MINISTRY OF REGIONAL DEVELOPMENT
AND PUBLIC ADMINISTRATION

HEAD OF THE MANAGING AUTHORITY

No. 104613/19.11.2015

To: Mrs. Kristina TZVETANSKA
Head of Bulgarian Association of Consultants in EU Programmes

Cc: Maria DUZOVA, General Director, Head of National Authority
Nicoleta MINCU, Executive Director, ROCBC Calarasi

Ref: Your letter no.42/18.11.2015 regarding proposals for the improvement of the implementation process for projects selected under Interreg V-A Romania-Bulgaria Programme

Dear Mrs. Tzvetanska,

Thank you for your interest in Interreg V-A Romania-Bulgaria Programme and for your proposals put forward regarding the improvement of the implementation process of the projects selected under our Programme. Please be informed that they have been thoroughly analyzed by the Managing Authority.

The programme management structures are making considerable efforts in order to finalize the Programme Implementation Manual as soon as possible. We have started working on this document since July 2015, in parallel with the Programme activities of launching and managing opened calls, evaluation and designation process. Once the document is finalized and approved, it will be posted on the programme's website. We estimate this process will be finalized before the end of the year, so before signing the financing contracts, just as it was planned. This is a document necessary in the implementation phase of the projects, therefore before projects implementation starts we plan to make it available.

However, the indicative template of the subsidy contract has been attached to the Applicant's Guide and the updated version is available on the programme website. Therefore, since the time of the submission of the projects, the beneficiaries were aware of the funding conditions applicable at Programme level.

The paragraph concerning the right of the Managing Authority to make unilateral changes is necessary since requirements to the Managing Authority can be made during the Programme implementation (by the European Commission, by the Audit Authority, by changes in national

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legislation aso), therefore this possibility ensures we have the tools to ensure a sound Programme implementation and not to jeopardize the EU Funds available for the two Member States. However, we constantly have in mind equal treatment and the interest of our beneficiaries, therefore any change of this type will be extremely well analyzed before.

The rationale for the inclusion of additional provisions regarding project level decommitment within the subsidy contracts as compared to the previous programme, is connected to the need to improve the implementation of the Programme and reduce the risk of underspendings and decommitment at Programme level. As you are aware, the European Regulations put a special focus on results and the respect of decommitment targets at Programme level within a clearly set performance framework. The Programme will not be able to meet these targets, unless the beneficiaries are strongly committed to respect their schedule of activities and spendings' schedule. Any delay/underspending registered at the level of projects, jeopardize the implementation of the Programme, leading to loss of Programme funds. Moreover, we did take into the consideration the issues you mention, this is the reason why we have set just a single target, at the middle of the implementation period of the project. Also, there is no minimum target for you, you can estimate and you should make the estimation by taking into account all the risks you mention.

As regards the preparation costs, please be informed that according to the last template of the subsidy contract (available on Programme's website under Programming period 2014-2020 section), the subsidy contracts have no provisions regarding their payment deadline. Nevertheless, according to the provisions of the contract, these expenditures have to be requested for reimbursement within the first reimbursement claim. This means that preparation costs have to be paid before the request for first level control, corresponding to the first reimbursement claim, is submitted. Please be informed that the conditions regarding the preparation costs are similar between the two calls for proposals. The only provision included in the both Applicant's Guide refer to the time of incurring the expenditure. Expenditure is incurred when the activity that has generated the expenditure (for example the works executed in accordance with the conditions of the contract) has been completed or the services foreseen in a contract have been provided and accepted by the beneficiaries. Proof of expenditures incurred relates to supporting documents indicating the completion of the activity, for instance take over certificates or confirmation of service delivery.

We encourage you to submit any proposals you may find useful for the smooth implementation of the Programme and we assure you we shall analyze them thoroughly each time.

Sincerely yours,

Iulia HERTZOG,

Head of the Managing Authority for the Interreg V-A Romania-Bulgaria Programme

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