



HELLENIC REPUBLIC
MINISTRY OF ECONOMY & DEVELOPMENT



MANAGING AUTHORITY OF ETCPS
JOINT SECRETARIAT OF THE CP
INTERREG V-A GREECE-BULGARIA
2014-2020

**BRIEF MINUTES and
DECISIONS
of the 3rd Monitoring Committee meeting**

**Blagoevgrad, Bulgaria
16th of March 2017**

The Monitoring Committee of Cooperation Programme `INTERREG V-A Greece- Bulgaria 2014-2020 was convened according to the invitation document number 300267 / MA 494/ 14-02-2017 and was assembled on the 16th of March 2017 in Blagoevgrad, Bulgaria, in order to discuss and take decisions on the following topics of the proposed agenda:

- **Presentation on the State of Play of the Programme:** Description of Management and Control System and accreditation process;
- **CP INTERREG V-A Greece–Bulgaria 2014-2020: 2nd Call for project proposals**
 - A brief review of the evaluation procedure
 - Discussion and approval of the results of the 2nd phase of the evaluation
- **Targeted Calls for proposals under PA 2**
 - A brief review of the evaluation procedure of the 3rd Call for Proposals
 - Discussion and decisions on the 4th Call for Proposals
- **Discussion and planning for the opening of new Calls for proposals under PA1**
- **Other issues - Conclusions – Decisions**

The meeting was attended by 46 persons, including 18 members with voting right, 7 members with no voting right, 4 staff members from the Managing Authority (the Head of the MA is counted as a voting member, substituting the Special Secretary), 6 staff members from the Joint Secretariat, 3 staff members from the National Authority (the Director General of the DG "Territorial cooperation management" is counted as a voting member), 1 member from the Info Point and 7 observers, according to the list of participants attached.

After the opening speeches, delivered by Ms. Bouziani, Ms. Varbeva and Mr. Szokolai, the co-chairperson Ms. Bouziani asked the members to state any possible conflict of interest, in order to establish impartiality. For this issue, the members received Declarations of Impartiality in hardcopy, in order to fill them in during the meeting and hand them to the JS. The co-chairpersons also examined the signed participants' list and confirmed the quorum.

The draft agenda was approved and the meeting proceeded accordingly. Presentations were held, remarks/comments were made, discussions were conducted and the respective decisions were taken on the following topics:

- **Presentation on the State of Play of the Programme by Mr. Samaras:**
Description of Management and Control System and accreditation process

A question was posed by Mr. Zsokolai on whether there is going to be a bilateral evaluation according to the approved Evaluation Plan, to which Mr. Samaras replied that there is going to be an open Call for the express of interest for external evaluators. Moreover as it was agreed and described in the Evaluation Plan, a bilateral "Steering Committee" with the participants of the two countries will be established to follow up the work of the contracted external experts.

- **Presentation (additional to the agenda) by Mr. Szokolai on the Result orientation during implementation:** Project selection, Transparency, Handling conflict of interest

- **CP INTERREG V-A Greece–Bulgaria 2014-2020: 2nd Call for project proposals**

- A brief review of the evaluation procedure by JS member.

Mr. Mladenov mentioned that external experts were contracted by the Ministry, providing reports that satisfied the need for no risk of lagging behind, asking if this is also the case for the GR side. Ms. Bouziani replied that the JS members have the experience to evaluate and safeguard the quality of the proposals, in agreement with the external experts. There was no deviation between them with regards to the strategies and the programme. The MA, this time, relied on the experience of the JS. Mr. Fotiadis added that the approach of involving external experts was helpful in examining in depth the proposals and it can be used as a good practice in the next steps of the Programme, wherever this is necessary.

- Presentations on each Investment Priority by the JS members

Ms. Komvou requested that the MA examines the possibility to create a FAQ document, into which all the material provided by the JS can be collected. Ms Bouziani replied that this will be examined, as the material already produced was in great depth and a first.

- Discussion and approval of the results of the 2nd phase of the evaluation

The possible 5 scenarios for funding were presented to the participants, along with the proposed revised budgets and the percentages of achievement of the milestones, Intervention Fields and indicators per scenario. Ms. Bouziani mentioned that the MA proposes Scenario no. 3 or even a more improved version of it, with which the targets of the Programme are greatly achieved. Ms. Varbeva inquired on the budget allocation per IP, as it was not evident how the allocation occurred in the scenarios. She said that the information on the budget allocation for each Investment Priority should be explained and be made public. Furthermore, Ms. Varbeva noted that there is lack of information in the evaluation grid and that more analysis should be provided to all members on the contribution to the indicators, the reallocation of the IPs and the origin of the extent of the achievement of indicators per scenario. Mr. Samaras replied this is a proposed method and that the allocation per IP is indicative, taking into consideration also the indicators. Furthermore, all the evaluation forms contain information and comments on the strong and weak points of the project proposals and they are available to be checked. In addition indicators were homogenized for each scenario and their optimal reflection occurs after the 3rd one. The indicators are also an indication of the future state of projects. Regarding the achievement of indicators, the estimation is premature, but the provided information is simply estimation, in order to provide evidence to the MC, which is the body to decide. Ms. Varbeva required further analysis on the presentations and the methodology for these estimations. Mr. Fotiadis replied that the proposed budget allocation per IP is in the Operational Programme, along with the methodology for calculating the indicators and the Intervention Fields of each IP.

Mr. Milev mentioned that for the current programming period the Programme is result-oriented and it is based on the achievement of result and output indicators with a certain budget. The MC is the body that monitors the sound financial management and the transparency in the decision making and should strictly follow the budget limitations of the Programme. He stated that Scenarios no. 1 and no. 5 are not acceptable, as no.1 does not

have a reserve list, which to make the way of funding additional projects transparent and no. 5 exceeds the budget of the Priority Axes 2 and 4, which risks the budget limitations.

Mr. Petrov noted that a budget revision (reduction) before the signing of the SC must be reconsidered, as it must be also provided the ability of the projects for the achievement of indicators, sustainability and quality. Mr. Fotiadis replied that the given percentages for revision are an average that derives from the 2007-2013 programming period and from a budget revision methodology already approved by the MC. There will be no horizontal cut and the budget interventions will take place project by project and where necessary. Ms. Varbeva inquired if the beneficiaries will be allowed to justify or object to the budget revision. Mr. Fotiadis replied that justifications will be asked, should the need arise, and there is a relevant methodology available. The 20% reduction is the average and even with the budget revision we will arrive at an absorption rate of 80%. Ms. Varbeva inquired if in the revisions the Beneficiary is going to intervene in the procedure. Mr. Fotiadis replied that some soft actions are going to require details and beneficiaries will be asked.

Mr. Samaras added that there will be no horizontal cut of the projects' budgets. The aim is the rationalization of the budget and reminded that during the previous period the overbooking of the contracted budgets (after the budget clearing) was up to 130% of the Programme' budget. Nevertheless, after the completion of the projects, the Programme's budget closed at 103% which is a proof that the assumptions, on which the calculations are based, are reasonable and fair.

Ms. Bouziani inquired on the progress of checking for double financing. Ms. Nikolova replied that a project for Natura 2000 is approved for financing in the OP Environment and there could be double financing in this case. Checks should be run before the signing of the SCs. Ms. Duzova stated the proposition to organize a procedure with the mainstream programmes, in order to obtain the relevant information. Ms. Mavria stated that the GR side has, on a national level, the MIS, which is connected to the Public Investment Programme system, the Bank of Greece and the System of Accumulation Calculation and the System of State Aids. Any false statement appears in the system and the claim does not proceed to the EC. Ms. Bouziani said that after the approval of the projects, information on the double financing should be provided from the Bulgarian NA. Ms. Douzova confirmed that such information is available. Ms. Mavria commented that we also have similar information available from our databases.

Mr. Pehlivanov proposed that the 4 project proposals with a score of 51 in IP 6d to be added to the reserve list. Ms Bouziani confirmed that Scenarios no. 1 and no. 5 are excluded and that a presentation of a new version of Scenario no. 3 will be prepared. Ms. Varbeva asked if there are any projects with a score of 51 not on the reserve list, to which Mr. Fotiadis replied that not for 6d, as they are all included. Mr. Metios requested for the possibility to examine the inclusion of 4 projects from the reserve list of IP 6c for direct financing, as they are important. Mr. Giantsis requested to have more projects added, from the ones proposed by the Region of East Macedonia-Thrace. Ms. Mavria noted that the MC should take into consideration the best possible scenario for the best quality and the achievement of the N+3 rule. Mr. Mourouzis proposed Scenario no.3 that has good prospects and characteristics desirable to be seen in other Programmes too. Mr. Karaivanov stressed the importance of joint projects, especially in tourism, which is a key development factor, stating to stay in line of having projects of the reserve list of IP 6c for direct funding.

After a short break, Ms. Bouziani restated that the MA proposes Scenario no. 3. Ms. Varbeva replied that Scenario no. 2 is favored, in order not to exceed the budget and the indicators; otherwise there bigger reductions will be needed. The MoU has a fixed budget subject of bigger national co-financing. Ms. Bouziani stated that, from experience, when funding projects with budgets up to the Call's, the budget we arrive in a few years is less, as well as the indicators, the absorption and the N+3. Mr. Samaras added that Scenario no. 2 will not lead to the budget of the Call after the revision. There is no difference in the total number of projects proposed for funding between Scenario no. 2 and Scenario no. 3, but if we leave projects on a reserve list for 6-8 months, this may lead to "dead" projects. Ms. Bouziani

added that there is a risk they may seek other sources of financing after this time. Mr. Giantsis stated that funding should not be left for 2-3 years. Absorption should be achieved as quickly as possible and projects should be implemented promptly and correctly. Mr. Metios agreed that financial resources should be absorbed with no detail and supported Scenario no. 3. Ms. Mavria noted that if the N+3 rule is not achieved there will be limited managerial actions to be taken. Mr. Poulilios urged for a responsible and realistic decision with more qualitative projects and stated that there is no possibility for double financing from the GR side.

Ms. Varbeva supported a conservative approach, if the budget is extended. The BG has committed to provide national co-financing year by year, where an exceeding would not be appreciated. Ms. Samaras replied that this is not a discussion of overbooking the Priority Axis or the Programme, but overbooking the Call. There is no danger in providing more national co-financing and the timeline for signing the subsidy contracts should be taken into consideration. Mr. Milanov stated that the proposals of the JS are based on hypotheses and if there is budget revision some beneficiaries may not wish to continue and that the detailed description has not been taken into account. Ms. Varbeva inquired about the indicators and their achievement. Mr. Samaras replied that the proposals are based on one hand on historical data and on the other hand on the experience and knowledge of the JS as the evaluators have already seen and checked the budgets during the evaluation procedure. The results are based on facts and hard work. Mr. Mourouzis stated that Scenario no. 3 is a safe option to fall back to the budget of the Call. Mr. Exakoustos supported Scenario no. 3 and the inclusion of the 4 projects in the reserve list of 6d, urging to avoid delays and to proceed quickly to this scenario.

After a brief private deliberation per country, both sides returned with their decision. Mr. Metios stated that the GR side proposes the funding of 53 projects. Ms. Varbeva said that extra information is needed that accreditation is complete and that we can start verification of payments immediately. Ms. Bouziani said that the Management and Control System (MCS) is to be submitted to the 2nd Level Control (EDEL) on the 15th of April at the latest and after its examination by EDEL there will be the designation of the authorities, in parallel to the signing of the SC, therefore when the first expenditures will occur, the system will be already approved and there will be no problem to have FLC and the Payments Claims will be provided on time. Mr. Samaras agreed that the designation is an ongoing procedure which will finish in parallel with the signing of the subsidy contracts. Ms. Mavria added that after 31/03. EDEL will deal with the MCS. Mr. Samaras added that regarding Ms. Varbeva's concern on the pre-financing of Bulgarian beneficiaries, the designation of authority is needed and that this issue will be closed from EDEL in 2 months. Ms. Varbeva stated her concern that the MCS may not be ready on time so as the future expenditures may not be verified in a safe environment. She stated that the BG delegation finally approves the proposed new Scenario no. 3 for financing of 49 projects and 14 projects in reserve list. Likewise, the GR side agreed with the funding of the same scenario for 49 projects and Ms. Bouziani confirmed this approval. Mr. Szokolai added that the assessment process was too long and the rule of 6 months should be kept, the document containing the scenarios needed more explanation and qualitative data and it should have been sent in time, according to the rules and, lastly, that after the signing of the SCs, contribution to the indicators should be seen.

- **Targeted Calls for proposals under PA 2**

- A brief review of the evaluation procedure of the 3rd Call for Proposals
- Discussion and decisions on the 4th Call for Proposals

Mr. Grancharov stated that the beneficiaries in Project 2 have agreement on the WPs, but there is no capacity for a Monitoring System in Struma-Strymon, as there is no risk for floods. He did not have any details on the synthesis and proposed that this could be discussed later. Mr. Fotiadis replied that this issue has to be discussed with the Secretariat of Water. Furthermore, he said that the synthesis of the Risk Management Plan of the two countries' applies to the Programme's strategy and that it is crucial for the Programme's targets and indicators, so there is an expectation to have agreement and to add this in the

actions, for the project to be in line with the Programme. Mr. Giantsis referred to the extensive flood phenomena in Serres in 2015 due to the overflow of Strymon and urged for the necessity of a common ground. Ms. Bouziani asked if the relevant parties agree to have a written procedure launched for the Call of project 2, after these issues are resolved. Mr. Poulilios commented in the absence of the Local government in the discussion of the flood issues. Mr. Fotiadis replied that the General Secretariat of Waters dictated the whole co-operation. The colleagues from the Bulgarian National Authority have done an excellent job for the three rivers. Mr. Giantsis commented that the 4 Bulgarian regions of the eligible area, the two eligible regions and the decentralized Region in Greece have also an excellent co-operation. Mr. Samaras replied that the first project is of strategic approach and has beneficiaries of national importance. Ms. Bouziani mentioned that when these issues are solved the call will be launched. Mr. Grancharov mentioned that in general he agrees with the positions mentioned, but he needs to consult with the relevant Ministry. Ms. Varbeva added that this is a strategic national priority and any participation cannot be done without the Ministry of Environment and the Council of Ministers. She also stated that, in order to "save" this project, the specific activity should be taken out. Mr. Grancharov confirmed that this system is impossible to be applied. Ms. Nikolova (MOEW) confirmed the previous position of the Ministry of Environment and Water presented at the 2nd meeting of the MC. Ms. Bouziani replied that this possibility will be examined, as well as if the Call will be launched or not. Mr. Szokolai commented that the capitalization of previous project results must be looked at, and stressed that the synthesis of the Risk Management Plans and the coordination of the NAs at all three river basins are essential for the elaboration of the project's scope. Ms. Bouziani affirmed to this.

- **Discussion and planning for the opening of new Calls for proposals under PA1**

Mr. Fotiadis gave a brief elaboration on the Axis and stated that the issue is whether to finance collective bodies or to proceed to direct funding of SMEs. Ms. Duzova stated that the Bulgarian NA has received from the MA the final draft of the study for the SME needs in the cross border area and that this document must be presented to the MC. Ms. Bouziani agreed for the survey to be sent to the members. Ms. Duzova said that the Bulgarian NA is not ready to proceed with the discussion. Mr. Samaras proposed to hold a meeting in 2 months to discuss the issue. Mr. Fotiadis counter-proposed for the deadline to be in 1 month, in order to have adequate time to plan the Call. Ms. Bouziani stated that the first suggestion of the Greek Ministry is to fund SMEs via voucher for a best effect. It was mutually agreed to have a meeting on this issue immediately after Easter (16/4/2017).

- **Other issues - Conclusions – Decisions**

Mr. Szokolai informed the members on the Interreg Volunteer Youth Initiative. Furthermore, he suggested having a "greener" approach with regards to the printed material provided during the meetings of the MC.

- **Visit to a project implemented during the 2007-2013 programming period**

Due to lack of available time, the visit was postponed to a future MC meeting.

The Monitoring Committee:

UNANIMOUSLY DECIDED:

1. To approve the Agenda;
2. To approve the proposed Scenario no. 3, as it was formulated during the meeting, which constitutes of **approval of the proposed for funding project proposals from all IPs, part of the reserve list from IP 6c (approve the first 4), all of the reserve list from IP 6d, all of the reserve list for 9a and approval to keep on the reserve list the remaining 10 proposals on the reserve list of IP 6c and the following 4 proposals to the reserve list of IP 6d that have a score of 51.**

INVESTMENT PRIORITY	NO. OF PROPOSALS APPROVED FOR FUNDING
6c	11
6d	8
6f	6
9a	13
9c	11
TOTAL	49
INVESTMENT PRIORITY	NO. OF PROPOSALS APPROVED ON THE RESERVE LIST
6c	10
6d	4
TOTAL	14

Furthermore, it was approved for the JS to proceed to all the necessary procedures (i.e. budget revision and State Aid Assessment) for the signing of the respective Subsidy Contracts.

- Regarding Project 2 on the Targeted Calls for proposals under PA 2, it was decided that after the Lead Beneficiaries consult with the relevant Ministry and the involvement of the Ministry of Environment and the Council of Ministers, as stated by Ms. Varbeva, the possibility to exclude the activity of the Monitoring System in Struma-Strymon will be examined, as well as if the Call will be launched or not;
- Regarding Priority Axis 1, it was suggested for the MA and the Bulgarian NA to have a meeting on this issue immediately after Easter (16/4/2017).

It must be noted that all decisions taken by the MC are final.

THE CO – CHAIRING PERSONS OF THE MONITORING COMMITTEE

Ms Valentina Varbeva
Deputy Minister

Ms Angeliki Bouziani
Head of the Managing Authority

**Ministry of Regional Development
and Public Works**

**Ministry of Economy
& Development**

Attachments:

- Table – Attendance Sheet of Monitoring Committee Members from the Greek and the Bulgarian side
- The Evaluation Report and attached the list of the proposed scenarios