



**Clarifications to questions submitted under Open Call № 2 “Circular Economy and Resource Efficiency” under Outcome 3: “Improved Use of Resources at the Municipal Level (Circular Economy)” under the Environment Protection and Climate Change Programme of EEA Financial Mechanism**

Applicants may submit their questions to the following e-mail: [eea@moew.government.bg](mailto:eea@moew.government.bg) or through the Programme’s website. The questions and answers will be published on the Programme’s website, part of the EEA FM Single Information Portal for Bulgaria, as well as in EUMIS 2020. Questions may be submitted not later than 21 days before the deadline for project proposals submission. The Programme Operator (PO) answers the submitted questions no later than 14 days before the deadline for project proposals submission.

The clarifications given in respect of the Call do not express an opinion on the quality of the project proposal and are obligatory for all applicants. In order to ensure equal treatment of Applicants, the PO shall not give prior opinions on the compliance of an application or an applicant with the eligibility requirements.

The answers represent the official opinion of the Programme Operator and must be taken into consideration when submitting the project proposals by the Applicants.



	<b>Natural persons/Legal entity submitted the question, date of receipt</b>	<b>QUESTION</b>	<b>ANSWER</b>
1.	Savremennost Foundation 13 <sup>th</sup> May 2020	<i>A municipality has a relatively small amount up to the upper limit of de minimis. Can it increase its financial opportunities for application under Call №2 "Circular Economy" under Outcome 3: "Improved use of resources at the municipal level (circular economy)" through the use of state aid?</i>	<i>The Call provides only for de minimis aid regime. The Call is not in the state aid regime.</i>
2.	Kostadin Yordanov 28 <sup>th</sup> May 2020	<p><i>1. Please provide a clear opinion on whether the funding under this Call of a project with a Project promoter "municipality" falls under the "minimum aid" regime?</i></p> <p><i>My question arises from the fact that in one place in the Application Guidelines it is mentioned that: "the assistance under the procedure at the level of the Project promoter-municipality does not constitute state aid when it is related to the exercise of the municipal authority to manage household waste, generated on its territory. In cases where the grant is granted to municipalities to fulfill their powers arising from the Waste Management Act, the provision of funds constitutes a transfer between the budgets of</i></p>	<i>1. Applicant organizations should distinguish between state and de minimis aid within the meaning of item 7 and item 15 of the Additional Provisions of the State Aid Act. According to item 19. "State aid and de minimis" from the Application Guidelines " the municipality will be considered as an enterprise carrying out economic activities only for the project activities and as such, the minimum aid rules described below will find application".</i>



		<p><i>executive authorities.”</i></p> <p><i>On the other hand, again in the Application Guidelines it is written that: “Funding activities envisaged under the procedure are of an economic nature and there is an existing market for them. Therefore, all costs to the Applicant and / or his partner related to the implementation of the project proposal activities are of an economic nature and will be considered as de minimis aid.”</i></p> <p><i>2. Do the activities related to the identification and implementation of schemes by the municipality for recycling and separate waste collection on its territory, only apply to household waste?</i></p> <p><i>3. Do the activities related to the identification and implementation of schemes by the municipality for recycling and separate waste collection on its territory, only apply to waste generated by</i></p>	<p><i>2. No. The Call does not limit these activities to household waste only. The activities related to the identification and implementation of municipal separate collection and recycling schemes refer to waste for which national targets have been introduced.</i></p> <p><i>3. No. The Call refers to waste for which national targets have been introduced. The Programme operator will not give preliminary opinions on the compliance of an application or an Applicant with the</i></p>
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		<p><i>households? Is it permissible, for example, to implement such schemes with regard to biodegradable waste generated from municipal public places (parks, riverbeds, etc.)?</i></p> <p><i>4. Is it permissible to purchase specialized equipment for collection and transportation of separately collected waste in connection with the implementation of project activities?</i></p> <p><i>5. Is it permissible to carry out construction and installation works (for example, a site to place containers for separate collection) in connection with the implementation of project activities?</i></p>	<p><i>application conditions.</i></p> <p><i>4. The Call is executed under the Regulation on de minimis aid, as according to the provisions of art. 3, para. 2, the de minimis aid shall not be used for the acquisition of road freight transport vehicles, including the transportation of waste.</i></p> <p><i>5. The Call does not set restrictions on the implementation of construction and installation activities in the projects. Applicants should familiarize themselves with the specific requirements related to construction and installation activities described in item 16, item 20 and item 21 of this Call.</i></p>
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3.	Valentina Koleva 1 <sup>st</sup> June 2020	<p><i>When considering the Application Guidelines for Open Call №2 "Circular Economy and Resource Efficiency", a question arose.</i></p> <p><i>One of the expected results of the Programme is "Implemented systems and equipment for recycling/ separate collection of waste".</i></p> <p><i>The indicator that measures the achievement of this objective is "Number of municipal recycling/ separate collection schemes implemented".</i></p> <p><i>Accordingly, in the evaluation criteria the implementation of 4 recycling schemes is with the highest score. In this regard, the question is: Is it about implementing four different types of recycling / separate waste collection systems or multiplying one recycling / separate waste collection system at four points?</i></p>	<p><i>Subjects of evaluation are different schemes for recycling / separate waste collection on the territory of one municipality.</i></p>
4.	Samokov Municipality 05 <sup>th</sup> June 2020	<p><i>1. Item 7 of the Application Guidelines "Demarcation with similar projects / Programmes" states that "The eligible activities under the Call complement the envisaged measures and activities in the National Waste Management Plan in Bulgaria for the period 2014-2020, in particular activities 4.1 and 4.12 of the Action Plan of the National Waste Generation</i></p>	<p><i>1. Item 7 of the Application Guidelines "Demarcation with similar projects / Programmes" clarifies how this Programme relates to other existing Programmes, and in particular how it complements them: "eligible activities under the Call complement the envisaged measures and activities in the National Waste Management Plan in Bulgaria for</i></p>



		<p><i>Prevention Programme and activity (measure ) 4 of the Action Plan of the Programme for improving the capacity of the waste management institutions</i></p> <p><i>The activities envisaged by the Applicants should be clearly distinguished from the envisaged measures and activities in the National Waste Management Plan for Bulgaria for the period 2014-2020, which will be implemented through other sources of funding.“</i></p> <p><i>Please specify whether the activities envisaged by the Applicants should be clearly distinguished from the measures and activities envisaged <u>only</u> in item 4.12 and 4.16 of the Action Plan of the National Waste Generation Prevention Programme and <u>activity (measure ) 4</u> of the Action Plan of the Programme for improving the capacity of the waste management institutions or should be clearly distinguished from any measures and activities envisaged in the National Waste Management Plan for the period 2014-2020.</i></p>	<p><i>the period 2014-2020, in particular activities 4.12 and 4.16 of the Action Plan of the National Waste Generation Prevention Programme and activity (measure ) 4 of the Action Plan of the Programme for improving the capacity of the waste management institutions.“</i></p> <p><i>Then the demarcation with the National Waste Management Plan for Bulgaria for the period 2014-2020 and the procedure "Implementation of demonstration projects in the field of waste management" under priority axis 2 "Waste" of the Operational Programme "Environment" 2014-2020 is clearly described, where eligible beneficiaries are also municipalities, namely: “The activities envisaged by the Applicants should be clearly distinguished from the envisaged measures and activities in the National Waste Management Plan for Bulgaria for the period 2014-2020, which will be implemented through other sources of funding. In order to avoid the risk of double funding, there should also be a clear distinction from projects funded under the procedure "Implementation of demonstration projects in the field of</i></p>
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		<p>2. Considering the fact that “. In order to avoid the risk of double funding, there should also be a clear distinction from projects funded under the procedure "Implementation of demonstration projects in the field of waste management" under priority axis 2 "Waste" of the Operational Programme "Environment" 2014-2020, where municipalities are also eligible beneficiaries”, please specify where information on the projects funded under this procedure can be found.</p> <p>3. Item 16 of the Application Guidelines "Eligible costs", and in particular "Eligible direct costs" on page 21, states that this category also includes "Project audit costs". On what basis are the project audit costs determined, is their amount defined?</p>	<p>waste management" under priority axis 2 "Waste" of the Operational Programme "Environment" 2014-2020, where municipalities are also eligible beneficiaries.</p> <p>2. Information about the procedure is available in EUMIS 2020.</p> <p>3. The audit refers to the project management activities as an activity necessary for the successful implementation of the project. Project audit costs should be included in project management costs as part of direct project costs. According to item 16 of the Application Guidelines "Eligible costs", and in particular "Eligible direct</p>
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		<p><i>4. Is the provision of a consulting service for the preparation of the project proposal an eligible cost?</i></p> <p><i>5. Please specify whether these are a total of 4 "recycling schemes" and / or schemes for "segregated waste recycling" implemented and whether for each scheme for "segregated waste recycling" in the project proposal a "recycling scheme" should also be provided for.</i></p> <p><i>6. Please specify whether these "4 recycling / segregated waste recycling schemes implemented" should be implemented on the territory of each partner or the requirement is a total of 4 for the whole project proposal.</i></p> <p><i>7. If a donor project partner is included in the project proposal, should its budget be</i></p>	<p><i>costs", management costs must not exceed 10% of the eligible direct costs of the project.</i></p> <p><i>4. No. The provision of a consulting service for the preparation of a project proposal is not among the eligible costs listed under this Call.</i></p> <p><i>5. 5. In order to receive the maximum number of points, the Applicant organizations should implement a minimum of 4 schemes for separate waste collection and their subsequent recycling.</i></p> <p><i>6. In order to achieve the indicators under the Call, the schemes implemented for the whole project proposal will be considered.</i></p> <p><i>7. According to item 10 "Eligible partners" of this Call, the Application form must contain a detailed description of the project and budget, as well as the role of</i></p>
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5.	<p>Kostadin Yordanov 11th June 2020</p>	<p><i>1. Is it permissible to implement a municipal scheme for recycling of construction waste within the project?</i></p> <p><i>2. Is it possible to implement the scheme at the level of several Bulgarian partner municipalities -in the sense of creating a site to serve the three partner municipalities from Bulgaria (adjacent to each other in terms of territory) or can one site be established on the territory of each municipality?</i></p>	<p><i>1. Recycling schemes for all types of waste for which national targets have been introduced are eligible under this Call.</i></p> <p><i>2. This Call does not impose restrictions on the local territorial distribution and implementation of project proposals. As stated in item 5 "Territory of implementation of the project" activities should be carried out on the territory of the Republic of Bulgaria as well as on the territory of the Donor States (Iceland, the Principality of Liechtenstein and the Kingdom of Norway), in the case of a partnership with an organization from one of these countries (s) under the project.</i></p>



		<p>3. Accordingly, is it permissible to purchase specialized equipment for construction waste recycling?</p>	<p>3. Equipment costs are eligible under this Call, in strict compliance with the requirements set out in item 16 "Eligible costs" and in particular "Eligible direct costs" (page 18 of this Call). You should keep in mind that a final opinion on the eligibility of equipment will be taken by the Selection Committee, which will have all the information on the project proposal.</p>
6.	<p>Municipality of Vratsa Kalina Georgieva 11<sup>th</sup> June 2020</p>	<p>The recycling of municipal waste is a key measure in the implementation of European and national policies for the so-called circular economy and the efficient use of waste as a resource. The Municipality of Vratsa is 100% with organized collection of household waste. Since 2012, the municipality of Vratsa has a facility for pre-treatment of mixed household waste before disposal by separating the useful components. The installation is located at the regional landfill for non-hazardous waste, as part of the separated municipal waste is handed over for recycling. The principle and organization of collection and transportation of the mixed household stream, which is separated, presupposes a higher percentage of contaminated</p>	<p>The systems may provide for the separate collection of all waste groups for which national targets have been introduced.</p>



		<p><i>recyclable waste. This significantly reduces the percentage of separated recyclable waste.</i></p> <p><i>The review of the data of the morphological composition of the waste for the municipality of Vratsa shows that paper, glass, plastic and metals represent about 1/3 of the composition of the mixed household waste. The analyses of the municipal waste show that the quantities of separately collected waste, for which there is a report in the municipality, are still not enough for the municipality to achieve the annual goals for recycling of the municipal waste, i.e. recycling of at least 25%, etc. of the total waste from paper, cardboard, plastics, metals and glass. In this regard, the municipality will have to make additional efforts to achieve the goals set.</i></p> <p><i>The collection of the "dry" mass presupposes the preservation of the quality of the resources and during transportation, reducing the possibility of additional pollution from organic matter and other waste.</i></p> <p><i>One of the measures that the Municipality of Vratsa intends to implement is the separate collection of recyclable waste from the original source, by placing containers for separate collection of the recyclable mass</i></p>	
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		<p><i>from the mixed household waste and recyclable waste from commercial, administrative, production and economic sites. They will again fall for separation in the Regional landfill site for non-hazardous waste installation and divided by types.</i></p> <p><i>Our goals are:</i></p> <ul style="list-style-type: none"> <li><i>- Improving the functioning of the system;</i></li> <li><i>- Achieving a higher percentage of the objectives under Art. 31, para. 1;</i></li> <li><i>- Facilitating the implementation of the requirements for separate collection of recyclable waste;</i></li> <li><i>- Increasing the possibilities for monitoring the quantities of waste by types;</i></li> <li><i>- Larger share of separated recyclable waste and its transfer for reuse;</i></li> <li><i>- Less deposited waste.</i></li> </ul> <p><i>In connection with the above-mentioned, please clarify whether the organized system for separate collection of recyclable waste from the general household flow should be limited to waste from group 20 or the same can be combined with waste from group 15 from the same contractors?</i></p> <p><i>2. On March 6, 2014, the Separation Installation at the Regional landfill site for non-hazardous waste p.i. 12259.788.1, Shumaka locality, land of the town of Vratsa,</i></p>	
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		<p><i>came into operation. The same has an issued Permit for use № CT-05-611 / 01.04.2013 from the Directorate for National Construction Control / NCSD /.</i></p> <p><i>Technical parameters: built-up area of the building - 1 921.05 m<sup>2</sup>; built-up area of a shed for temporary storage of baled waste - 218.46 m<sup>2</sup>.</i></p> <p><i>Annually, about 22,000 tons of waste from Vratsa Municipality and Mezdra Municipality enter for separation.</i></p> <p><i>The economic analysis for the period from 2014 to 2019 shows that the operation of the installation does not meet our expectations and the separation of the recyclable mass is 6.5-7% of the total household flow.</i></p> <p><i>Currently, the separation plant is depreciated and often breaks down.</i></p> <p><i>Upon inspection by specialists, Vratsa Municipality intends to improve the operation of the installation by replacing existing parts and putting into effect additional elements for the implementation of the technological process in order to increase the efficiency.</i></p> <p><i>By allocating more suitable resources, we achieve sustainability in the process and actively contribute to their useful use.</i></p> <p><i>We are increasing the share of waste that</i></p>	
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		<p><i>can be recycled, compared to those that are incinerated or disposed of.</i></p> <p><i>In connection with the above, please clarify whether activities for overhaul of the separation plant at the Regional landfill site for non-hazardous waste are eligible, for the implementation of which it is necessary to prepare an investment project?</i></p>	
7.	<p>Kostadin Yordanov 17<sup>th</sup> June 2020</p>	<p><i>Hello,</i></p> <p><i>In evaluation indicator №7 "Organizational structure for the implementation of the project." the highest number of points is awarded in case "The project will be implemented entirely with own human resources".</i></p> <p><i>Please explain in particular what this means?</i></p> <p><i>For example:</i></p> <ul style="list-style-type: none"> <li><i>- Does the above-mentioned affect the requirement for only project employees to be included in the Project Management Team? Or of the Applicant and the Partner?</i></li> <li><i>- Given that the Project Management Team includes experts external to the Applicant / Partner, the project cannot receive the maximum number of points on this indicator?</i></li> </ul>	<p><i>The criterion aims to assess the presence or absence of own (for the Project promoter and the Partner / s) human resources for management and implementation both during and after the completion of the project.</i></p>



		<i>Thank you!</i>	
8.	Kostadin Yordanov 18th June 2020	<p><i>Hello,</i></p> <p><i>Please clarify the completion of the Application Form in the EUMIS regarding the location of the project, provided that the project is implemented in partnership between 2 or more municipalities from Bulgaria and a partner from Norway and on the territory of all partners it is planned to implement activities on the project?</i></p> <p><i>As in section 1 " Main data" section "Place of implementation of the project", when filling in the fields "Municipality" or "Settlement", we could fill in data only for the partners - municipalities from Bulgaria.</i></p> <p><i>When filling in the data in the "Country" field, can we fill in only Bulgaria and Norway, respectively, as a location?</i></p> <p><i>Please clarify which option is the most correct to use.</i></p>	<p><i>The EUMIS functionality allows more than one location to be entered for a project.</i></p> <p><i>"Main data" section, "Location" (Location of the project) field is conditionally structured on 2 levels. Applicants should choose:</i></p> <ol style="list-style-type: none"> <li><i>1. Level 1 - Type of location - Country / Protected area / NUTS level 1 / NUTS level 2 / District / Municipality / Settlement.</i></li> <li><i>2. Level 2 - From the <b>drop-down menu</b> the specific location according to the type of location already set in Level 1 should be selected.</i></li> <li><i>3. Below the drop-down menu there is an <b>"Add"</b> button. Through it, Applicants have the opportunity to add additional fields / drop-down menu to choose from.</i></li> </ol>