or non-commercial, as well as non-governmental organisation, international organisations or agencies, actively involved in, and effectively contributing to the implementation of a programme;

 **“Project”:** an economically indivisible series of works fulfilling a precise technical function and with clearly identifiable aims related to the programme under which it falls. A project may include one or more sub-projects. Without prejudice to Article 6.5 of Regulation on the implementation of the European Economic Area Financial Mechanism 2014 – 2021, projects are selected by the Programme Operator.

**“Project contract”**: an agreement between the programme operator and the project promoter/beneficiary regulating the implementation of a particular project;

**“Project grant/Project financing”**: a grant awarded by a programme operator to a project promoter to implement a project;

**“Project Partner”**: a natural or legal person actively involved in, an effectively contributing to, the implementation of a project. It shares with the Project Promoter a common economic or social, goal which is to be realised through the implementation of that project;

**“Project Promoter/Beneficiary”:** a natural or legal person having responsibility for initiating, preparing and implementing a project;

 **“Project proposal”**: a proposal for the award of a grant financed from EEA FM 2014-2021, which includes an application form and other requisite supporting documents.

**“Vulnerable groups”**: For the purposes of the programme, the „vulnerable groups” are defined as groups at higher risk of poverty and social exclusion than the general population, such as ethnic minorities, disabled people, migrants, drop-outs from school, orphaned, children and youth coming from families with one parent, children and youth coming from families with low level of education, or struggling with substance abuse/homeless/unemployed.

**ABBREVIATIONS**

DPP Donor Programme Partner

EEA European Economic Area

ЕЕA FM European Economic Area Financial Mechanism

EU European Union

FMC EEA Financial Mechanism Committee

FMO Financial Mechanism Office

IPO International Partner Organisation

NFD National Fund Directorate, Ministry of Finance

NFP National Focal Point

PO Programme Operator

VAT Value Added Tax

**1. Programme title:**

**“Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups”**

* 1. **General information about the Programme**

The Ministry of Education and Science (MES) is the Programme Operator of “Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme under a Memorandum of Understanding on the implementation of EEA FM 2014 – 2021 signed on 16.12.2016.

The Programme Agreement between the Financial Mechanism Committee (FMC) and the National Focal Point (NFP) on the funding of “Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme was signed on 23 May, 2018.

The Programme Implementation Agreement for “Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme was signed on 25 July, 2018 by and between NFP and the Programme Operator (PO), whereby the Programme Operator undertakes to implement the programme pursuant to the Programme Agreement and the Annexes thereto.

The total cost of the programme is EUR 41 176 471 (with national co-financing included). The Donor Programme Partner is the Norwegian Association of Local and Regional Authorities (KS). The International Partner Organisation is the Council of Europe.

The programme covers three programme areas:

* Local development and poverty reduction;
* Children and youth at risk;
* Roma inclusion and empowerment.

**1.2. Programme Operator**

The functions of Programme Operator of “Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme are exercised by the Ministry of Education and Science through its External European Programmes (EEP) Directorate.

These functions are detailed in Article 5.6 of the Regulation on the implementation of the European Economic Area Financial Mechanism 2014 – 2021 (The Regulation).

**2. Programme area of this call for proposals:**

РА 10 Local development and poverty reduction

**3. Title of the operation:**

Youth centres: a powerful factor for local development

**4. Territory of the project implementation:**

The territory of the Republic of Bulgaria

**5. Objectives of the operation:**

**5.1. Overall objective**

Widening the territorial scope of the youth centres and increasing both the diversity of their activities and the number of youth and non-youth participating in these activities in order to match the needs and the aspirations of young people and representatives of the community, including the ones from the vulnerable groups. For the purposes of the programme, the „vulnerable groups” are defined as groups at higher risk of poverty and social exclusion than the general population, such as ethnic minorities, disabled people, migrants, drop-outs from school, orphaned, children and youth coming from families with one parent, children and youth coming from families with low level of education, or struggling with substance abuse/homeless/unemployed.

**5.2. Specific objectives**

Increasing the number of activities, organized by youth;

Widening the territorial scope of the activities (through outreach actions, transportation to and from the youth centre and for the other venues of its organized activities);

Ensuring access to youth centre activities of disadvantaged young people living in other villages/cities in the respective area;

Increasing the number of youth centre activities aiming to responding to the needs of young people;

Increasing the number of youth, participating in youth centre activities;

Diversifying the activities and including people of different ages;

Improving the quality of the existing services and community outreach.

**5.3. Target groups:**

**Primary target group:**

* Young people aged between 15 and 29 years
* Pupils/Students at risk of dropping out or that have dropped out from school;
* Young people at risk belonging to ethnic minorities;
* Young people at risk, living in small or remote locations or in economically disadvantaged areas;
* Non-youth related to the youth participating to the YC activities: including children, parents, teachers, mentors and other representatives of the local community.

**Nota bene! The target group of vulnerable persons should be at least 20% of the total number of targeted individuals.**

**Secondary target group:**

* Mediators working with representatives of the vulnerable groups (including Roma mediators);
* Youth workers;
* The staff of the Youth Centres and municipal staff.

**6. Demarcation with similar programmes/projects:**

This restricted call for proposals aims to support the four youth centres established under Programme BG06 “Children and youth at risk”, financed by EEA FM 2009 – 2014 (the Youth centeres in Stara Zagora, Plovdiv, Dobrich and Vratza), widening the scope and increasing the diversity of their activities.

The ‘Human Resources Development’ Operational Programme (OP), financed by the ESIF is also forseeing activities to support the youth institutions and activities. The Ministry of Youth and Sports is implementing a project for development of national youth work standards.

Therefore, each project submitted under this restricted call for proposals should clearly describe **the demarcation** between the forseen activities of the respective youth centre and its participation in other projects with similar activities (incl. the project supported by the ‘Human Resources Development’ OP or other local and international funds).

**7. Expected results and indicators:**

**7.1. Expected results**

**Overall results:**

Enhanced social and economic development in disadvantaged municipalities

Improved access of young people to youth centre services

Improved cooperation between the Bulgarian beneficiaries and the project partner(s) from the donor states

**Specific results:**

Four youth centres, established under BG06 ‘Children and Youth at Risk’ Programme supported and working in network;

Young people in municipalities becoming more active and non-youth people joining the activities of the centre;

Capacity building of the employees in the youth centres by training of trainers, training of youth workers and education mediators to respond to the needs of the target group;

Effective and innovative measures and activities for social inclusion of representatives of vulnerable groups in disadvantaged regions offered through the services in the youth centres, including assistance on social, health, and employment matters.

**7.2. Indicators**

Number of youth-led initiatives in targeted comunities: 160 (at least 40 per centre)

Number of people (non-youth) reached by project activities (reporting of gender and ethnicity disaggregated data): 1500 (at least 375 per centre)

Number of youth centres supported: 4

Number of youth reached by project activities (reporting by gender and ethnicity disaggregated data): 5000 (at least 1250 per centre), 20 % of them from vulnerable groups

Level of satisfaction with the partnership relations with the donor project partners – improvement against the baseline measurement up to and above 4.5 points on a scale of 1 to 7 points

Level of trust between the partner organisations from the beneficiary country and the Donor States – improvement against the baseline measurement up to and above 4.5 points on a scale of 1 to 7 points

Number of beneficiary-state participants taking part in exchange of experience with donor programme partners: 80 (at least 20 participants from each centre)

Number of donor state participants taking part in exchange with Bulgarian partners: 40 (at least 10 representatives from the donor states per project).

**7.3. Relevance with the Results Framework of the Programme**



**8. Total grant amount for the operation:**

EUR 4 000 000

**9. Minimum and maximum amount of project grant:**

EUR 500 000 – EUR 1 500 000

**10. Co-financing rate:**

*Co-financing is not required for the present restricted call.*

**11. Eligible applicants / project promoters:**

**Eligible applicants**: Municipality of Stara Zagora, Dobrich - City Municipality, Municipality of Plovdiv and Municipality of Vratsa.

The youth centres established in the respective municipalities through the financial support of the European Economic Area Financial Mechanism 2009 - 2014.

The applicant must have the required administrative, financial and operating capacity.

* **Administrative capacity:**

The project organisation and management team must correspond (in terms of number and professional experience of team members) to the nature and volume of the activities set forth.

The applicant should present the CVs of the team members as evidence of availability of administrative capacity.

* **Financial capacity:**

The applicant is financially sound and is able to secure the respective project co-financing (if such is set forth in the project).

The financial capacity of the applicant will be check ex officio by reviewing the applicant's financial statement.

* **Operating capacity:**

The applicant must have proven record of organisation and implementation of social and youth activities.

This information should be given in the description of applicant section in the Application Form (p. 2 Information about the applicant). When evaluating the information, PO may require relevant evidence material.

**12. Eligible partners**

**12.1. Eligible partners from Bulgaria**: public bodies and non-governmental organisations.

**12.2. Eligible foreign partners:** Any public or private entity, commercial or non-commercial, as well as non-governmental organisations established as a legal person either in the Donor States, Beneficiary States or a country outside the European Economic Area that has a common border with the respective Beneficiary State, or any international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project, are considered eligible project partners.

When the project partner/s are receiving financial support for their activities in the project, they are also subject of verification in terms of administrative, financial and operational. Therefore, they could be also asked to present documents, proving the respective capacity.

When submitting the project proposal, a draft partnership agreement (or letter of intent if the project partner is from donor-states) shall be submitted to the Programme Operator. For the signature of the project contract (or at the latest before the first advance payment) a duly signed Partnership agreement will be needed.

The **Partnership Agreement** shall contain the following:

а) provisions on the roles and responsibilities of the parties;

b) provisions on the financial arrangements between the parties, including but not limited to which expenditures the project partners can get reimbursed from the project budget;

c) provisions on the method of calculating indirect costs and their maximum amount;

d) currency exchange rules for such expenditure and its reimbursement;

e) provisions on audits on the project partners;

f) a detailed budget;

g) provisions on dispute resolution.

The partnership agreement shall be in **English** (according to the template enclosed hereunder) and shall be signed by the legal representatives of the relevant organization or duly authorized persons.

The eligibility of the expenditures incurred by the project partners shall be governed by the same limitations which would apply if the expenditure was incurred by the project promoter.

The establishment and actualisation of relations between the beneficiary and the project partners shall comply with the applicable national and European procurement legislation and with Article 8.15 of the Regulation.

In order to to help the potencial applicants looking for a project partner, a Bilateral Fund (BF) is available at programme level for travel support and project development. The rules for requesting financing under this fund are published by the Programme operator on the programme website (https://www.eeagrants.bg/programi/mestno-razvitie).

**13. Eligible activities:**

**13.1. General requirements to activities:**

All activities financed by EEA FM 2014-2021 shall have the following characteristics:

* They shall be based on the common values of respect for human dignity, freedom, democracy, equality, the rule of law and the respect for human rights, including the rights of persons belonging to minorities;
* They shall follow the principles of good governance; they shall be participatory and inclusive, accountable, transparent, responsive, effective and efficient. There shall be zero tolerance towards corruption;
* They shall be consistent with sustainable development, long-term economic growth, social cohesion and environmental protection;
* They shall follow a risk management approach.

**13.2. Eligible types of activities:**

* management activities;
* communication and publicity activities;
* audit activities;
* widening the teritorial and the content scope of the activities of the youth centres;
* social inclusion activities;
* poverty reduction activities;
* educational activities;
* construction and repair activities and supplies of equipment/furniture;
* activities for sharing of good practices nationally (with the existing and newly established youth centres of the programme) and activities for sharing of good practices internationally;
* activities of the National network of youth centres;
* activities for strengthening bilateral relations with Donor States.

**13.3. Mandatory activities and tasks:**

* activities to widen the scope of the youth centres (additional tailor made services for vulnerable groups, job seeking advice and guidance, measures to support youth participation in the local and national decision-making process, non-formal education opportunities at local level, guidance in re-integrating or integrating in the formal education system and / or vocational training etc.);
* innovative activities provided by the youth centre;
* recruiting at least 5 youth workers and 2 educational mediators in each youth centre in total (existing positions of youth workers and educational mediators are counted in this number);
* non-formal education for young people;
* services for young people;
* community activities and activities with representatives of non-youth groups (incl. children, parents, community representatices, involved in youth centre activities);
* implementation of international initiatives for sharing of experience and good practices;
* proactive outreach work with representatives of vulnerable groups and disadvantaged communities;
* audit;
* information and publicity activities (elaboration and execution of a Communication plan according to Annex 3 to the Regulations and the Communication and Design Manual);
* activities in cooperation with donor project partners.

All activities provided by and the overall work of the youth centres shall be tailored to the needs of the target groups and must comply with the Council of Europe standards of youth work – respect for human rights, transparent governance and civic participation.

In order to prove the current needs of the YC, the applicant should provide information about:

- the current administrative capacity of the Youth centre;

- the financial contribution on behalf of the municicpality dedicated to the Youth centre’s activities;

- the problems and needs of the main target groups in the region;

- the activities of the centre for the last 18 months.

The Project promoter must present a Strategy for the development of the centre and the respective implementation plan. The Strategy must contain measures for creating and maintaining the administrative capacity of the centre, as well as measures for social inclusion of the vulnerable groups in the community, mandatory implementation of non-formal education activities, measures for re-integration of drop-outs in the formal educational system, comprehensive mechanism for active participation of the representatives of the vulnerable groups (incl.: Roma); completed with a sound financial plan, timeframe for the implementation of the activities.

**14. Risk analysis**

 In the description of the project implementation modalities in the Application Form (Section 11) the applicant shall describe possible risks, the likelihood of occurrence thereof and the effect they would have on the achievement of the project results, as well as the measures envisaged to prevent or address such risks.

**15. Eligible expenditures**

**15.1. General principles on the eligibility of expenditures**

Only eligible expenditures will be considered in the award of funding. They are determined on the basis of the following requirements of the Regulation on the implementation of the EEA Financial Mechanism 2014 – 2021, Article 8.2 “General principles on the eligibility of expenditures”:

* the expenditures are incurred between the first and the final dates of eligibility of a project, as specified in the project contract;
* they are connected with the subject of the project contract and are indicated in the total estimated project budget;
* they are proportionate and necessary for the implementation of the project;
* they must be used for the sole purpose of achieving the objective(s) of the project and its expected outcomes, in a manner consistent with the principles of economy, efficiency and effectiveness;
* they are identifiable and verifiable in particular through being recorded in the accounting records of the Project Promoter and/or Project partner and determined according to the applicable accounting standards of the country where the Project Promoter and/or project partner is established and according to generally acceptable accounting principles;
* they comply with the requirements of applicable tax, insurance and social legislation.

Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works). Exceptionally, costs in respect of which an invoice has been issued in the final month of eligibility are also deemed to be incurred within the dates of eligibility if the costs are paid within 30 days of the final date for eligibility. Overheads and depreciation of equipment are considered to have been incurred when they are recorded on the accounts of the Project Promoter and/or partner.

Where equipment is purchased, only the portion of depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be considered eligible expenditure.

The project promoter’s internal accounting and auditing procedures must permit direct reconciliation of the expenditures and revenue declared in respect of the project with the corresponding accounting statements and supporting documents.

**15.2. Eligible direct expenditures**

According to Article 8.3 of the Regulation, the eligible direct expenditures for a project are those expenditures which are identified by the project promoter and/or the project partner, in accordance with their accounting principles and usual internal rules, as specific expenditures **directly linked to the implementation of the project** and which **can be booked to it directly**. The following direct expenditures are eligible provided that they satisfy the criteria set out in Article 8.2 of the Regulation:

1. **Management Costs:**
* The cost of staff assigned to manage the project – comprising actual salaries and social security charges and other statutory costs included in the remuneration, provided that this corresponds to the project promoter’s and project partner’s usual policy on remuneration. More detailed description of the eligibility of the salaries costs is included in the Guideline for Beneficiaries;
* Travel and subsistence allowances for staff managing the project. Planned expenditures should be budgeted according to the Ordinance on business trips in Bulgaria and the Ordinance on business trips and specialisations abroad, as well as selecting the most economical route and mode of transport.

Total project management costs shall not exceed 8 % of the total eligible expenditure of the project.

**2. Implementation of the Project**

* Cost of staff assigned to the project working in the youth centre (YC manager, youth workers, education mediators, other centre staff): gross salaries and relevant social insurance payments for employer’s account, as well as other additional costs which are included in the remuneration, which correspond to the project budget and to beneficiary’s usual policy on remuneration;
* Travel and subsistence allowances for staff taking part in the project. Planned funds should be budgeted according to the Ordinance on business trips in Bulgaria and the Ordinance on business trips and specialisations abroad, as well as on the principle of selecting the most economical route and mode of transport;
* Costs of purchase of **equipment** (incl. vehicle/s necessary for the forseen activities) and furniture, directly related to the implementation of the project activities, which are necessary for achievement of the objectives set and are justified in detail in the project proposal;

**NB!** The purchase of equipment, which duplicates the purchased equipment by the funding of the BG06 ‘Children and Youth at Risk’ Programme is non-eligible. In the financial framework of the EEA FM 2014 – 2021, the previously purchased equipment (funded by the BG06 Programme) is in a period of sustainability and the necessary maintenance (if necessary) should be provided by the beneficiary and / or the supplier. In case of solid evidence to be provided that the previously purchased equipment and furniture are depreciated/damaged and beyond the warranty period the new equipment/furniture may be eligible and evidence of a clear connection with the proposed acitivites should be presented.

* Purchase of land and real estate under the conditions set in Article 8.6 of the Regulation, including **cost of construction works**, state or municipal taxes and the required supervision thereto. The construction works to building/repairing additional premises, not part of the established centres are eligible, if they have not been funded for the last 10 years by both the EEA FM 2009 - 2014 and other donor programmes.

**NB!** Eligible cost of land, construction works and equipment must not exceed **30 % (thirty percent)** of the total cost of the project. The reconstruction/repairment expenditures should be justified in detail, indivisible, necessary to achieve the project objective - widening the scope of activities of the youth centre. Upon completion of the project activities, the reconstructed premises should become an integral part of the Youth Centre and continue to be used for the project purposes.

* **NB!** Reconstruction and repairment of the buildings and premises previously funded under BG06 ‘Children and Youth at Risk’ Programme are not eligible. In the financial framework of the EEA FM 2014 – 2021, the buildings are in a period of sustainability and the necessary maintenance (if necessary) should be provided by the beneficiary and / or the building company. Reconstruction works in the centre is eligible if a clear distinction can be made between reconstruction works financed under the EEA FM 2009 – 2014 and the requested new reconstruction and repairment works and evidence of a clear connection with the proposed acitivites should be presented.
* Costs of consumables and supplies, provided that they are related to and necessary for the implementation of the project;
* Costs entailed by other contracts related to project activities, provided that awarding complies with the applicable rules on public procurement and the Regulation. When expenditures are incurred for external contractors, the national procurement legislation shall apply;
* Costs arising directly from requirements imposed by the project contract for each project, including but not limited to costs of information and publicity, audit, etc.

Where the entire purchase price of equipment/asset is eligible, PO shall impose specific requirements to the Project Promoter:

* The beneficiary undertakes not to change the ownership and intended purpose of the equipment/asset purchased for a period of at least 5 years following the approval of the final and to ensure that they will be used for the benefit of the objectives of the project for the same period;
* The beneficiary undertakes to keep the equipment/asset purchased properly insured in a licensed in Bulgaria company against normally insurable incidents (such as theft, fire, etc.) both during project implementation and for at least 5 years following the approval of the final project report (Article 8.3.2 (b) of the Regulation);
* The beneficiary undertakes to ensure appropriate resources for the maintenance of the equipment/asset for at least five years following the approval of the final project report.

Where there is expenditure for construction works in the project, PO shall impose specific requirements to the Project Promoter:

* The beneficiary undertakes not to change the ownership and intended purpose of the buildings object of funding for a period of at least 5 years following the approval of the final project report and to ensure that they will be used for the benefit of the objectives of the project for the same period;
* The beneficiary undertakes to keep the buildings object of financing properly insured in a licensed in Bulgaria company against normally insurable incidents (such as theft, fire, etc.) both during project implementation and for at least 5 years following the approval of the final project report;
* The beneficiary undertakes to ensure appropriate resources for the maintenance of the equipment/asset for at least five years following the approval of the final project report.

**15.3. Eligible indirect costs**

According to **Article 8.5 of the Regulation**,eligible indirect costs are eligible costs that cannot be identified by the beneficiary and/or the project partner as being directly attributed to the project but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project. They may not include any eligible direct costs. Indirect costs of the project shall represent a **fair apportionment of the overall indirect costs** (overheads) of the Project Promoter or the project partner.

Indirect costs may be identified according to one of the following methods:

* based on actual indirect costs for those Project Promoters and partners that have an analytical accounting system to identify the indirect costs;
* a flat rate of up to 25% of total direct eligible expenditures, excluding direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the Project Promoter or the partner. When this method is applied, the rate shall be calculated on the basis of a fair, equitable and verifiable method or a method applied under schemes for grants funded by the State for similar types of projects and project promoters;
* a flat rate of up to 15% of direct eligible staff costs without there being a requirement for the applicant nor the PO to perform a calculation to determine the applicable rate;
* a flat rate applied to direct eligible expenditures, calculated on the basis of existing methods and rates applicable in EU policies for the same or similar type of projects and beneficiaries;
* in the case of Project Promoter or the project partner is an international organisation or agency, indirect costs may, in line with specific provisions in the programme agreement, be identified in accordance with the relevant rules established by such organisations.

The method of calculating the indirect costs and their maximum amount shall be determined in the project contract. The method of calculation of indirect costs of a project partner shall be stipulated in the partnership agreement.

**16. Excluded costs**

According to Article 8.7 of the Regulation, **the following costs shall not be considered eligible**:

* Interest on credits, debt service charges and the late payment fees;
* Charges for financial transactions and other purely financial costs;
* Provisions for losses or potential future liabilities;
* Exchange losses;
* Recoverable VAT;
* Costs that are covered by other sources;
* Fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project;
* Excessive or reckless expenditure.

According to the art. 9.3.5 of the Regulation, expenditures that are not reported in two consecutive reporting periods shall be considered ineligible. For the purposes of this requirement, two consecutive reporting periods shall be: the period in which the expenditure are due to be reported and the second period following the first one.

**17. Specific conditions of funding and reporting of the project**

**17.1. Reporting of the expendiures**

When planning budget expenditure, the project promoters should take into account the following conditions:

The applicant must present the provided budget of the youth centre for the last and present years (2018 and 2019). Analysis of the expenditures for 2018 and 2019 of the centre – employees, position, working hours, salaries, overheads, expenditures regarding the activities of the centre should be attached to the budget. There should be clear differentiation between the activites provided by the youth centre and ensured with the municipal budget and the project activities and project expenditures.

All revenues realized (or to be realized) as a result of the usual work of the youth centres financed by the BG06 "Children and Youth at Risk" Programme, during the implementation of projects, financed by the current call for proposals should be reported and should be taken into account when preparing the budget.

The project promoter is required to provide (before or after the investment or at the latest in the Final Project Report) a detailed financial plan with the following information: total amount of the investment; expected (indicative) incomes of the usual work of the youth centre for the period of sustainability of the project activities; total expenditures for maintatnance of the investment for the period of the sustainability (corrected with the inflation rates for the respected period). The PO has right not to reduce the total eligible amount if:

* The expected incomes do not exceed the expected expenditures of the mainanance and the incomes will be used to achieve the project outcomes;
* The total incomes will be used or reinvested to achieve project objectives and results.

**17.2. Sustainability of projects financed by BG06 "Children and Youth at Risk" Programme**

The funding from this call for proposals does not revoke the commitment of the municipalities to ensure the sustainability of the youth centers established under the BG06 "Children and Youth at Risk" Programme - salaries of employees of the youth centers, maintenance of buildings and equipment, insurances, expences for electricity, water, heating, etc. At the discretion of the project promoter, salaries (incl. expenditures for the employer) for youth workers and Roma mediators can be provided either from the municipal budget or from the project budget.

The project budget may include costs for expanding and widening the scope of the activities of youth centers, new activities, new equipment and furniture, construction works for new premises or not covered by the construction activities in the previous period, salaries for the employees (mandatory according to this restricted call – five youth workers and two Roma mediators), salaries for the project management team (according to the national legislation) as well as new employees hired for implementing the project activities, in case the municipality will be committed to ensure sustainability for them after the end of the project activities.

**18. Reporting periods and payments**

**18.1. Reporting periods**

PO defines the following periods for reporting and requesting the advance payments by the beneficiaries:

For the expenses incurred from 1 of January until 30 of June the Interim Project report and the supporting documents have to be submitted to the PO on or before 15th of July. When reporting the expenditures realized between 1 January and 30 June, the planned expenditure is declared for the period 1 November - 30 April.

For the expenses incurred from 1 of June until 31 of December the Interim Project report and the supporting documents have to be submitted to the PO on or before 15th of January. When reporting the expenditures realized between 1 June and 31 December, the planned expenditure is declared for the period 1 May - 31 October.

**18.2. Payments**

PO makes payments through the electronic banking system of the Bulgarian national bank.

- The first advance payment shall be made within one month after the signing of the project contract. The first advance payment shall not exceed 20% of the total amount of the project.

- Interim payments shall be made within one month of the approval of the interim project reports. These payments are that part of the funding necessary to secure the planned expenditure for a full reporting period, according to the periods in Art. 9.3.1 of the Regulation.

- The final payment shall be made within one month of approval of the final project report. The final payment covers the total reported eligible project costs, reduced with: all advance and / or interim payments received by the Beneficiary; all co-financing by sources other than EEA FM and national co-financing; and taking into account any funds reimbursed by the Beneficiary to the PO.

The maximum amount of advance and interim payments shall not exceed 90% of the total eligible costs of the projects. The PO will reimburse the detained amount after verification of the final project report and considering the evidences that the Beneficiary has fulfilled all general and specific project requirements.

**19. Instructions on completing the budget:**

**19.1. The budget is an element of the Application Form in UMIS 2020 and includes a Budget section and a Financial Planning section.**

* The budget (provided in the Application Form)should cover all eligible expenditures for the implementation of the project, not only the grant. If co-financing by the applicant is envisaged for the project, it should be included in the budget description. Expenditures incurred by foreign partners are governed by the same rules and requirements as those for the Beneficiary. Therefore, they shall be described in the budget. The budget (provided in the Aprlication Form) shall be presented in BGN and **devided by types of expenditures**.
* The project promoters present additional budget (according to the Excel fom hereto attached), where the two sheets should be filled in. The budget shall be presented in 2 versions: (1) in euro and in English language & (2) in Bulgarian leva and in Bulgarian language. The planned expenditures shall be **devided by type of activities**. Values shall be rounded up to the second decimal point. For expenditure planning purposes, a rate of **1 euro = 1,9558 BGN** shall be applied**.**
* When completing the Budget, the applicant shall plan all expenditures. When completing Indirect costs, the reporting method thereof should be described. Beneficiaries are not required to complete the Indirect Costs line if they have not envisaged spending under this method.
* The total value of the expenditure necessary for the implementation of an activity should be given in the Application Form, Implementation Plan/Project Activities section, Value box. The total amount of the planned expenditures broken down by activity should correspond to the values planned in the budget.
* When completing the budget, the applicant should follow the budgetary framework, however **new types of expenditure** other than the indicated ones **may be added**.

**All costs shall be completed in the relevant lines,** with VAT included for the budget items where it is unrecoverable in the meaning ofMinister of Finance Instructions NFD No. 3/23.12.2016 regarding the treatment of VAT as eligible expenditure in the implementation of projects under the operational programmes co-financed from the European Regional Development Fund (RDF), the European Social Fund (ESF), the Cohesion Fund (CF) and the European Maritime and Fisheries Fund (EMFF) of the EU in the 2014-2021 programming period and a declaration to that effect is enclosed by the applicant.

**19.2. Financial information – sources of finance / Financial plan**

The UMIS 2020 carries forward automatically the total budget amount from the Budget section to section „Financial information – sources of finance“ in the Application Form.

The applicant should complete the following boxes in the table:

* Co-finance by the beneficiary/partners **(funds from budget organisations)** – if own contribution is envisaged in the project budget. If own contribution is not envisaged, the box shall not be completed.
* Co-finance by the beneficiary/partners (funds from **beneficiaries that are not budget organisation**) – if own contribution is envisaged in the project budget. If own contribution is not envisaged, the box shall not be completed.

Both parts of the Application Form referring to the project budget (Budget section and Financial information – sources of finance section) must be completed!

The Budget must not include expenditures which are not justified and linked to a specific activity in the project proposal.

All costs covered by the project budget should correspond to the description of the activities in the Application form. Activities should identify objectives that are specific, measurable, achievable, relevant and timed. The achievement of those objectives is monitored through performance and result indicators for each activity.

The budgeted values should correspond to the project activities and their implementation phases. The resources for the implementation of the activities should be planned in the appropriate quantity and quality and at the best price and shall be specified in the description of the relevant activity.

When budgeting for expenditures, there should be optimal balance between the resources used to reach the specific targets identified and the achievement of the results planned.

**20. State Aid/‘de minimis’/ (if applicable)**

The present operation “Youth Centres: a Powerful Factor for Local Development” doesn’t fall in the scope of State Aid financing.

Municipalities and municipal districts are set up as territorial bodies of the executive branch to implement the government policy in the interest of the territorial community of local significance. Municipalities and municipal districts (except for municipal undertakings with legal personality) are public entities which are local government institutions and the basic administrative and territorial unit of local self-government.

In pursuance of the local policy, municipalities and municipal districts support the activities of the central executive branch in the exercise of public powers and perform functions which are mainly of a non-economic nature.

The costs of the Bulgarian/foreign partners (except for the bodies of the central and the local authorities) related to the implementation the project proposal should be of a non-economic nature to be eligible.

If the partner’s usual activities include both economic and non-economic activities, they have to keep separate accounting records for them thus making the costs of economic and non-economic activity visibly separated and traceable.

**The non-governmental organizations, acting as project-partners, are not allowed to participate in the construction/repair works or in the purchases of materials, equipment or furniture.**

**21. Horizontal policies**

**This operation is implemented pursuant to the horizontal principles laid down in “Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme.**

According to the Regulation on the implementation of EEA FM 2014 – 2021, all programmes and activities funded by the EEA FM 2014 – 2021 shall be based on the common values of respect for human dignity, freedom, democracy, equality, the rule of law and the respect for human rights, including the rights of persons belonging to minorities.

All programmes and activities funded by the EEA FM 2014 – 2021 shall follow the principles of good governance, they shall be participatory and inclusive, accountable, transparent, responsive, effective and efficient. There shall be zero-tolerance towards corruption.

All programmes and activities funded by the EEA FM 2014 – 2021 shall be consistent with sustainable development, long-term economic growth, social cohesion and environmental protection.

All programmes and activities funded by the EEA FM 2014 – 2021 shall follow a results and risk management approach.

**All horizontal principles shall be observed and applied in the design and implementation of the activities of each project proposal.**

**Equal opportunities and non-discrimination**

The project shall ensure equal opportunities and non-discrimination on grounds or gender, race, skin colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, property status, origin, disability, age or sexual orientation, taking account of the needs of the different target groups at risk of such discrimination.

**Gender equality**

Respect for the principle of equality between women and men shall be ensured throughout the design and implementation of the project.

**Sustainable development**

The beneficiary/project promoter shall envisage specific measures and allocate resources for ensuring sustainability of project activities and outcomes over a period of at least five years after the final project report is approved.

**22. Minimum and maximum project duration:**

**The implementation of the project activities should be completed within 36 months (or – when needed – in up to 48 months).**

**23. Submission of the project proposal**

The project proposal shall be prepared, submitted and registered in UMIS 2020, as follows:

The applicant shall log into UMIS 2020 via the e-service module at:  [https://eumis2020.government.bg](https://eumis2020.government.bg/)/

The applicant shall register in the system as a new user (if applicable) whereupon it shall have access to the system with a user name (e-mail) and a password.

The applicant should bear in mind that the e-mail with which it registers as a user in UMIS 2020 is associated with applicant’s profile. The communication (correspondence) with the applicant during the evaluation of the project proposal shall be effected electronically, via applicant’s profile in UMIS 2020 from which the relevant project is submitted and changes to the profile specified are not possible.

The applicant shall select Programme Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups, Programme Area BGLD-1 Increased Social and Economic Development in Disadvantage Municipalities and from the menu of available open submission procedures shall select BGLD-1.003 – Youth Centres: a Powerful Factor for Local Development. Then the applicant shall download a new project proposal for the relevant application procedure.

The applicant shall complete the Application form following the Guidelines on submission of project proposals (User guide for module “E-application” attached hereto and <https://eumis2020.government.bg/bg/s/Home/Manual>). The system offers an option for correcting, saving and supplementing the form while it is in editing mode (draft). Each form can be saved locally, in a special format file which can only be opened by UMIS 2020. The system permits a locally saved application form file to be downloaded and edited by another user registered in the system, when necessary.

The applicant shall attach the additional documents required by PO (as specified in the Application Guidelines) in a special section of the Application form.

**NB!** Тhe documents in this section do not need to be signed with QES if they are signed on paper carrier and scanned.

The applicant shall indicate in the system that it finalises the Application form. Before finalising the Application form, the applicant can check it for errors using the button “Check form for errors” from the menu at the bottom of the screen.

The system permits saving of the created Application form on applicant’s work computer, having it signed with QES by one or several representatives of the applicant and attaching the generated files.

If the steps described above are correctly fulfilled, the applicant shall send the application form and the documents thereto via the system.

The system will register the submitted project proposal and will generate a registration number.

The system will send notification that the project proposal is registered, showing the relevant registration number, to the specified e-mail address of the user.

Videos showing in detail the process of registration of an applicant in UMIS, the process of creation of a project proposal and the process of signing with QES and submitting the project proposal are available at:

https://www.youtube.com/watch?v=-yFYWpsnT54

<https://www.youtube.com/watch?v=pX7nhlxmJAI>

<https://www.youtube.com/watch?v=__rq_vJCi7>A

Pending completion of the work of the evaluation commission, the applicant may withdraw its project proposal by submitting to PO a request in writing on paper carrier signed by at least one representative of the applicant and stamped and this shall be recorded in UMIS 2020 by a system user having the relevant access rights. The proposal withdrawn shall not be examined by the evaluation committee.

The Application Form must be completed in **English language** (the same information in Bulgarian language must be attached in the additional documents). The Application form must be completed carefully and as clearly as possible so that it can be properly evaluated. Any errors or non-conformities made during the completion of the Application Form reduce the quality of the project and, accordingly, its evaluation score.

When evaluating the project proposals, the Evaluation committee may request the applicants to submit additional information or documents. Communication with applicants shall be effected through the Information System for Management and Monitoring UMIS 2020, via applicant’s profile and its associated user e-mail address.

It should be noted, that the Application Form cannot be additionally requested and that failure to submit the Application Form may result in the project proposal being rejected by the evaluation committee.

 Each applicant may submit only one project proposal under the present call for proposals. If an applicant has submitted several project proposals, only the most recent one shall pass to the evaluation phase, unless withdrawn by the applicant.

A single partner may participate in several, project proposals, but not more than three, provided that such partners has adequate capacity to implement the activities under all project proposals in which it participates.

Applicants may e-mail questions to **vep\_info@mon.bg**. The questions and the answers will be posted in the Programme’s website within the single information portal of EEA FM 2014-2021 for Bulgaria. Questions may be asked not later than 21 days before the deadline for submission of project proposals. The Programme Operator shall provide written answers to the questions not later than 11 days before the deadline for submission of project proposals. All questions and replies will be considered in the process of selection of project proposals and, to that effect, they will be made available to the valuators and to the Project Selection Committee.

With a view to ensuring equal treatment of applicants, PA shall not give explanations containing opinion on the quality of the project proposal. Explanations shall be given only on the conditions for applying and shall be binding for all applicants.

The questions and the explanations shall be posted at: [www.eeagrants.bg](http://www.eeagrants.bg) and  [https://eumis2020.government.bg](https://eumis2020.government.bg/) with the documents for the call.

**24. Deadline for submission of project proposals:**

The deadline for submission of project proposals is November 11, 2019, 18:00 h.

Any proposal submitted after the deadline shall not be evaluated and shall be rejected.

**25. Procedure for evaluation and ranking of project proposals:**

All project proposals submitted within the deadline shall be evaluated on the criteria specified in the Application Guidelines. The criteria may not be changed during the procedure. The evaluation shall be made in UMIS 2020 and shall be documented by completion of evaluation tables.

 The evaluation of the project proposals shall include:

* Administrative compliance and eligibility of the applicant/partner (ACE);
* Technical and financial evaluation (TFE);
* Selection Committee (SC).

Not later than 2 weeks after the deadline for subbimtion of the project proposals the Head of the PO shall, by an order, designate an Evaluation Committee (EC) to carry out an evaluation of the administrative compliance and eligibility, and the technical and financial evaluation of the submitted projects. The evaluation shall be carried out within 3 months from the date of issuing the order for the establishment of an Evaluation Committee. The committee consists of: a chairman and a secretary (without voting rights); experts nominated by the OP to carry out an administrative compliance and eligibility checks; external independent experts - evaluators conducting technical and financial evaluation of project proposals.

At the discretion of the PO, assistant evaluators - engineers, finance experts, etc. may be included in the evaluation process.

The representatives of NFP shall be invited to take part in the evaluation process as **observers**. Observers shall not be members of the EC. They shall monitor evaluation compliance with the procedures laid down in the relevant rules. If violations of the procedure are detected, the observe shall notify the Head of PO thereof in writing.

The Evaluation Committee shall meet, respecting the conditions of confidentiality. Any attempt by an applicant to influence the evaluation process in any way whatsoever (e.g. by initiating/establishing contact with an evaluation process participant) shall be examined by the EC and may result in removal of the project proposal concerned from the evaluation process.

The project proposals shall be evaluated in compliance with the following principles:

(1) Sound financial management.

 Any financial activity is subject to control by a person that did not performed that activity.

(2) Publicity and transparency

The criteria for evaluation of the project proposals under the relevant call shall be published together with the Application Guidelines for the call. The criteria may not be amended or supplemented during the procedure.

Information about the grant awarded (List of concluded contracts according to a model form) shall be published in the website of PO in the Single Information Portal within 14 days after the date on which the project contract is concluded.

(3) Free and fair competition. The projects shall be evaluated and the grant shall be awarded under conditions ensuring absence of conflict of interest and equal treatment of all applicants.

(4) Equality and non-discrimination. The project proposals submitted for funding shall be evaluated in compliance with the published criteria for evaluation and in uniform application of the rules to all applicants.

(5) No double funding. Grants shall not be awarded for the financing of costs that have already received support from public funds other than beneficiary funds. Before signing contracts with the applicants whose project proposals have been approved for funding, a check for absence of double funding of projects shall be carried out and if double funding of a project or a project activity is established, the head of PO shall issue a reasoned decision refusing to award a grant to the applicant.

(6) Expeditious evaluation process. All evaluation process participants shall complete the evaluation of the project proposals by the deadline set in the order appointing the Evaluation Committee.

(7) Confidentiality of the evaluation process. The entire project evaluation procedure, from the start till the approval of the evaluation results, shall be conducted in a confidential manner. Within that period, no information about the evaluation or the decisions of the evaluation committee may be disclosed to third parties that are not involved in the evaluation procedure. Every participant in the evaluation process shall sign a Declaration of confidentiality, impartiality and absence of conflict of interest.

(8) The members of the Evaluation committee shall not be responsible for the control on the implementation and the financial reporting of the projects approved for funding.

According to the art. 12.7 of the Regulations in cases when the applicant suspects irregularity the following link for the complaint mechanism on a national level should be used: https://www.eeagrants.bg/contact/signal-za-nerednosti.

**25.1. Evaluation phases**

**(1) Administrative compliance and eligibility of the applicant/partner (ACE)**

The evaluation for administrative compliance and eligibility of the applicant/partner shall be carried out by staff of the Programme Operator or by external experts nominated by the PO.

In this phase, the project proposal will be evaluated for compliance with all criteria for eligibility and completeness, in accordance with the requirements of the Application Guidelines for the relevant call.

The evaluation of a project for administrative compliance and eligibility shall be carried out by two experts separately.

The evaluators may at any time verify the data declared by the applicant/partner and may request clarifications on the documents submitted at the application stage.

If it is established during the examination of the project proposals that a document is missing or there is non-conformity, the applicant shall be notified via UMIS 2020 about the non-conformities/absence detected and shall be granted a reasonable period, which shall be not less than five business days and shall be the same for all applicants, to repair such non-conformities/absence. The explanations provided by applicants may not result in quality improvement of the project proposal.

The date specified in UMIS 2020 shall be considered to be the date of receipt of the requests for documents. The requests for submission of additional documents and explanations shall be sent via UMIS 2020. **Applicants should therefore regularly check their UMIS 2020 profile**.The applicant shall provide additional explanations and/or documents via UMIS as a reply to a question of the evaluation committee. The reply shall be signed with a qualified electronic signature (QES) via UMIS. The date of arrival in UMIS shall be considered to be the date of presentation of the documents/information.

**NB**! **After the deadline for reply to a question of the evaluation committee or for provision of additional explanations and documents, UMIS 2020 does not permit the sending of a reply.**

A video showing the whole process of giving a reply on a question of the Evaluation committee is presented at the web address hereunder. The video also shows the options of signing the reply with QES, depending on the electronic signature provider.

 [https://www.youtube.com/watch?v=x6T0AavwC6](https://www.youtube.com/watch?v=x6T0AavwC68)8

The technical process of submission of additional information/documents is detailed in the System Operation Manual available at:

 [https://eumis2020.government.bg/bg/s/Home/Manua](https://eumis2020.government.bg/bg/s/Home/Manual)l

Applicants may withdraw their project proposals from the evaluation process by submitting a written application to the Head of the Programme Operator and in such case the evaluation of the project proposal so withdrawn shall be terminated.

When making the check, the two experts shall separately complete checklists which are an integral part of the Application Guidelines.

On the basis of the verification for administrative compliance and eligibility of the applicant/partner and the checklists completed, the chairperson of the evaluation committee shall prepare minutes of the completed administrative compliance and eligibility of the applicant/partner phase. The minutes shall include a list of the projects passing to the Technical and Financial Evaluation (TFE) phase and a list of the projects that do not pass, stating the reasons for their failure. The list shall be published in the Single Information Portal for EEA FM 2014-2020. The chairperson shall notify the rejected applicants by sending a separate notice to each one of them via the Communication module of UMIS 2020.

An applicant whose project proposal is included in the list of rejected projects may object in writing to the Head of PO within one week after having been so notified. The Head of PO has one week to come with a decision on the justifiability of the objection.

The Head of PO shall issue an order designating individuals who shall examine the justifiability of the objections received. The individuals who will examine the objections must not have participated in the initial evaluation for administrative compliance and eligibility. Having completed the examination, the officers responsible for the examination of complaints shall prepare a written opinion to the Head of PO on the justifiability of the objections, which shall provide a basis for the final decision of the Head of PO – if the applicant’s objection is justifiable, the Head of PO may refer the project proposal back for examination in the technical and financial evaluation phase. If the objection is rejected, the applicant may appeal the decision of PO in the competent Bulgarian court.

**(2) Technical and Financial Evaluation (TFE)**

The technical and financial evaluation of the project proposal (TFE) is a process of substantive assessment of the project proposals, which is carried out in accordance with the evaluation criteria laid down in the Application Guidelines for the relevant call.

The evaluation criteria may not be amended during the procedure.

The evaluation shall be documented by completing evaluation tables in UMIS 2020.

The project proposals which have passed to the TFE phase, shall be examined and scored in the evaluating/scoring grid by two impartial and independent experts at least one of whom shall be independent of the Programme Operator and of the Selection committee.

The final score is the arithmetic mean of the scores of the two evaluations. If the scores differ by more than 20 per cent from the higher score, the chairperson of the Evaluation Committee shall assign the evaluation to a third party – an arbitrator expert who is independent and impartial of the PO and the Selection committee and who shall evaluate the project. The final score shall be the average of the two closest scores.

Where one of the scores is less than the minimum score in the procedure and the other is equal to or above the minimum score, the chairperson of the committee shall assign the evaluation to a third party – an arbitrator expert independent who is impartial of PO and SC and who shall evaluate the project. The final score shall be the arithmetic mean of the third-party score and that one of the first two scores which is closer to the third-party score in terms of the ceilings.

The phase shall be closed with the drafting of minutes containing three lists of project proposals:

- a list of the project proposals proposed for funding,

- a reserve list of project proposals, and

- a list of rejected project proposals.

The minutes shall be signed by the chairperson and the secretary of the Evaluation Committee.

**(3) Selection Committee (SC)**

The Programme Operator shall set up a Selection Committee (SC). The SC shall examine the minutes and the lists of projects for relevance of the project partners and the projects in accordance with the objective criteria contained in the Application Guidelines.

The SC shall comprise a chairperson (non-voting) and a secretary (non-voting) and five voting members which will include two representatives of the PO, one of the IPO, one of the DPP, and one members - external to the PO and its programme partners. Representatives of NFP and FMC shall be invited as observers at the SC meetings.

The Committee members shall be provided with the three lists of projects (proposed for funding, reserve list and rejected projects) and with access to all necessary documents for the projects examined.

The SC shall take decisions on the projects proposed for funding by consensus of all voting members.

The Committee may, in justifiable cases, change the ranking of the projects determined by the Evaluation committee, in accordance with objective criteria related to the programme goals and approved with a consensus of all Committee members before the examination of the projects. The justification of the changed ranking shall be detailed in minutes of the SC meeting which shall be initialled on each page by all Committee members. The minutes of the SC meeting shall contain as a minimum:

* A list of the project proposals proposed for funding, by ranking and awarded grant amount;
* Reserve list of projects;
* List of rejected projects and the reasons for rejection thereof;
* A list of the project proposals withdrawn during the evaluation process;
* Reasons and justification of changes in the ranking of projects (*if applicable*).

The Chairperson of the SC shall submit a report with the above minutes to the Head of the Programme Operator who shall take the final decision for funding of the projects.

The Head of PO may:

* Approve the report submitted by the Chairperson of SC;
* Return the report back to SC with the requirement that the selection process should be repeated if a violation of the procedure is detected, provided that the violation can be repaired;
* Not approve the report when grave violation of the procedure is detected.

The Head of PO may, in justifiable cases, modify the decision of SC, disclosing the reasons for the modification in its resolution.

If the ranking is changed or a project is rejected as a result of a decision of the SC or of the Head of PO, the reasons for such decision shall be specified and justified in detail.

After the Decision for the funding of projects is prepared **and before it is issued**, the Head of PO shall organise a check for absence of double funding of the projects proposed for funding.

The Programme Operator shall notify the applicants about the results of the selection process in reasonable time and shall forward the results for publication in the national portal of EEA FM 2014-2021 and NFP.

**25.2. Ex officio checks before the contract is signed**

Before a contract is signed with the applicants proposed for funding, PO will make the ex officio checks of the declared circumstances by the project promoter and the project partners.

**26. List of documents submitted within the application package:**

1. **Application Form in English language – in UMIS 2020,** and in Bulgarian language attached in the documents which shall be uploaded in the project proposal section.
2. **Notarised power of attorney** (for executive branch and local government bodies – a certified copy of an order) authorising a person representing the applicant (if relevant) with regard to the submission of the project proposal and signing of the form with QES – scanned and uploaded in UMIS 2020. Where an organisation is jointly represented by several persons, the declarations shall be signed by all of them.
3. **CVs** of the project management team – according to the template downloadable from –<http://europass.cedefop.europa.eu/bg/documents/curriculum-vitae>, signed, scanned and uploaded in the system.
4. **Declaration of compliance of the applicant/partner (for public bodies)** – It shallbe completed by all persons empowered to represent the applicant/partner, whether jointly or severally, and designated as such in a constituent instrument, where such circumstances are not registrable. The declaration shall be signed by each person on paper carrier, scanned and uploaded in UMIS 2020. A declaration on behalf of the legal representative may be signed by duly authorised persons with liability for the accuracy of the declared data.
5. **Declaration of compliance of the applicant/partner (for NGOs/legal persons)** – It shallbe completed by all persons empowered to represent the NGO/legal person, whether jointly or severally, and are registered in the commercial register or the register of non-profit legal persons, or are designated as such in a constituent instrument, where such circumstances are not registrable. The declaration shall be signed by each person on paper carrier, scanned and uploaded in UMIS 2020. A declaration on behalf of the legal representative may be signed by duly authorised persons with liability for the accuracy of the declared data.
6. **Declaration for identical copies of documents.** It shall be completed by the Beneficiary using an attached form.
7. **Declaration on the participation of consultants** in the project proposal design. It shall be completed by the beneficiary using a template.
8. **Declaration on VAT treatment.** It shall be signed by all organisations – applicant and partners that will use project funds.
9. **Declaration on the origin of the financial contribution –** It shall be completed if project co-financing is envisaged.
10. **Communication Plan**, developed according to the Annex 3 – Information and Communication Requrements.
11. **Draft Partnership Agreement** **or a letter of intent** (if the partner is from a Donor State), if applicable. The partnership agreement or the letter of intent shall be drafted in English if the partner is from a Donor State. If not submitted during the application the Project promoter should provide the signed Partnership agreement before the signature of the contract or at the latest before the first advance payment.
12. **Strategy for the development of the Youth centre** for the next 10 years: Analysis of the problems and needs of the main target groups in the region, the activities of the centre for the last 18 months and the vision for the development of the centre.
13. **Financial analysis** of the expenditures and the provided budgets of the youth centre for the last year and the present year (2018 and 2019), according to the Application Guideline.
14. **Balance sheet for the preceding year** (for partners from Bulgaria and donor-states) – It shall be scanned and uploaded in UMIS 2020. The financial statements shall comply with the applicable legislation.
15. **Certificate of registration of the company** (for donor programme partners) in the relevant company registers (if applicable), mandate of the person representing the organisation in the joint exercise.
16. Copies of contracts and additional documents proving **the operational capacity of the Project Promoter.**
17. Copies of contracts and additional documents proving **the operational capacity of the Project Partner.**
18. **Budget in euro and BGN,** in accordance with an attached form.
19. **Documents evidencing the level of project preparation (for construction works):**

Where **technical/detailed design** under the Spatial Development Act **is required** for the construction works and the applicant has it available in the application phase, the activities identified in the project proposal shall be based on:

* A notarial instrument for immovable property or another applicable document evidencing the title on the property at the time of applying.
* A municipal council decision (where the object of intervention is municipal property) or a declaration/decision by the owner of the building/property declaring that the use of the building/premises object of intervention under the project will not be changed for a period of not less than 5 years after completion of the project activities; a consent and commitment for implementation of the project.
* Energy efficiency audit, prepared pursuant to Sec. II Energy Efficiency Audit and Building Certification of the Energy Efficiency Act, for each building – object of intervention.
* Technical or working design under the Spatial Development Act (SDA) and Ordinance No. 4 on the scope and content of investment projects, accompanied by detailed bills of quantities for the relevant parts by type of construction works, and bill of quantity in full conformity with the bill of quantities of the designers (the technical/working design should be duly agreed with all operating companies and other coordination bodies under the existing regulations and shall be approved by the chief architect of the municipality or the chief architect of the regional administration, depending on the category of the building, where that us required under SDA.)
* Assessment of investment project’s compliance with the essential requirements to construction jobs, pursuant to Article 142 (6) of SDA.
* A building permit pursuant to Articles 148-156 of SDA, if applicable.
* Other relevant document, according to the national legislation (the Environment Protection Act for each object of intervention included in the project proposal, the Biological Diversity Act of project’s conformity with the scope and objectives of protection of special areas of conservation, the Ordinance laying down the terms and procedure for conducting environmental impact assessment, the Ordinance laying down the terms and procedure for conducting an assessment for conformity of plans, programmes, projects and investment proposals with the scope and objectives of protection of special areas of conservation, etc.), as well as all necessary authorisations and/or coordination documents issued by the relevant institutions, if such are required under the existing Bulgarian law, incl. technical specifications of the equipment and/or supplies to be purchased under the project, if applicable.

Where a **fully prepared investment project** (including a building permit) **is not available** for the object of intervention in the applying phase, the activities set out in the project proposal, as well as the cost estimates shall be based on:

* Preliminary design and summary bill of quantities by aggregated indicator;
* General project situation (sketch, drawing) with an explanatory note, certified by a qualified designer and summary bill of quantities by aggregated indicator (if engineering is envisaged for the objects of intervention);
* Other relevant document, according to the national legislation (the Environment Protection Act, the Ordinance laying down the terms and procedure for conducting environmental impact assessment, the Ordinance laying down the terms and procedure for conducting an assessment for conformity of plans, programmes, projects and investment proposals with the scope and objectives of protection of special areas of conservation, etc.)

Where **technical/detailed design** under SDA **is not required** for the construction works, the activities identified in the project proposal shall be based on:

* Up-to-date sketch of the property for construction purposes and a survey (including of the yard, if applicable), certified by the chief architect of the municipality or the chief architect of the regional administration, depending on the category of the building, together with an explanatory note and detailed bill of quantities.

The technical documents shall include all measures required to ensure accessible built environments under the existing regulations, including Ordinance No. 4 / 01.07.2009 on the design, implementation and maintenance of construction jobs pursuant to the requirements for ensuring accessible environments for the population, including for people with disabilities.

**27. Documents submitted before the signature of the contract:**

***NB****!* ***Upon any change in the circumstances declared in the applying phase, the beneficiary and its partners shall present updates of all documents submitted in the applying phase****.*

**27.1. Documents submitted by the applicant:**

1. **Irregularities Declaration.** The declaration may only be signed by the legal representatives of the project promoter, not by authorised persons. Where an organisation is represented jointly by several persons, the declaration shall be signed by all of them.
2. **Financial identification form** – using the template of the servicing bank
3. **(Draft) Partnership Agreement** – (1) if the beneficiary has submitted a Letter of Intent in the applying phase, (2) if an update in the event of changes in the initial parameters of the Agreement as a result of the evaluation of the project proposals of the Bulgarian and the international partner, and (3) if the parties have finalized the partnership agreement.
4. **The municipal council decision** with commitment to ensure sustainability according to the applicable requirements.

**27.2. Documents submitted by the Bulgarian partners:**

 **Irregularities Declaration.**

**27.3. Documents submitted by the Donor-state partner:**

**Irregularities Declaration.**

**28. Annexes to the Application Guidelines**

**28.1. Annexes to be completed at the time of applying:**

1. Application Form
2. CVs of applicant’s management team
3. Declaration of compliance of the applicant/partner (for public bodies)
4. Declaration of compliance of the applicant/partner (for NGOs/legal persons)
5. Declaration of identical copies
6. Declaration on the participation of consultantsin the project proposal design
7. Declaration on VAT treatment
8. Declaration on the origin of the financial contribution of the project
9. Partnership Agreement (Annex No. 1 hereof) or a letter of intent if the partner is from a Donor State
10. Budget – in BGN and in euro

**28.2. Documents for information:**

1. Project contract
2. Irregularities Declaration (by the applicant and the partner/s)

3. Regulation on the implementation of the EEA FM 2014 – 2021

4. Guidelines for Beneficiaries for the implementation of projects under “Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme, financed by the European Economic Area Financial Mechanism 2014 – 2021

5. UMIS 2020 Operation Manuals: <https://eumis2020.government.bg/bg/s/Home/Manual>

6. Communication and design Manual

7. Annex 3 – Information and Communication Requrements

8. Project evaluation table (for Call for proposals)

9. Indicators table under the current procedure.