

EUR 7 BILLION FROM THE EU WAIT FOR THE ACTIVITY OF THE BULGARIANS

By joining the European family Bulgaria has the opportunity to absorb up to EUR 7 billion for 7 years in the period 2007-2013 under seven Operational Programmes upon presentation of ready projects.

The absorption of the EU funds is a bilateral process. The state administration presents the procedures but the beneficiaries are the ones that must be active. Every Bulgarian citizen has the opportunity to absorb a larger or a smaller part of these grants through his/her ideas and projects.

“Be Active”!

What is the point of this money?

The European regional policy covers the territory of all Member States and is based on financial solidarity. It is based on the solidarity principle and for this reason a major part of the Community’s budget is targeted to less prosperous regions and social groups so that the disparities among their development levels are diminished.

The EU policy for reduction of regional disparities is implemented through the Structural Instruments.

Which are they?

For the period 2007-2013 this is done through three Funds.

The [European Regional Development Fund](#) was established in 1975. It is the most important instrument for implementing the common “regional policy” The resources from this Fund are used mainly in national programmes for promotion of development through grants. ERDF is also used to finance production investments, creation or modernization of infrastructures which contribute to adapting the relevant regions, as well as investments for jobs creation, projects for local development and support to small companies.

[The European Social Fund has been in existence](#) since 1958. This Fund finances measures supporting the social policy. More specifically, the financing under the Fund contributes to facilitating access to labour market and ensuring equal opportunities in the labour market. The Fund also contributes to developing the abilities, skills, improving professional qualification, re-qualification, etc., encouraging jobs creation as well as financing research activities and pilot schemes concerning aspects common for a number of Member States.

[The Cohesion Fund has been operating](#) since 1993. It finances the building of transport and environmental infrastructure in the Member States, whose GDP is lower than 90% of the average EU levels. For the period 2007-2013 EC proposed the now existing legislation for the EU Structural Funds and Cohesion Fund to be amended and its proposal was approved. According to the package of Regulations on the Cohesion policy for the period 2007-2013 adopted by the EU Council and the European Parliament in July 2006, the priorities of the Cohesion policy are grouped into 3 objectives: Cohesion, Regional Competitiveness and Employment and European Territorial Cooperation.

The key message of the Cohesion policy and its instruments for the period 2007-2013 entails accelerated rates of growth and employment for all EU regions and cities.

What are the instruments assisting the Member States and the regions in the stable and effective management of the Funds?

[JASPERS](#) (Joint Assistance in Supporting Projects in European Regions) encourages cooperation among EC, EIB (European Investment Bank), EBRD (European Bank for Reconstruction and Development) and the Member State in preparing major projects.

[JEREMIE](#) (Joint European Resources for Micro to Medium Enterprises) is a joint initiative of EC, EIB and EIF (European Investment Fund) for improving the access of micro-, small and medium sized enterprises in the European regions to financing.

[JESSICA](#) (Joint European Support for Sustainable Investment in City Areas) is a joint initiative of EC, EIB and the Council of Europe Development Bank for promoting sustainable investment in urban areas.

What is being done at government level?

In order to receive funds from the EU Structural Instruments each Member State needs to elaborate two types of strategic documents – [National Strategic Reference Framework and Operational Programmes](#).

The National Strategic Reference Framework (NSRF) lays down the main goals of the development policy and the priorities to be co-financed with funds from the EU Structural Instruments in the period 2007-2013. It is also the key programming document outlining the strategy of our country to utilize the funds from the EU Structural Instruments. NSRF has been prepared on the basis of social and economic analysis, analysis of the main disparities of Bulgaria and the EU and the National Development Plan (NDP) for the period 2007-2013. It has been elaborated in accordance with EU priorities.

The main objective of the strategic interventions to be financed from the European Union in Bulgaria is to support the investments needed for the economic development by investing in the required infrastructures, human potential and maintenance of favourable business environment and social inclusion.

The vision for development of Bulgaria in the EU is the country to become a competitive Member State with high quality of life, income and social sensitivity by 2015.

The long-term vision for Bulgaria combines two concrete medium-term objectives for 2007-2013 programming period: strengthening the competitiveness of the economy in view to attaining high and sustainable growth and developing the human capital in view to ensuring higher rates of employment, income and social integration.

In order to achieve its medium-term objectives Bulgaria focuses its efforts on four strategic priorities – three thematic and one territorial.

These include improving basic infrastructure, increasing the quality of human capital with a focus on employment, fostering entrepreneurship, favourable business environment and good governance and supporting balanced territorial development.

Which are they?

The first priority envisages support to be provided for quality ***transport infrastructures, information and communication technologies and investments in the environmental protection infrastructure.***

The second priority envisages support to be provided for development of ***human resources*** in both the public and the private sector.

The third priority is focused on the establishment of an effective framework to ***support the business*** by means of improving the regulatory basis, ***fostering entrepreneurship and innovations and developing an efficient, modern and transparent state administration.***

The fourth priority is territorially oriented and aims at achieving a balance by means of assisting Bulgaria's regions in developing their growth potential and ***local capacity and preserving the natural and cultural heritage.***

Each strategic priority will be supported, in a coordinated way, by actions formulated in the 7 Operational Programmes: Transport; Environment; Human Resources Development; Development of the Competitiveness of the Bulgarian Economy; Administrative Capacity; Regional Development; and Technical Assistance.

The Operational Programmes address the main problems in the social and economic development and in their essence they represent the Government policy for their resolution in the framework of the priority of the Programme.

Having in mind these main priorities and Operational Programmes each of you can find out with what project and in what area to apply.

How is management of and control over spending performed?

For a Member State to receive funds from the EU Structural Instruments it has to meet one of the main requirements of the European Commission – to have a clear framework established for the management, implementation, and financial management and control.

In our country the framework comprises Central Coordination Unit, OP Managing Authority, Intermediate Bodies, Certifying Authority, Audit Authority and Monitoring Committees.

The Central Coordination Unit is responsible for the preparation of NSRF and its coordination with the European Commission; it acts as central representative of our country before the European Commission on all issues related to planning, programming and managing the financial assistance from the EU. The unit ensures that the Structural Funds are lawfully managed and all requirements of the European legislation are met.

The Managing Authority is responsible for the management and implementation of the Operational Programme in accordance with the principles of sound financial management. It does the above by ensuring that operations are selected for funding in accordance with the set criteria and verifying the performance of the co-financed activities.

Intermediate Body can be any public or private organization or service which acts under the responsibility of the Managing Authority of the Operational Programme. The functions of the Intermediate Bodies are subject to agreement between the IBs and the Managing Authority. Most often the functions of the Intermediate Bodies are related to conducting tender procedures of calls for project proposals, providing technical assistance and information to final beneficiaries. The IB receives and checks the application forms as well as the other project documentation, and makes checks and audits of the financial documents.

Certifying Authority is the National Fund Directorate at the Ministry of Finance which performs also the functions of a competent body for receiving all funds from the Structural Funds and the Cohesion Fund as well as from the Instrument for Pre-accession Assistance (IPA) under the Operational Programmes for cross-border cooperation, provided through the European Commission. The Certifying Authority is in charge of drawing up and submitting to the European Commission certified statements of expenditure and applications for payment.

Audit Authority is the Audit of the European Union Funds Directorate at the Ministry of Finance. It prepares audit strategy and submits it to the EC, performs audits of the financial management and control systems of all OPs and ensures that they function in accordance with the

requirements. It also performs audits of projects financed with SCF funds, prepares annual audit reports and submits them to the EC. When the Operational Programmes are closed the Directorate presents to the EC a closure declaration certifying the validity of the submitted applications for payment as well as the final balance under each of the Programmes.

The Monitoring Committees are the most superior body in the Operational Programmes management hierarchy. They assess NSRF and OP progress towards achieving the goals of the Cohesion Policy, approve the project selection criteria and make proposals for changes in the Programmes in regard to activities or management.

It is all in your hands now.

Be active!

