

I. ANNEXES

1 ANNEX 1. Relevant Legislation

European Regulative Documents

The strategic programme documents of the Republic of Bulgaria and in particular the Operational Programme “Development of the Competitiveness of the Bulgarian Economy” are in conformity with the principles and requirements of the following EU regulations:

- Article 158 and 159 of the EEC Treaty and other documents, including the EC Communication concerning an industrial competitiveness policy for European Union (COM (94) 319);
- Council Regulations (EC) 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999
- Regulations (EC) 1080/2006 laying down provisions on the European Regional Development Fund, and repealing Regulation (EC) No 1784/1999
- Regulation (EC) 1828/2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund
- Regulation of the Commission No 438/ of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the management and control systems for assistance granted under the Structural Funds;
- Commission Regulation (EC) No 448/2001 of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the procedure for making financial corrections to assistance granted under the Structural Funds;
- Commission Regulation (EC) No 448/2004 of 10 March 2004 amending Regulation (EC) No 1685/2000 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the eligibility of expenditure of operations co-financed by the Structural Funds and withdrawing Regulation (EC) No 1145/2003;
- Commission Regulation No 1998/2006 on the Application of Articles 87 and 88 of the Treaty to de minimis aid
- Commission regulation (EC) No 1628/2006 on the application of Articles 87 and 88 of the Treaty to national regional investment aid
- Commission regulation (EC) No 1627/2006 amending Regulation (EC) No 794/2004 as regards the standard forms for notification of aid
- Commission Regulation No 1976/2006 of 20/12/2006 amending Regulations (EC) No 2204/2002, (EC) No 70/2001 and (EC) No 68/2001 as regards the extension of the periods of application

- Commission Regulation No 364/2004 from 25 February, 2004 – on amending Regulation No 70/2001 regarding the extension of the scope and including support for R&D;
- Commission Regulation No 1159/2000 – regarding the measures for supplying information and transparency on the Structural Funds aid;
- Directive of the Council and the European Parliament No 42/2001, regarding the evaluation of the environment impact of the separate plans and programmes;
- Commission Regulation No 643/2000, regarding the measures for using the common European currency (the Euro) for the purposes of the Structural Funds;
- Community Strategic Guidelines COM (2005) 0299 from 5 July, 2005, regarding the application of the cohesion policy in support of growth and employment;
- Directives on wild birds and habitats (92/43/EEC и 79/409/EEC)
- Directive for the evaluation of the environmental impact (85/337/EEC and its amendment with 97/11/EC)
- Chapter 21 “Regional Policy and Coordination of Structural Instruments” (CONF-BG 56/01) and the Common EU Position on Chapter 21 (CONF-BG 80/01);
- Regulation 1059/2003 of the EC, regarding the Classification of the EU regions (EU NUTS);
- Strategy for economic and social renovation of Europe – adopted by the European Council in Lisbon, 23-24 March, 2000.
- Report of the Commission for the Spring Session of the European Council and Parliament – COM (2005) 24 from 2 February, 2005 – A new start for the Lisbon Strategy;
- Message of the Spring European Council 2005 COM (2005) 24 – Working together for growth and employment;
- Vademecum for the planning and programming of documents for the Structural Funds (working document of the Commission No 1);

According to Article 3 of the Draft Regulations of the Commission COM (2004) 492, the operations, co-funded by the Structural Funds are in conformity with the principles and objectives of a sustainable development and decreasing the differences between the regions, approved in the Treaty (Article 158).

Bulgarian Legislation

The Operational Programme “Development of the Competitiveness of the Bulgarian Economy” is in conformity with the following main legal documents of Bulgarian legislation:

- Ordinance of the Council of Ministers № 145/7.07.2005, for the organization and coordination of EU issues (State Gazette 58 / 15.07.2005) ;
- Decision of the Council of Ministers № 312/2002 on adopting a strategy for the participation of Bulgaria in the Structural Funds and the Cohesion Fund of the EU;

- Ordinance of the Council of Ministers № 171/2.08.2002, on establishing a Co-ordination Council of the NDP and for the co-ordination of the process of preparing the programme documents for the participation of Republic of Bulgaria in the EU Structural Funds and the Cohesion Fund (last Amendment State Gazette №84 from 21 October 2005).
- DECREE No. 121 dated May 31st, 2007, Lying down the provisions for awarding of grants under the operational programmes co-financed by the Structural Funds and the Cohesion Fund of the European Union, and under the PHARE Programme of the European Union
- DECREE No. 62 dated March 21st, 2007 on the adoption of national rules on eligibility of expenditure under the operational programmes co-financed by the Structural Funds and the Cohesion Fund of the European Union, in relation to the 2007-2013 Financial Framework
- DECREE No. 55 dated March 12th, 2007 on conditions and contract award procedure conducted by beneficiaries of agreed grant from the Structural Funds of the European Union and from the PHARE Programme of the European Union
- Ordinance of the Council of Ministers № 95/24.04.2003 on amending and supplementing the organizational regulations of the Ministry of Finance (last amended SG 84/21.10.2005);
- Law for amendment and complement of the Law for Small and Medium-sized enterprises (SG 84/1999), published in State Gazette 59/21.07.2006.
- Regional Development Act (SG No 14/20.02.2004, last amended SG 88/4.11.2005) – transpositions the planned distribution by regions in conformity with EC Regulation 1059/2003;
- Protection of Competition Act – SG No 9 from 31 January, 2003, in force as of 4 February, 2003 (last amendment SG 107/09.12.2003)
- Decision No 2/2001 of the Council to Associate Bulgaria to the EU on the adoption of rules of applying the conditions for state aid;
- Law on State Aid (SG, issue 28 from 19.03.2002, in force as of 20.06.2002) and Rules for the application of the LSA (Adopted with OCM No 117 as of 4 June, 2004, published in SG issue 59, from 7 July, 2004, amended and supplemented, issue 31 from 8 April, 2005)
- Ordinance No 6. concerning the Procedures for monitoring and ensuring transparency of state aids (SG 77/2002);
- Decision No 9/04 from January, 2002, of the Council of Minister for Approving Regional Map for state aid – approving the intensity of regional state aids, based on the planned regions;
- Procurements Act (Published, SG, issue 28 from 6 April, 2004, in force as of 1 October 2004, supplemented, issue 34 from 19 April, 2005, in force as of 1 June, 2005);
- Regulation for the evaluation of the environmental impact of investment proposals for construction works, activities and technologies – elaborated in conformity with

the requirements of Directive 85/337/EC, and its amendment with Directive 97/11/EC – Ordinance of the Council of Ministers No 59/07 from March 2003. 9 SG 25/18.03.2003)

- Regulation on the rules and procedures for issuing permits for construction works and putting in operation new ones, activity of existing industrial installations and equipment – prepared in conformity with Directive 96/61/EC on integrated protection from contamination and control – OCM No 62/12 from March, 2003 (SG 26/21.03.2003);
- Regulation on the organization of the National Scheme for management and control of environment, which provides and legal basis of applying the requirements of Regulation EC/761/2001 – OCM No 61/12 from March, 2003. (SG 26/21.03.2003);
- Law on the Protection against Discrimination (SG 86/30.09.2003, supplemented SG 70/10.08.2004, in force as of 1 January, 2005);
- Law on the State Internal Financial Control (SG 92 from 10.11.2000, last amended SG 38/11.05.2004);
- Law on the Court of Audit – adopted December 2001, last amended SG 34/19.04.2005;
- Regulation on the application of the Law on State Internal Financial Control, amended with OCM 97/29.04.2003; last amended OCM 83/18.1.2005;
- Rules for the structure of the Public Internal Financial Control Agency (PIFCA) – adopted with OCM 14/22.01.2004, SG 8/30.01.2004, last amended SG 90/11.11.2005;
- Reference book for the control of procurement procedures, prepared by PIFCA: instructions on the activity of the delegated internal auditors of PIFCA; instruction on the preventive control of PIFCA; ordinance on certifying procedures, prepared by PIFCA; statutes for internal control of PIFCA;
- OCM 18 from 4 February 2003 on establishing a Council for the co-ordination of combating against irregularities, concerning the financial interests of the EU – SG 13/11.02.2003, last amended SG 95/26.10.2004;
- Standards for internal audit of PIFCA;
- Directives № 2/27.06.2003 for establishing and operating a financial management and control system;