

Annex 5: Rules and Procedures for the Project Preparation Facility and the Technical Assistance Fund

Annex 5 is an integral part of the Framework Agreement between the Swiss Federal Council and the Government of the Republic of Bulgaria concerning the implementation of the Swiss-Bulgarian Cooperation Programme. Any amendment to this Annex shall be made in writing with the mutual agreement of the competent authorities mentioned in Article 9 of the main part of this Framework Agreement.

Annex 5 defines the rules and procedures for the Project Preparation Facility and the Technical Assistance Fund.

Annex 1 defines the conceptual framework of the Swiss-Bulgarian Programme. The rules and procedures are defined: in Annex 2 for the overall Swiss-Bulgarian Cooperation Programme; in Annex 3 for Projects and Programmes; in Annex 4 for Thematic Funds.

A. Project Preparation Facility

1. Definition and purpose

The “Project Preparation Facility” provides financial support for the preparation of the Final Project Proposals (e.g. feasibility studies, environmental impact assessments, etc.).

2. Request and approval procedures

A request for financial support within the Project Preparation Facility must be part of the Project Outline (cf. Annex 3, Chapter 1.2).

SECO shall assess whether the requested assistance for project preparation is suitable for financial support.

The decision on the provision for financial support for the project preparation is part of the final decision by Switzerland on the Project outline.

3. Management of the Project Preparation Facility

Project Preparation Facility is managed by the NCU.

4. Project Preparation Facility Agreement

The Project Preparation Facility Agreement shall be prepared and signed by the NCU on the Bulgarian side and by SECO on the Swiss side. The content of the Project Preparation Facility Agreement shall include inter alia:

- Objectives of the Project Preparation Facility;
- Roles and responsibilities;
- Detailed listing of costs eligible for financing;
- Co-financing;
- Audit procedures, monitoring and reporting.

5. Co-financing

Financial means provided by the Project Preparation Facility require a minimum co-financing of 15% by the recipient or any third party. The co-financing rate shall be determined on a case-by-case basis.

B. Technical Assistance Fund

1. Definition and purpose

A Technical Assistance Fund may be established to contribute to some additional costs incurred by Bulgaria for the efficient and effective implementation of the Contribution.

2. Eligible costs

Costs incurred by the Bulgarian authorities for the management, implementation, monitoring and control of the Contribution are in general not eligible for financing. However, some costs incurred by the Bulgarian authorities for tasks performed additionally and exclusively for the implementation of the Contribution are eligible for financing, if they belong to one of the following categories:

- a) Costs of annual meetings, monitoring and of the project selection committees for the Swiss-Bulgarian Cooperation Programme;
- b) Training for potential Executing Agencies with the objective to prepare them for the Swiss-Bulgarian Cooperation Programme;
- c) Hiring of consultants for the elaboration of procedures and guidelines to implement the Swiss contribution;

- d) Hiring of consultants and experts for the identification and/or review of Project proposals addressed to the NCU and the preparation of financing requests to Switzerland;
- e) Hiring of consultants and experts for the monitoring, auditing and for the review of Supporting Measures financed by the Contribution and of the overall Swiss-Bulgarian Cooperation Programme;
- f) Audits and on the spot checks of operations related to the Contribution, where this relates to activities above and beyond the normal obligations of Bulgaria;
- g) Publicity measures related to the Contribution;
- h) * Costs of Bulgarians for participation in meetings with Swiss authorities held outside of Bulgaria. The per diem rates officially published and maintained by the European Commission are applicable for the Bulgarians;
- i) Translation costs of the NCU and Intermediate Bodies at the level of the management of the Swiss Contribution;
- j) Additional equipment, including software, specifically procured for the implementation of the Contribution.

Costs incurred by the Bulgarian authorities for the management, implementation, monitoring and control of the Contribution are eligible, if:

- No other source of financing is available;
- A detailed assessment of staff requirements is available and agreed upon by the Parties;
- The financing of this staff is crucial for the efficient implementation of the Swiss Contribution;
- The amount of financing this staff is not exceeding the Bulgarian co-financing of the Technical Assistance Fund.

3. Management of the Technical Assistance Fund

The Technical Assistance Fund is managed by the NCU.

4. Technical Assistance Fund Agreement

The Technical Assistance Fund Agreement shall be prepared and signed by the NCU on the Bulgarian side and by SDC / SECO on the Swiss side. The content of the Technical Assistance Fund Agreement shall include inter alia:

* Modified on 21 December 2013

- Objectives of the Technical Assistance Fund;
- Detailed listing of costs eligible for financing;
- Organisational structure, roles and responsibilities;
- Procedures;
- Budget and financial planning;
- Audit procedures;
- Monitoring and steering;
- Reporting.