

Annex 4: Rules and Procedures for Thematic Funds and Special Projects

Annex 4 is an integral part of the Framework Agreement between the Swiss Federal Council and the Government 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 this Framework Agreement.

Annex 4 defines for Thematic Funds and for special projects the rules and procedures as well as the responsibilities and tasks of the actors involved.

Annex 1 defines the conceptual framework of the Swiss-Bulgarian Cooperation Programme. The rules and procedures are defined: in Annex 2 for the overall Swiss-Bulgarian Cooperation Programme; in Annex 3 for Projects; in Annex 5 for the Project Preparation Facility and the Technical Assistance Fund.

A. General Provisions for Thematic Funds

1. Definition and purpose

Thematic Funds target a specific theme or a specific beneficiary group. Thematic Funds are set up to efficiently implement Activities.

An Activity is a specific assistance for, inter alia, projects, scholarships, partnerships and knowledge transfer provided within a Thematic Fund. Financial allocations for an Activity may range from a few thousand Swiss Francs up to allocations envisaged for individual projects.

A Thematic Fund is managed by a Swiss Intermediate Body and an Activity is implemented by an Executing Agency. In some cases, SDC may manage the Thematic Fund.

2. Selection of the Swiss Intermediate Body

Eligibility as Swiss Intermediate Body. The Swiss Intermediate Body shall be a public or private sector body or a non-governmental organisation. The Swiss Intermediate Body shall have strong ties to the sector in which the Thematic Fund is implemented. Due to the specific requirements in knowledge transfer, the Swiss Intermediate Body needs to be familiar with Swiss know-how and Swiss institutions working in the related thematic field.

Call for proposals. To select the Swiss Intermediate Body, SDC shall launch an open or restricted call for fund management proposals. The call shall respect Swiss and international public procurement rules. In exceptional cases, SDC shall nominate the Swiss Intermediate Body directly. The type of the selection depends on the subject matter.

The selection criteria for the Swiss Intermediate Body and the call documentation shall be worked out by SDC and submitted to the NCU for commenting. The final decision on the selection criteria and on the content of the call documentation shall be taken by SDC.

Proposal evaluation and decision. The proposal evaluation shall be done by an independent expert mandated by SDC, a member of the NCU and a member of SDC. The evaluation results shall be discussed between SDC, the NCU and – if previously agreed upon – the line ministry in charge of the subject matter. The final decision shall be taken by SDC.

Timing. Calls for proposals shall be launched within 6 months after the signing of this Framework Agreement. The final decision on the Swiss Intermediate Body shall be taken not later than 12 months after the signing of this Framework Agreement.

3. Thematic Fund Agreement

Preparation. For each Thematic Fund, the Parties shall conclude a Thematic Fund Agreement. This agreement shall be prepared by SDC.

Content. The Thematic Fund Agreement shall include inter alia:

- Objectives of the Thematic Fund;
- Organisational structure, responsibilities and tasks;
- Thematic Fund management procedures including procedures for the assessment and selection of Activities;
- Activities already identified for implementation;
- Co-financing rules, co-financing sources and procedures;
- Implementation schedule;
- Budget and financial planning including management costs;
- Disbursement and audit procedures;
- Monitoring and steering procedures including the set-up of a steering and Activity approval committee;
- Reporting;
- Publicity.

Signing. The Thematic Fund Agreement shall be signed by the NCU, the line ministry/institution in charge of the subject matter – if previously agreed upon – and SDC or the Swiss Embassy. The signing of the Thematic Fund Agreement is not a prerequisite for the process of selecting the Swiss Intermediate Body.

4. Mandate Agreement

SDC shall conclude with the Swiss Intermediate Body a Mandate Agreement for the implementation of a Thematic Fund. The Mandate Agreement shall take into account the provisions of the Thematic Fund Agreement and shall spell out, inter alia, procedures on Activity selection, Activity implementation, disbursements, financial audit, monitoring, steering, reporting, review and evaluation.

5. Activity selection and approval

Composition of the Activity portfolio. The Activity portfolio may include: Activities retained in this Framework Agreement; Activities proposed by Bulgaria or by Switzerland in a later stage; and Activities identified on the basis of a call.

Criteria for Activity selection. Criteria for the selection of Activities shall take into account inter alia: the common interest of the Parties; the possibility to transfer Swiss knowledge and experience; institutional partnerships between Bulgarian and Swiss actors; potential for networking; specific niches for the Swiss Contribution; innovation and visibility. The financing of equipment and/or infrastructure shall be limited to the extent to which it is required to support capacity building and institutional strengthening objectives.

Proposal and approval for Activities financed by a block grant. Activities financed by a block grant shall be submitted to the Swiss Intermediate Body. Each Activity shall be:

- assessed by the Swiss Intermediate Body;
- rejected or approved by a Steering or Selection Committee.

SDC will be represented in the Steering or Selection committee and will have the right of objection on Activity approval.

Proposal for and approval of Activities in the form of projects not financed by a block grant. Activity proposals in the form of projects not financed by a block grant shall follow a two loop approval procedure. First, the Executing Agency shall submit the project outline to the Swiss Intermediate Body. The project outline shall be:

- assessed by the Swiss Intermediate Body and agreed with the NCU;
- proposed by the Steering or Selection Committee to SDC for rejection or approval;
- rejected or approved by SDC.

Once the project outline has been approved, the Executing Agency shall submit a final project proposal with detailed and complete project documentation. The assessment and approval of the final project proposal shall follow the same procedure as applied for the project outline.

Upon request of the Executing Agency, a project preparation support may be granted. The request needs to be submitted with the project outline.

SDC will be represented in the Steering or Selection committee.

Activity agreement. For each Activity, the Swiss Intermediate Body shall establish an activity agreement.

6. Flow of funds, advance payments and audits

Flow of funds. The Swiss Intermediate Body shall open a bank account. All payments of SDC shall be made directly to this bank account. All payments from the Swiss Intermediate Body directly to the Executing Agency shall be made from this bank account.

Advance Payments. SDC shall provide working capital advances to the Swiss Intermediate Body. A prerequisite for payments is the approval by SDC of respective progress reports.

Advance payments to the Executing Agencies by the Swiss Intermediate Body – in particular to non-governmental organisations and institutional partners – shall be decided on a case by case basis, depending on the financial capacity of the Executing Agency as well as on the rate of co-financing provided. Advance payments shall be proposed by the Swiss Intermediate Body and decided by SDC.

Audit. Financial audits shall be carried out by an international audit organisation as specified in the Thematic Fund Agreement. The audit reports shall be transmitted to SDC and forwarded by SDC to the NCU.

Depending on the structure of the Thematic Funds, the Audit Authority can perform specific audits, at the request of SDC or the Swiss Intermediate Body, which must nominate the public institutions to be audited and the thematic approach and objectives of the audits. Audits will be established only after projects have been approved. Moreover, the selection of projects to be audited will entirely be SDC or the Swiss Intermediate Body's decision.

Alleged cases of irregularities shall be investigated by SDC in cooperation with the NCU.

7. Monitoring, Steering and Reporting

Monitoring. Monitoring shall take place at the level of the entire Thematic Fund and at the Activity level. SDC shall ensure monitoring at the level of the entire fund. The Swiss Intermediate Body shall be responsible for monitoring at the level of the Activities.

Steering. A Steering Committee shall be established for each Thematic Fund. The Steering Committee shall provide guidance on strategic matters and shall recommend Activities for approval by SDC. Selection criteria for Activities shall be specified in the Thematic Fund Agreement.

Reporting. The reporting shall include the interim reporting as supporting evidence for the payment claims, the annual reporting and the completion reporting. On the level of the entire Thematic Fund, reporting shall be done by the Swiss Intermediate Body and shall be addressed to SDC. At the level of Activities, the Executing Agencies shall be responsible for reporting. Reports shall be addressed to the Swiss Intermediate Body.

Annual reports on Thematic Funds shall include a financial statement on commitments and disbursements. They shall be provided to the NCU two months prior to the annual meeting.

8. Eligibility of costs and co-financing

Eligible costs. Eligible costs include:

- Management and administration of the Thematic Fund;
- Contribution to the preparation of Activities by the Executing Agency;
- Activities financed by the fund;
- Financial audit;
- Review and evaluation;
- Seminars and public events e.g.; to launch the call for Activity proposals; to inform on procedures; to assess and inform on progress;
- Publicity.

Co-Financing. The co-financing rates defined in the main part of this Framework Agreement, Article 5.4 shall apply. Co-financing shall be provided as joint financing or as parallel financing.

Support by the Thematic Fund shall not replace subsidised facilities and bank loans.

9. Responsibilities and Tasks

The responsibilities and tasks for Thematic Funds are as follows:

9.1. The Swiss Agency for Development and Cooperation

SDC has the responsibility for the implementation of the Thematic Funds. The main tasks of SDC include to:

- Launching a call for proposals for Thematic Fund management by a Swiss Intermediate Body;
- Organising and participating in the evaluation of Thematic Fund management proposals;
- Discussing the evaluation with the NCU and deciding on the selection of the Swiss Intermediate Body;
- Deciding on the financing of the Thematic Fund;
- Submitting the Activity selection criteria proposed in the Project Document of the Thematic Fund to the Monitoring Committee for commenting;
- Preparing and concluding the Thematic Fund Agreement;
- Preparing the Mandate Agreement and mandating the Swiss Intermediate Body;
- Supervising the operational monitoring and the financial controlling of the Intermediate Body;
- Ensuring the steering of the Thematic Fund;
- Participating in the steering and Activity approval committee;
- Analysing the regular reporting of the Swiss Intermediate Body, discussing the reporting with the NCU and ensuring follow-up;
- Requesting immediate reporting in case of irregularities and ensuring follow-up;
- Assessing and discussing implementation progress with the NCU based on the annual reporting prepared by the Swiss Intermediate Body;
- Carrying out reviews and evaluations;
- Organising Publicity in Switzerland.

SDC may delegate a part of these tasks to the Swiss Embassy in Sofia.

9.2 The Swiss Intermediate Body

The Swiss Intermediate Body is responsible for the set-up and management of the Thematic Fund, for the build-up of the Activity portfolio, for the contracting and the supervision of the Executing Agencies, for the controlling of the Activities and for the reporting on the Thematic Fund.

The main tasks of the Swiss Intermediate Body include to:

- Drafting the Project Document of the Thematic Fund including criteria for Activity selection;
- Arranging all legal aspects required for the implementation of the Thematic Fund;
- Set-up implementation structures;
- Managing and administrating the Thematic Fund;
- Establishing the chair (if decided so by SDC and the NCU) and assuming the post of member-secretary of the Steering and Activity Approval Committee;
- Establishing an adequate financial and operational controlling system for Activity implementation;
- Calling for and/or collecting proposals for Activities, reviewing compliance with the proposal requirements and establishing selection recommendations;
- Preparing and concluding contracting arrangements with the Executing Agencies implementing the Activities;
- Applying controlling systems and intervening if required. Informing SDC on irregularities immediately;
- Reporting to SDC. Reporting includes at least one annual progress report and financial reports;
- Ensuring the financial audit of the Thematic Fund, submitting audit reports to the NCU as well as to SDC and ensuring the follow-up to audit recommendations;
- Organising publicity in Switzerland and in Bulgaria in cooperation with the NCU.

9.3 The National Coordination Unit

The NCU is responsible for the inclusion of the Thematic Fund in the portfolio of Supporting Measures and – on a general level – for the monitoring of the Thematic Fund implementation.

The main tasks of the NCU include to:

- Participating in the evaluation of proposals for the Thematic Fund management;
- Discussing the results of the proposal evaluation with SDC;
- Concluding the Thematic Fund Agreement;
- Participating in the steering and Activity approval committee;
- Monitoring the Thematic Fund implementation on a general level and provide feedback to SDC on observations;
- Commenting on the Thematic fund reporting prepared by the Swiss Intermediate Body;
- Commenting the audit reports;
- Acknowledging the payments made by SDC on the basis of financial statements submitted by SDC;
- In the event of irregularities, participating in the assessment of causes and solutions;
- Including main elements of the Thematic Fund reporting in an overall annual report on the Swiss Contribution;
- Discussing implementation progress with SDC in the annual meeting;
- Ensuring inclusion of the Thematic Fund in the publicity on the Contribution.

Responsibilities and tasks shall periodically be reviewed and amended, if needed. A first review shall take place during the first annual meeting of the Parties.

B. Specific Provisions for Thematic Funds

B.1 Security Fund

The general conditions of chapter A.1 of this Annex shall apply unless otherwise stipulated in B.1

1. Definition and purpose

A Security Fund shall be established. The fund shall address Schengen related issues and contribute to enhancing socially related security as well as to fight against corruption and organised crime.

In well-justified cases, the Parties may agree to include Activities that are not included in the above mentioned topics.

2. Swiss Intermediate Body

SDC shall issue a call for fund management proposals or directly appoint the Fund Manager. The Swiss Intermediate Body shall have: the knowledge and experience in the field of security issues and the capacity to manage funds in trust. Due to the specific requirements in knowledge transfer, the Swiss Intermediate Body needs to be familiar with the Swiss institutions working in the thematic field of security.

3. Composition of the Activity Portfolio and Indicative Financial Allocation

Portfolio Item	Indicative Swiss Financial Allocation in CHF
Activities retained in this Framework Agreement	6,013,000
Activities proposed by Bulgaria or by Switzerland in a later stage	2,387,000
Thematic Fund management, funding of project preparation and reserve	1,450,000
Total	9,850,000

Activities retained in this Framework Agreement:

The information on project content, project partners and beneficiaries, duration and financing required is indicative. Detailed project planning may lead to adaptations of project features or may result in cancellation of entire projects.

Schengen Issues: Development of personnel capacities and awareness raising. The project aims to develop the personnel capacities of all stake-holders (i.e. Ministry of Interior Academy, DIOPC – SIRENE, Criminal Police, Security Police, Border Police, Directorate “Migration”, Directorate “Bulgarian Identity Documents”, Press center and public relations) concerning Schengen topics with main focus on **SIS and SIRENE**. Activities include training workshops, study visits, e-learning software and equipment, technical equipment for SIRENE, flyers for police officers and awareness-raising materials for civil society (TV-spot, brochure, spokesperson and journalist training event). **Project partners:** the Ministry of Interior on the Bulgarian side; the Swiss Federal Police FEDPOL on the Swiss side. **Duration:** 12 to 18 months. **Financing:** Swiss Contribution: **300,000 CHF** (85%); Bulgarian co-financing provided by Mol **52,940 CHF** (15 %).

Tracing of stolen vehicles. The project shall contribute to the fulfilment of **article 100 of the Schengen Convention** concerning the tracing of stolen cars. The project shall ensure a SIS compatible information system and improved equipment of units of the Ministry of Interior. Project activities shall include capacity building, exchange of experience, provide hardware and software. The project is closely linked to the above mentioned project. **Project partners:** the Ministry of Interior on the Bulgarian side; subject matter specialists, possibly competent authorities may be included on the Swiss side. **Duration:** 2 years. **Financing:** Swiss Contribution: **800,000 CHF** (85%); Bulgarian co-financing provided by Mol **141,176 CHF** (15 %).

Exchange practice in the field of migration (legal migration and prevention of irregular migration). The project aims to improve the application of the new legislation and enhance the qualification of officials. Activities include identification of best practices in the management of migration flows, training in legal matters, exchanges of experience regarding actions of return to the country of origin and practice of voluntary return. **Project partners:** the Ministry of Interior, the Migration Directorate on the Bulgarian side; Subject matter specialists, possibly competent authorities on the Swiss side. Beneficiaries: Officials in the Migration Directorate. **Duration:** 1 year. **Financing:** Swiss Contribution **160,000 CHF** (85%); Bulgarian co- financing provided by Mol: **28,230 CHF** (15%).

Juvenile Justice / Prevention of crimes against and by children. Strengthening the juvenile justice system. Activities include: reform of the legal/normative framework of the juvenile justice system; capacity building of justice officials, lawyers and prosecutors; design the setting up for the establishment of juvenile chambers within district courts; piloting juvenile courts; **Project partners:** the Ministry of Justice in cooperation with UNODC (United Nations Office on Drugs and Crime); the Judges Association; the Association of Prosecutors; the National Institute of Justice; the Bulgarian Bar Association. **Duration** 2 years. **Financing:** Swiss Contribution **850,000 CHF** (85%), Bulgarian co- financing provided by MoJ: **150,000** (15%)

Prevention of Juvenile Delinquency. The objective is prevention of crimes committed against and of children on the territory of Bulgaria and the countries in the Schengen area. Activities include: Effective international operative cooperation between the specialized law- enforcement body structures of both countries related to work with children with unlawful behavior / begging, vagrancy, pick pocketing / who are travelling abroad unaccompanied by their parents; Exchange of practices in proving the juvenile delinquency and the illegal activities of adults inducing children to such crimes abroad /traffic, labour exploitation, lack of supervision/ ; Increasing of the administrative capacity and professional skills of police officers dealing with children; Development of internet site, serving children’s security with “Safe Internet” and “Parents’ control” applications; Elaboration of information technology (hardware, software and organizational), serving the specialized structures of Mol dealing with children who are crime

victims; Updating and enhancing the National Police Programme “Work of the police at schools”; Practical implementation of “Work with the Police at Schools” programme. **Project partners:** Ministry of Interior, Criminal Police Main Directorate, Security police Main Directorate, the Prosecution and the Ministry of Justice on the Bulgarian side; subject matter specialists, possibly competent authorities may be included on the Swiss side. **Duration:** 2 years. **Financing:** Swiss Contribution **625,000 CHF** (85%), Bulgarian co-financing provided by Mol: **110,290 CHF** (15%).

Capacity building for police officers. The project pursues two objectives: the first is to train police officers in European **human rights**. Activities include train the trainers in police schools, anchoring a human rights strategy in the curricula of the police schools, joint working groups; the second objective is specialized police training for public order police through **reality simulations**. Activities include designing a simulation area with IT support and equipping the simulation area. **Project partners:** the Academy of the Ministry of Interior, the Ministry of Justice on the Bulgarian side; subject matter specialists, possibly competent authorities may be included on the Swiss side. Beneficiaries: the Ministry of Interior – the Academy, the Ministry of Justice, Security Police Main Directorate. **Duration:** 2 years. **Financing:** Swiss Contribution **1,278,000 CHF** (85%); Bulgarian co- financing provided by Mol: **225,530 CHF** (15%).

Capacity building of forensic experts. Set up modern facilities, properly structured specialist training and ensure proper preparation for the practical use of modern methods and technical means for collecting and examining physical evidence. Strengthening the capacity of the expert services of the Ministry of Interior in the process of collecting and examining material traces of crime scenes to meet the criteria for best European practices in the field of forensic examinations. **Partners:** Research Institute of Forensic sciences and Criminology (RIFSC) and Academy of Ministry of Interior (Mol). **Duration:** 18 months. **Financing:** Swiss Contribution **1,000,000 CHF** (85%), Bulgarian co- financing provided by Mol: **176,470 CHF** (15%).

Environmental security. Enhance the respect of the rule of law related to the environment. The project shall build the capacity of the Association of Prosecutors in Bulgaria as a centre of competence and professional training; it shall enhance knowledge of prosecutors to tackle cases related to environment. Activities include: Comparative analysis of legal framework at national and EU level on the roles of prosecutors related to environment; map demands of Bulgaria’s prosecutors for training and know-how exchange; develop a strategy of the Association as informal capacity building arm of the Prosecution authority; equip and train the staff of the association to deliver services to its members; devise and conduct a training curricula; develop networking among prosecutors, raise public awareness for the work of the prosecutors. **Project partner:** Association of Prosecutors in Bulgaria under the auspices of the General Prosecutor; subject matter specialists, possibly competent authorities may be included on the Swiss side. **Duration:** 30 months **Financing:** Swiss Contribution **180,000 CHF** (85%). Bulgarian co-financing provided by the Association of Prosecutors **31,760 CHF** (15%).

Combating organized crime, trafficking of human beings and money laundering. The project shall enhance the capacity of the public prosecutors in the field of fighting organised crime and supporting the ongoing reform of the Judiciary. It will be achieved by: examining the best practices of Switzerland and some of the member states and adopting the highest standards of EU in fighting organised crime; creating national mechanisms for coordination of the activities among the competent authorities - Ministry of Finance, Mol and National Assets Recovery Commission, State Agency for National Security etc.; Training of specialised investigation teams of prosecutors, investigators and policeman in fighting organised crime and trafficking of human beings; Creating of a specialised prosecutors unit for tracing, seizure and confiscation of proceeds of crime and prosecution of money laundering abroad. Main activities:

review, analysis and examination of the legal environment in EU and development of a Catalogue of recommendations and instructions for prosecutors; Training seminars and training visits; Involvement of foreign experts, specialists in combating organised crime, money laundering and human trafficking. **Project partner:** Bulgarian Prosecutors Service and the Supreme Cassation Prosecutors' Office on the Bulgarian side; subject matter specialists, possibly competent authorities may be included on the Swiss side **Duration:** 3 years **Financing:** Swiss Contribution **820,000 CHF** (85%); Bulgarian co-financing provided by Bulgarian Prosecutors Service: **144,700 CHF** (15%).

Activities proposed by Bulgaria or by Switzerland in a later stage:

A conceptual frame for project identification and selection shall be proposed by the Swiss Intermediate Body. Activities proposed by Bulgaria or by Switzerland shall be within this conceptual frame. The conceptual frame could inter alia address:

- Prevention of and combat against Human Trafficking;
- Supporting measures for the Bulgarian Border Police.

4. Steering Committee

A Steering Committee shall be established and shall be composed of representatives of MOI, MOJ, Prosecutors' Office, the NCU, SDC, the Swiss Intermediate Body and possibly civil society. It shall meet at least twice a year.

The lead of the Steering Committee shall be assured by the Swiss Intermediate Body which shall also act as member secretary of the Steering Committee.

B.2 Reform Fund linked to Civil Society Participation

The general conditions of chapter A.1 of this Annex shall apply unless otherwise stipulated in B.2.

1. Definition and purpose

A Reform Fund shall be established with the objective of promoting the civil society's contribution as important actors of development and participation. Priority shall be given to Activities of the civil society organisations/NGOs contributing primarily to the provision of social services as well as tackling environmental issues, allowing for strengthening organisational capacities.

In well-justified cases, the Parties may agree to include Activities that are not included in the Priority mentioned above.

2. Swiss Intermediate Body

SDC shall launch a call for fund management proposals. The Intermediate Body shall have: the knowledge and experience required in the field of environmental and social services; the qualification to support NGOs in their development; and the capacity to managed funds in trust. Due to the specific requirements in knowledge transfer, the Swiss Intermediate Body needs to be familiar with the Swiss know-how and Swiss civil society organisations.

3. Composition of the Activity Portfolio and Indicative Financial Allocation

Portfolio Item	Indicative Swiss Financial Allocation in CHF
Activities retained in this Framework Agreement	4,200,000
Activities identified on the basis of a call procedures (block grant)	3,000,000
Thematic Fund management, funding of project preparation and reserve	800,000
Total	8,000,000

Activities retained in this Framework Agreement:

Activities have been retained in this Framework Agreement that contribute to enhancing the **sustainable development** of areas with high ecological value, that benefit from the strong **commitment of Swiss environmental NGOs** in knowledge transfer and strengthening Bulgarian partners in the field of integrated management of natural resources, that can mobilise **substantial co-financing** and correspond to Bulgarian and Swiss priorities.

The information on the project content, project partners and beneficiaries, duration and financing required is indicative. Detailed project planning may lead to adaptations of project features or may result in the cancellation of the entire project.

Linking nature protection and sustainable rural development: The project aims to link biodiversity conservation and sustainable rural income generation, by harnessing both market mechanisms and public programmes and thereby to increase public awareness and acceptance for conservation. The project shall support measures: 1) to improve and demonstrate efficient management of protected areas and develop mechanisms to remunerate nature protection services 2) to develop sustainable income generation through environment-friendly products and services, as well as 3) to improve attractiveness of rural areas, both for local residents and visitors. **Project partners include:** on the Bulgarian side: BBF - Bulgarian Biodiversity Foundation, BIOSELENA - Foundation for Organic Agriculture, BSPB - BirdLife Bulgaria - Bulgarian Society for the Protection of Birds; on the Swiss side: Agridea - Swiss Association for developing agriculture and rural areas, SVS - Birdlife Suisse - Swiss Association for the protection of Birds, Pro Natura - Swiss League for Nature Protection (Friends of the Earth Switzerland), Redd - Réseau Echanges Développement Durable, SAVE Foundation Switzerland (Project Office).

Beneficiaries: Population living in rural areas, environmental NGOs. **Duration:** 4 - 5 years.
Financing: Swiss Contribution: **approx. CHF 4.2 million** . Co-financing amounting to min. 10% provided by the project partners.

Activities identified on the basis of a call procedure:

Block Grant for the financing of small Activities of the civil society organisations/NGOs.

The Priority shall be given to Activities in the field of environment protection and social issues (e.g. child care, elderly, and people with addiction problems). Activities will be favoured that have the potential to strengthen the Bulgarian NGOs and to enable its active participation in policy processes both as the voice of civil society and as a service provider. The Activities shall be selected after calls for project proposals. The costs of Activities shall range from CHF 10,000 to 250,000. A Selection Committee shall be established with representatives of the civil society, the NCU, and SDC. **Project partners on the Bulgarian side:** non-profit organisations with a legal status in Bulgaria, which are independent of government and other public authorities as well as of political parties or commercial organisations and independent organisations with specific legal status (National Red Cross Societies, etc.). **Project partners on the Swiss side:** NGOs that cooperate with Bulgarian partners. **Duration:** 4 years. **Financing:** Swiss Contribution: **approx. CHF 3.0 million**; Bulgaria may co-finance the Block Grant with 15%. The NGOs shall provide 10% of activity cost.

4. Steering Committee

A Steering Committee shall be established and shall be composed of representatives of the Ministry of Environment and Water, the Ministry of Agriculture and Food; the Ministry of Labour and Social Policy, civil society representatives, the NCU, SDC and the Swiss Intermediate Body. It shall meet at least twice a year. The lead of the Steering Committee shall be assured by the Swiss Intermediate Body which will also act as the secretary of the Steering Committee.

B.3 Reform Fund linked to the Inclusion of Roma and other vulnerable groups

The general conditions of chapter A.1 of this Annex shall apply unless otherwise stipulated in B.3.

1. Definition and purpose

A Fund shall be established with the objective of promoting social inclusion of the Roma and other vulnerable groups.

2. Swiss Intermediate Body

SDC shall be responsible for the management, steering and supervision of the Fund. SDC may delegate some functions to a Swiss Intermediate Body to be selected through a call for proposals. The Swiss Intermediate Body shall have: the knowledge and experience to develop support policies, concepts and strategies for Roma and other minorities and vulnerable groups; the qualification to assess, supervise and steer Activities in favour of Roma and other minorities and vulnerable groups and the capacity to manage funds in trust.

3. Composition of the Activity Portfolio and Indicative Financial Allocation

Portfolio Item	Indicative Swiss Financial Allocation in CHF
Promotion of social inclusion of the Roma and other vulnerable groups	6,300,000
Home cares services	1,900,000
Thematic Fund management, funding of project preparation and reserve	700,000
Total	8,900,000

Activities retained in this Framework Agreement:

Promotion of social inclusion of the Roma and other vulnerable groups

Two strategic lines shall be pursued:

Line 1: Improvement of living conditions through: improved access to services; and improved access to rights.

Line 2: Empowerment and awareness through strengthened Roma cultural integration and identity (Roma as target group), improved acceptance (majority and Roma as target groups) and enhanced Roma participation in decision making / policy institutions (majority and Roma as target groups).

For Line 1: priority shall be given to support integrated services and activities in the field of health for children and women as well as education for children, including parental capacity. The programme shall combine both health (health awareness and access to medical services in communities) and education (pre-schooling and out-of-class) activities in an integrated manner, meaning that activities shall be coordinated and coherent, implemented in the same territory and managed by a multidisciplinary team.

The programme implementation shall involve local stakeholders including governmental and non-governmental institutions such as mobile medical units, health mediators, local health institutions including General Practitioners (GPs) and medical centres, schools, kindergartens, chitalishte, NGOs and other existing health and educational bodies. Services shall be provided

in an equal manner pursuing an integrated policy approach in a way that benefits especially Roma children and women.

Focus shall be given on activities with direct impact on individual / household level. Geographical focussing shall prioritise regions with: high Roma population; high school drop-out rates; high unemployment and precarious housing situations. Envisaged is the implementation of a pilot / model project followed by two to three larger projects. Projects shall be selected based on an assessment of the local situation or on a call for proposals within a specific prioritised region.

Selection criteria shall include socio-economic indicators of the target area, quality and relevance of the project proposal, coherence of the partnership and capacity of the members, contribution in cash and in kind. The Programme is to be implemented by SDC in cooperation with Bulgarian governmental and non-governmental institutions including the Centre of Educational Integration of Children and Students of Ethnic Minorities (CEICSEM), the Ministry of Health, the Ministry of Education, Youth and Science, the Ministry of Labour and Social Policy, and the National Council for Cooperation on Ethnical Demographic Issues at the Council of Ministers with the support of the decentralised health and education Directorates, the network of the health mediators, Bulgarian NGOs working in the fields of health and education, the chitalishte.

The operational management of the programme will be preferably carried out by a Project Management Unit (PMU) hosted by one of the partner ministries or when more appropriate by a consortium of NGOs selected by SDC. The host location of the PMU will be selected by SDC on the basis of the proposals made by the Bulgarian partners. The PMU is a separate unit of staff recruited with the involvement of SDC and including SDC staff particularly for the implementation of the programme. It will deal with the direct management of the programme, definition of terms of references, award of mandates to consultants and other implementing organisations, execution of calls, monitoring of the programme activities, overall management of the fund including operating payments.

The strategic management of the programme will be carried out by the Steering Committee set up for the Reform Fund linked to the Inclusion of Roma and other vulnerable groups (see section 4 below).

Project partners: For each project, a local partnership shall be formed. The partnerships may include social subsidiaries of state institutions operating in the health and educational sectors, local social, health and educational service providers, community based organisations such as chitalishte and NGOs, local and regional authorities and others. Each partnership shall implement a geographically focused project. **Beneficiaries:** Roma, other minorities, vulnerable groups of non-minorities. **Phasing:** The projects may start with a pilot phase followed by a scaling-up phase. **Duration:** Pilot phase 2 years; scaling-up 3-5 years. **Financing:** Swiss Contribution **CHF 5,800,000**. Co-financing to be provided by the Ministry of Health, the Ministry of Labour and Social Policy, as well as the project partners: for NGOs 10%, for all other project partners 15%. **Control and monitoring:** The programme will be operationally monitored by the PMU and will be supported by regular backstopping and assessment activities carried out by SDC.

For Line 2, priority shall be given to the promotion of Roma role models and leadership (leaders, successful careers, support for access to higher education, etc.) as well as to Media campaigns.

Project partners: Bulgarian-Swiss partnerships. **Duration:** 4-5 years. **Financing:** Swiss Contribution **CHF 500,000.-**; co-financing provided by the project partners: for NGOs 10%, for all other project partners 15%.

Home Care Services

The project aims to introduce home care services in Bulgaria as a form of long-term care for older people, people with chronic diseases and people with disabilities, taking also into consideration the special needs of those from the Roma community and from other vulnerable groups. The project shall establish Home Care Centres in three to five municipalities within a region with poor socio-economic indicators and high Roma population. It shall improve and keep the health, economic and social-well being of older, chronically- ill and disable people through direct service provision at their homes thus ensuring their independent living and social inclusion. The project will eventually propose legislative changes to ensure institutional and financial sustainability of home care in health insurance packages to be financed by the National Health Insurance Fund (NHIF) and/or voluntary health funds.

Project partners: On the Bulgarian side the Ministry of Health (possible leader), the Ministry of Labour and Social Policy, the Bulgarian Red Cross. On the Swiss side possibly subject matter specialists and institutions with specific know-how and experiences. **Duration:** 3-4 years.

Financing: Swiss Contribution **CHF 1,900,000**; co-financing provided by the partners: for NGOs 10%, for all other project partners 15%.

4. Steering Committee

A Steering Committee shall be established and may include representatives of the Ministry of Health, the Ministry of Labour and Social Policy, the Ministry of Education, Youth and Science, the National Council for Cooperation on Ethnical Demographic Issues at the Council of Ministers, the National Association of Municipalities in the Republic of Bulgaria (NAMRB), civil society representatives, the NCU, SDC and if need be the Swiss Intermediate Body. It shall meet at least 2 times per year. The lead of the Steering Committee shall be assured by SDC which may delegate this function to a Swiss Intermediate Body. The Swiss Intermediate Body may act as secretary of the Steering Committee.

B.4 Scholarship Fund

The general conditions of chapter A.1 of this Annex shall apply unless otherwise stipulated in B.4.

1. Definition and purpose

A Scholarship Fund shall be established that allows Bulgarian students and researchers from higher educational and research institutions to join the Scientific Exchange Programme between Switzerland and the New Member States of the European Union.

The Scientific Exchange Programme (Sciex-NMS^{ch}) aims to contribute to the reduction of economic and social disparities in the enlarged European Union through fostering the scientific capacities of researchers in the new EU member states and promoting sustainable research partnerships between the new EU member states and Switzerland.

The main goal of the programme is to establish scientific partnerships, which i) develop individual researchers' capacities (human capital), ii) foster scientific progress and innovation (scientific prospects); and iii) establish or enhance networks between researchers (networking) through the provision of research scholarships and short term research visits.

2. Swiss Intermediate Body and Coordination Body for the Scholarship Fund

On the Swiss side, the mandate awarded by SDC to the Rectors' Conference of the Swiss Universities (CRUS) as the Swiss Intermediate Body for the management of the Scholarship Fund with eight new EU member states shall be extended to the Fund with Bulgaria.

On the Bulgarian side, coordination activities within the Scholarship Fund shall be supported by a Coordination Body within the Ministry of Education, Youth and Science. The activities of this Coordination Body shall be considered as the Bulgarian co-financing.

The financing provided by the Swiss Contribution shall be transferred directly to the beneficiaries via CRUS and the Swiss host institutions.

3. Composition of the Activity Portfolio and Indicative Financial Allocation

Portfolio Item	Indicative Swiss Financial Allocation in CHF
Scholarships	1,800,000
Thematic Fund management, funding of project preparation and reserve	200,000
Total	2,000,000

4. Scholarship Fund Agreement

The Scholarship Fund Agreement shall be prepared by SDC. It shall be signed by the NCU on the Bulgarian side and by the SDC on the Swiss side.

A separate Memorandum of Understanding (MoU) will be concluded between the Bulgarian Coordination Body and CRUS. The MoU details the coordination arrangements, scoring mechanism and assessment criteria, planning of calls and timing, reporting and monitoring arrangements as well as information and communication arrangements.

5. Steering Committee

The Steering Committee of the SciexNMS^{ch} Programme is responsible for the general operational decisions of the programme. It also discusses and approves proposed scholarships.

The Steering Committee is composed of the Swiss research stakeholders, i.e. delegated representatives of the following organisations: CRUS (1 member as President of the Steering Committee); State Secretariat for Education and Research (1 member ESKAS); the Swiss National Science Foundation (1 member career development, 1 member international cooperation); Swiss cantonal universities and Swiss Federal Institutes of Technology (1 member elected by CRUS); Swiss Universities of Applied Sciences (1 member elected by KFH); ETH-Domain (1 member elected by ETH-Rat); Bridge to the Research Institutions outside the university sector (1 member elected by SER) as well as SDC (1 member).

The Bulgarian side has the right of up to two observers.

B.5 Research Fund

The general conditions of chapter A.1 of this Annex shall apply unless otherwise stipulated in B.5.

1. Definition and purpose of the Research Fund

A Research Fund shall be established with the purpose to promote joint Bulgarian-Swiss research.

2. Swiss Intermediate Body and Coordination Body for the Research Fund

SDC shall directly appoint the [Swiss National Science Foundation and the Bulgarian Scientific Research Department of the Ministry of Education and Science] as the Swiss Intermediate Body. The Swiss Intermediate Body shall have the knowledge and experience in promoting research and the capacity to manage funds in trust.

3. Composition of the Activity Portfolio and Indicative Financial Allocation in the Research Fund

Portfolio Item	Indicative Swiss Financial Allocation in CHF
Joint research projects	3,300,000
Thematic Fund management, funding of project preparation and reserve	700,000
Total	4,000,000

Joint Research Projects (JRP). Joint Research Projects (JRP) shall be implemented by Bulgarian and Swiss research institutions. JRP shall enable Bulgarian and Swiss scientists to engage in joint research activities. Priority shall be given to the following research topics: Social sciences and natural sciences. Research projects with a budget of up to CHF 400'000 shall be identified on the basis of an open call for proposals. **Beneficiaries:** Researchers and academic institutions in Bulgaria and in Switzerland. **Financing:** Swiss Contribution: **CHF 4 million**; Bulgarian co-financing provided by the Ministry of Education and Science for participating public research and academic institutions:15%.

4. Selection Committee

A joint project Selection Committee shall be established and shall be co-chaired by a representative of the Bulgarian and of the Swiss side. The Swiss Intermediate Body may act as member secretary of the Selection Committee.

B.6 Partnership Fund

The general conditions of chapter A.1 of this Annex shall apply unless otherwise stipulated in B.6.

1. Definition and purpose

A Partnership Fund shall be established with the objective:

- To promote and/or enhance institutional partnerships between Bulgarian and Swiss partners in order to contribute to the solution of specific development challenges, strengthen capacities and structures of the Bulgarian institutional partners, benefit from Swiss added value, and contribute to the strengthening of the partnerships.

Institutional partnerships. Priority shall be given to institutional partnerships between Bulgarian and Swiss non-profit organisations, territorial entities and social partners that address development challenges.

2. Swiss Intermediate Body

SDC shall launch an open call for fund management proposals. The Swiss Intermediate Body shall have: the qualification to support the development of Bulgarian-Swiss partnerships and the capacity to manage fund in trust.

3. Composition of the Activity Portfolio and Indicative Financial Allocation

Portfolio Item	Indicative Swiss Financial Allocation in CHF
Activities retained in this Framework Agreement	600,000
Activities identified on the basis of a call procedures (block grant)	2,800,000
Thematic Fund management, funding of project preparation and reserve	600,000
Total	4,000,000

Financial allocations are indicative. The NCU and SDC may jointly decide to adapt allocation between portfolio items.

Activities retained in this Framework Agreement:

The information on the content, partners and beneficiaries, duration and financing required is indicative. Detailed planning may lead to adaptations of cooperation features or may result in the cancellation of entire Activities.

Promotion of social dialogue and better working conditions for employees: The institutional partnership aims at improving the working conditions of employees e.g. by: 1) strengthening socially responsible behaviour of business organisations in connection with the Strategy for Corporate Social Responsibility 2009-2013; 2) the elaboration of information system for collective labour agreements by sectors and relevant data on wages and implementation of collective labour agreements; 3) the development of paritarian funds with special focus on vocational training, health and safety, and enforcement of collective agreements. **Project partners include:** on the Bulgarian side: the Ministry of Labour and Social Policy, the National Institute for Conciliation and Arbitration, regional and national unions, employers organisations, etc. On the Swiss side: Swiss Labour Assistance (SLA), others. **Duration:** 3 to 4 years. **Financing:** Swiss Contribution: **CHF 600,000**; co-financing provided by the project partners: for NGOs 10%, for all other project partners 15%.

Activities identified on the basis of a call procedure:

Block Grant for the financing of joint Activities of institutional partnerships. The Block Grant aims to promote and/or enhance institutional partnerships between Swiss and Bulgarian partners. The costs of the Activities shall range generally from CHF 10,000 to CHF 100,000. Exception is granted for maximum of 3 Activities ranging up to CHF 250,000. Activities shall be identified on the basis of a rolling call for proposals. A Selection Committee shall be established and may include representatives of associations of Bulgarian Municipalities, civil society, the NCU, and SDC. **Partners on the Bulgarian side:** non-profit organisations with a legal status in Bulgaria such as non-governmental organisations, networks, associations, federations, think tanks, educational institutions, cultural institutions; territorial entities such as regions, cities and municipalities; social partners i.e. nationally recognised and representative trade unions and

employers' organisations. **Partners on the Swiss side:** Institutional partner that cooperate with their Bulgarian partners. **Duration:** 4 years. **Financing:** Swiss Contribution: **CHF 2.8 million;** co-financing provided by the institutional partners: for NGOs 10%, for all other project partners 15%.

4. Steering Committee

A Steering Committee shall be established and shall be composed of representatives of Bulgarian municipality associations, civil society representatives, the NCU, SDC and the Intermediate Body. It shall meet at least twice a year. The lead of the steering shall be assured by the Swiss Intermediate Body, which shall act as the secretary of the Steering Committee.