

STANDARD SUMMARY PROJECT FICHE

1. Basic Information

1.1 Désirée Number: BG 0204.02

1.2 Title: Civil Society Development

1.3. Sector: DE

1.4. Location: Bulgaria;

2. Objectives:

2.1. Overall Objective(s):

Sustaining the civil society role in Bulgaria through improving its strategic approaches and capacities towards vulnerable groups and minorities integration, fighting against the corruption and transposition and implementation of the environment, consumer protection and social acquis.

2.2. Project purpose:

The overall objective of this project is to:

- *Design and apply transparent grants management scheme so as to support 15 national large-scale and 47 regional medium-scale initiatives of NGOs for better integration of vulnerable and minorities groups, fight against corruption and implementation of the environment, consumer protection and social acquis.*
- *Develop cross-sectoral partnerships between NGOs, public bodies and business groups through the investment in 6 regional intermediary NGO partners to further assist 60 small-scale initiatives of community-based NGOs in order to facilitate the communication, interaction and inter-exchange of resources in thematic priorities areas.*
- *Increase institutional, programmatic and outreach capabilities of 100 national, 200 local and regional NGOs through the delivery of 10 issue-based, 12 partnership/advocacy-building, 8 programmatic/managerial and 6 grants management trainings in order to better implement acquis and formulate consistent national /regional coherent policies in the thematic priority areas.*

2.3. Accession Partnership and NPAA priority:

The project directly addresses the Accession Partnership and NPAA priorities, following four distinct thematic schedules:

2.3.1. Integration of minorities and vulnerable groups schedule:

Within this thematic schedule the project directly addresses one of the major pillars within the Political criteria according to *National Programme for the Adoption of the Aquis /NPAA/* - “Respect for citizens’ fundamental rights and individual freedoms and protection of minorities.” where “respect for and protection of minorities” is also outlined as one of the “Strategic targets”.

In the same chapter the document also fully recognizes the role of the NGOs in the process of integration of minorities:

“ *The role of non-governmental organisations as a corrective and partner to the State and municipal administration will be further enhanced through their involvement in the formulation and implementation of the policy in all spheres of the social life.*”

At the same time the project tackles the key integration issues as outlined in the *Regular report from the Commission on Bulgaria's progress towards accession* from November 8th, 2000 and in the Regular Report 2001 as well:

“The Roma minority ... continues to suffer discrimination due to the accumulation over time of factors that have worsened their living conditions. ... more effort must be put into translating this into concrete action and major efforts and resources will be required to reverse the situation of discrimination, poor living conditions, economic hardship, chronic unemployment, poor health care, appalling housing conditions and lack of effective access to education”

The project addresses the need of integrating vulnerable groups to society, as outlined by the PHARE 2002 priorities. Survey results done by respected organizations from recent years have confirmed that “although in not very big scale in Bulgaria, societies and categories of individuals live in the constant feeling of being discriminated against” – Human safety in Bulgaria, March 1998, UNDP, “Fridrich Ebert” Foundation and the Center for Democratic studies, page 66.

In the end of 1997 the Council of Ministers established National Council on Ethnic and Demographic Issues (NCEDI) with representatives of Government agencies and NGOs of all ethnic minorities in Bulgaria. NCEDI's mandate is to co-ordinate the state policies and programs targeting ethnic minority issues, and to facilitate the dialogue and interaction of the state, the ethnic minorities and the civil society. One of the first initiatives of the Council was together with representatives of the Roma ethnic minority to prepare a Framework Program for Equal Integration of the Roma into the mainstream Bulgarian Society. The implementation of the Framework Programme is a short-term priority in the Accession Partnership and the reinforcement of the NCEDI's capacity as well.

A special World Bank effort is targeted to legal harmonization of the Framework Programme with the European standards related to minorities' rights and non-discrimination and Bulgarian legislation.

The Government has set in its 2002 legislative programme to consider the adoption of a Ant-discrimination law that will evolve in itself regulation and prevention of all form of discrimination in the country (including racisms, gender, etc.) This reflects the EC 2001 regular progress report findings such as that “the EC anti-discrimination acquis has not yet been transposed.” and “no progress has been made in adopting detailed and effective anti-discrimination legislation.” It has also been stated “there is an urgent need to introduce a legal definition of discrimination into Bulgarian law. The current lack of such a definition significantly hinders the implementation of existing Bulgarian anti-discrimination legislation.”

2.3.2. Fight against corruption schedule:

Fighting corruption is another pillar within the Political criteria as set in the *National Programme for the Adoption of the Aquis /NPAA/*. The project directly addresses the need of reducing corruption and increasing transparency in the public administration actions in accordance with the measures foreseen within the NPAA:

“...to set the framework for the united efforts of all State authorities, the institutions of the civil society and the individual citizens in the fight against the main forms of organized crime and corruption.”

The program also puts a stress on the need of “Transparent and rapid development of the procedures for tendering, contests and direct negotiations for the ward of public contracts, including the creation of conditions to restrict corruption in the process of awarding the contracts.”

As defined the need addressed has been defined in the *Regular reports from the Commission on Bulgaria's progress towards accession* from November 8th, 2000 and November 13th, 2001

“Corruption continues to be a very serious problem in Bulgaria. Whilst it is hard to know its extent, the persistent rumours about corrupt practices at various levels of the administration and the public sector in themselves contribute to tainting the political, economic and social environment.”

The project is directly corresponding to the Commission recommendation within the same report:

“The legislative framework should be upgraded especially in financial control and areas that contribute to transparency in public life such as financing of political parties, relations between officials and business, and the private interests of civil servants and other officials. The internal control mechanisms against corruption in the various administrative bodies, including the judiciary, should be upgraded.”

In the national anti-corruption strategy, adopted by the Government on 01/10/2002 in item 4 “Anti-Corruption Co-operation between the Government Institutions, Non-Governmental Organizations and the Mass Media” is said that “International experience shows, that even in countries with well-developed administrative system and monitoring mechanisms, corruption cannot be overcome without co-operation from the civil society and the independent media. The experience of the consolidated democracies shows the great importance of involving professional organizations and other civil structures in the efforts for further reinforcement of the values of transparency, accountability and democracy. The capacity for setting up of mechanisms and successful practice of partnership among the State institutions, non-governmental organizations and the media in the area of public control on the activities of the administration, protection of the rights of the citizens, self-regulation through the introduction of efficient codes of conduct, initiating of independent monitoring, further reinforcement of anti-corruption information and educational activities is also of significant importance. An increased activity of the civil organizations and the independent media in tackling corruption can be observed in the last couple of years in Bulgaria. A large number of nongovernmental organisations are taking part in different ways in anti-corruption projects. Cooperation between representatives of governmental institutions and nongovernmental organizations was set up in the framework of the anticorruption initiative Coalition 2000, Transparency sans Frontiers and Transparency International - Bulgaria. “

There have been projects run by the Government in the area of fighting against the corruption that should be considered complementary to the current fiche such as:

- technical assistance to implement key measures of the programme for the Implementation of the National anti-corruption strategy which aims to strengthen the public sector transparency and accountability by establishing clear and effective rules concerning citizen-civil servant interface and by opening up the decision-making process to citizen consultation and feedback mechanisms and procedures (to be included in Phare 2002).

- technical assistance in supporting the management of the on-going public administration reform process and in strengthening the administrative capacity of the public administration to meet the standards of the EU (supported under Phare 2001).

This project should take into account the governmental approach in the area of fighting against the corruption measures thus building on the existing best practices in that regard.

There is a clear need of introducing measures of all dimensions of civil control on the administration, focused on the implementation of the most vulnerable to corrupt practices activities such as – privatization process, public procurement, customs' operations, licensing, offering services to citizens /healthcare, education, etc./.

2.3.3. Fostering partnerships between NGOs, public bodies (including particularly at regional and local level) and business groups in the areas of minorities and vulnerable groups integration, fighting against the corruption and implementation of the the social, consumer protection and environment acquis.

This thematic schedule is in line with the priorities identified within the following policy documents of the European Union:

Within *European Governance: A White Paper, Brussels, 25.7.2001 COM (2001) 428* it is recommended that:

“A complementary response at EU level is needed in three areas to build a better partnership across the various levels: **a) involvement in policy shaping**. At EU level, the Commission should ensure that regional and local knowledge and conditions are taken into account when developing policy proposals. For this purpose, it should organise a systematic dialogue with ... national associations of regional and local government, while respecting national constitutional and administrative arrangements; **b) overall political coherence**. The Commission intends to use the enhanced dialogue with Member States and their regions and cities to develop indicators to identify where coherence is needed.”

The same document also identifies the following concrete task: “...reinforce the effectiveness and visibility of EU law in the eyes of both business and the public by bringing decisions in some of the most complex and technical areas closer to the sectors affected.”

2.3.4. Facilitating NGOs active participation in transposition and implementation of the environment, consumer protection and social acquis:

In the context of this thematic schedule the project is in line with the recommendation within the *Regular report from the Commission on Bulgaria's progress towards accession* from November 8^h, 2000 in its part “Social policy and employment acquis”, stating that “Further alignment with the *acquis* is necessary in all areas of the social *acquis*.”

Within the same report it is also recommended “Social dialogue and NGO involvement in this sector needs to be strengthened”.

The project also meets the needs identified in the Reports' part “Environmental acquis”: “Concerning **horizontal legislation** ... Further legal changes will be needed to fully transpose EC requirements on environmental impact assessments.” Within the chapter's overall assessment it is concluded “The level of transposition of EC environmental directives of a horizontal character needs to be improved.”

In chapter 23 of the 2001 EC Progress Report related to consumer and health protection is said that “Though consumer associations are relatively numerous and have in general a good working relationship with the government, they lack proper capacity themselves which results in a relatively low impact on the development of a culture of consumer protection within the population. Currently, seven consumer associations are operational in Bulgaria. Six of them participate in the National Council on Consumer Protection. However, none of them takes on the role of an umbrella organisation.”

3.Description:

3.1 Background and justification:

General overview

There are four critical steps in changing the “public-private interface”, necessary for an economy to transition from centrally-planned to market-oriented: (a) *creating stability* and predictability of the macro and policy environment; (b) *removing assets from state ownership* and direct intervention; (c) *building up the public framework* (laws, regulations and administrative procedures) to guide private sector behavior; and (d) *making the framework function by improving the capacity*, integrity and oversight of the civil service, and credibility vis-a-vis the general public. Completion of all four of these steps is necessary to provide assurance to the general population and the investment community that a reliable, rules-based system is in place, which can serve as the foundation for private investment. These measures also lay the institutional foundations of a well functioning market economy - one of the most important EU Accession requirements.

The general governmental attitude towards the NGOs is that they are an effective institutional instrument for supporting and complementing the state policy in areas such as *social policy, environment protection, children and youth, integration of minorities, anti-corruption activities, local and regional development, citizens participation in*

decision making process and improvement of dialogue amongst social partners. In those areas the government encourages more active involvement of NGOs.

Changing legal environment for NGOs reflected in 2001 when a new law on legal persons with non-profit purposes has come into force. This law governs the founding, registration, structure, activities and dissolution of legal persons with non-profit purposes. It defines legal persons with nonprofit purposes as associations and foundations, which can freely determine their purposes and can designate themselves as organizations performing activities for public or for mutual benefit. Further tax benefits and deductions are expected to be adopted by the Parliament for NGOs defined themselves as performing activities for public benefit. The current fiche can focus on developing legislative changes related to tax incentives for NGOs. The new law also increases transparency, through a public register of organisations and the obligation to provide annual reports on activities and finances. However, the tax environment for NGOs and donations remains rather restrictive. The new National Assembly has established a parliamentary committee on civil society issues. The 2002 Phare Civil Society Development Programme can focus on further support the efforts of NGOs to suggest legislative changes related to tax incentives for NGOs, incl. in regard to VAT matters.

Specific problems and areas of intervention

As a result of the economic and social reforms, as well as *the state's withdrawal from various social functions and services*, representatives of the abovementioned groups feel most vulnerable and discriminated against when dealing with such issues as the access to basic social rights (right to work, education, health care and social services and etc.). These rights have been guaranteed by the Constitution to all Bulgarian subjects. *For some groups in society as well as the above-mentioned vulnerable groups, the state at this stage is not able to secure the equal access to rights and public services and the opportunities for practical use of from the constitutionally guaranteed rights.* It is on this very basis that different discriminatory practices exist and develop towards vulnerable groups / this situation is of highest concern of 600 000 Roma-people, 350 000 handicapped people, 180 000 unemployed women /35-50 years old/, over 1 000 000 lonely elderly people/.

Despite the many of investment that has been made by various donors in both institutional strengthening, organizational development and programmatic approaches of Bulgarian NGOs there are areas where NGOs still lack effective long-term strategies of intervention.

-Integration of vulnerable and minorities groups is still a crucial area where more support and investment are needed.

Although Bulgaria has ratified the Framework Convention for Protection of National Minorities, *the Bulgarian legislation and legal practices as regards the rights of the minorities, are still not set in full accordance with the European standards.* The next step in the process of harmonisation of the legislation is the implementation of the EU Directive 2000/43.

The deep economic crisis in Bulgaria hurt mostly the minorities esp. Roma. The high unemployment rate and the consequent poverty transformed this minority into highly vulnerable social groups. *The difficult access to education, health, employment, legal and administrative services, has not just marginalized minorities; it has actually deprived them of main human and civil rights.* The marginalisation and the lack of living prospects among Roma minorities in Bulgaria has provoked higher delinquency and crime rates, emigration, acculturation.

Despite the accelerating development of the civil society, *the non-government sector among the minorities is still underdeveloped.* Overall, in the last several years the non-government sector did not manage to build a capacity of at least being a serious partner to the state in solving the problems of minorities and their integration, while it is expected to play an active role in such a partnership.

Economic insecurity/instability has provoked and sharpened social rivalry between social groups in society for access to limited state resources. This generates inconsistencies and in some cases even leads to conflicts, and between the groups with weaker competitiveness *the social disintegration increases.* Greater are the tendencies towards polarization of society and towards individual alienation from the community and society as a whole.

Individual strategies and the strivings for survival are not achievable over those of groups and societies. Newly emerging and current discrimination practices are maintained.

The community, which feels itself most strongly subjected to constant discrimination, is the *Roma people*. A significant part of Bulgarian Turks and Muslims also feel discriminated against, due to their ethno-cultural and religious identity. Among the lowest income groups most worrying is the state of the handicapped. Also the general community of people over 60 feels itself as the most harmed and discriminated against, as they have the smallest individual possibility to adapt themselves to new realities.

The situation of orphans and children raised in poverty are not in a better position. NGOs working in the area of child protection should be further supported to complement the efforts of the State agency for child protection and other governmental institutions for better application of child protection act. Although gender discrimination has no significant dimension in Bulgarian society, the fact that 20% of women aged 35-50, regard themselves as discriminated against in the employment market and at work, needs attention.

- *Fight against corruption*

Corruption is another vast-ranging problem in democratic countries, especially characteristic of the countries that are undergoing transformation periods. It renders *governments unable or unwilling to maximize welfare*. In the first case, it distorts agents' decisions and limits the contractual space available to agents and the government, acting as a benevolent principal. In the second case, *a corrupt principal creates inefficiencies, cripples its credible commitment to effective policies, and opens the door to opportunism*.

During the last few years Bulgarian society has focused its attention on the problems related to corruption. The public discussion from 1997 till 2000 indicated the ways for limiting and placing it under control, *by increasing the law enforcement and regulatory functions of the State, guaranteeing of transparency and publicity of administrative and governing processes, endorsement of civil control and such values as honesty and ethics in society*.

The current reform in the administrative system of the Republic of Bulgaria and several newly adopted laws and regulations *introduced a number of measures with anticorruption potential in the social practice*. These steps together with the curbing of the activities of semi-criminal groups contributed to some stabilisation in the corruption environment in the country. A better rating of the Republic of Bulgaria in the framework of the comparative index of Transparency International is evidence of that: while in 1998 it was ranked 66th (out of 99) in 2001 it was ranked 49th, thus approaching the status of Central European countries in this respect.

The National Strategy for countering corruption is aimed at establishing a modern legal framework of administrative activities and public services. The strategy implies managerial and organizational development and clear-cut regulation of interrelations between government authorities on the one hand, and the private sector and citizens, on the other. The strategy objectives include increasing the role of already existing institutions and a creation of new ones with controlling and monitoring functions.

In the 2001 regular report is stated that *“currently there are Ombudsman-type activities in number of municipalities in the country and in Sofia. Bulgaria does not yet have an Ombudsman with national responsibilities”*. The Ombudsman issue partly addressed under the Phare 2001 Civil Society Development Project as *“strengthening of a NGO to function as a local and unofficial “ombudsman” should be further continued as an effort in 2002 Phare Civil Society*. Moreover in Sofia Municipality in co-operation with the mayor an Ombudsman was established to protect citizens from abuses of public administration. Efforts have been put in developing new legislation related to Ombudsman.

Some specific areas of concern falls in guaranteeing transparency in the work of the Public Administration, developing anti-corruption measures in the financing of political parties, initiating **anti-corruption reform in the judiciary and penal legislation, anti-corruption and co-operation between the government institutions, non-governmental organizations and the mass media are needed to be further supported**.

- Implementation of the acquis in the social, environmental and consumer protection areas

Implementation of the acquis in the social, consumer protection and environment areas is another vital investment in favour of the role of NGOs at national and regional level in the accession process. The 1999 Phare Access Programme which aimed to promote the implementation of the acquis communautaire in policy areas in which governmental activities are absent or are complementary to those of the third sector, and to raise popular awareness and acceptance in these areas has supported 63 projects of national and regional NGOs.

The latter evolve activities and approaches helping the implementation of the acquis communautaire in the *social, consumer protection and environment* areas. As this was an initial effort of Phare to bring the NGOs in the process of implementation of the acquis which is proven satisfactory, more investment in that regards is needed. *The direction of investment* should fall in further strengthening *the capacity and stability of NGOs as institutions, sustaining their expertise in the specific areas of the acquis and educating public at large for the important role of NGOs* in the process of country's EU accession and full membership.

3.1 Linked activities:

PHARE has funded two Civil Society Development Programmes since 1995: "Civil Society Development Programme BG 9406, 1995", totalling 1.5 MEURO and "Civil Society Development Programme BG 9604, 1998", totalling 1.5 MEURO for reviving citizens' involvement in public policies and meeting the needs of emerging NGOs via 453 projects.

CSDP BG 9804, 2000 is currently being implemented on a decentralized basis with intermediary NGOs involved in a regranting mechanism. It is oriented to priorities under EU accession and 72 NGOs\ projects in four programme areas have been funded. Also approximately 50 projects have been offered co-financing by the intermediary organizations.

Other PHARE Programmes:

The ACCESS 1999 Programme, totalling 1.8 MEURO, which subsumes LIEN, and Partnership Programme, is currently being implemented. An overall amount of 63 projects /including 47 Micro projects and 16 Macro projects/ are being financially supported.

Other Donor Activities:

The World Bank has a "Small projects Grants Scheme", aiming to strengthen the capacity of small NGOs to design projects, the target area being NGOs from outside Sofia. The World Bank Regional Initiatives Fund supports small infrastructure projects and temporary employment, among which 12 non-infrastructure projects have involved vulnerable groups for job creation, via NGOs. The Nederland's Matra program supports civil society projects, especially those that are innovative in approach. Eighteen projects were supported in 1997-98. USAID have a number of civil society development initiatives. The organization that is responsible for the ideas of the project is the Democratic Network (Dem Net) Programme (\$ 6 million over 4 years, starting from 1998). It has a regranting facility with 13 separate NGOs under the management of USAID that is performed via the Institute for Sustainable Communities. UK Know-How Fund has a range of projects. The most recent which is relevant is one to develop partnerships between municipal authorities and civic agencies to improve the provision of social welfare and to diminish social exclusion. Coalition 2000 distributed small grants to civil society organizations to combat corruption in the year 2000, but it is not foreseen to continue the Grantmaking scheme.

3.3 Results:

3.3.1 Broad results foreseen from the project include:

- *Applied effective strategic approaches of NGOs* in sustaining the best practices achieved in the integration of vulnerable and minorities groups, fighting against corruption and implementation of *aquis in the thematic priority areas*.
- *Developed stable and replicable partnership model* between the civic sector, the governmental institutions and the business groups for better decision and policy making in the thematic priorities areas.
- *Institutional, programmatic and outreach capacities raised* amongst local institutions (NGOs, local authorities) for better formulation of regional development policies and effective investment management.

3.3.2 Specific results include:

- *6 intermediary regional partners identified and trained* for applying effective grants management schemes in six planning regions.
- *National grants management scheme* designed and implemented with the support of the User-friendly Practical Grants management Guide developed under the 2001 Phare Civil Society;
- At least 100 national, 200 local and regional NGOs trained on specific institutional and programmatic skills
- *15 national wide macro projects / awarded grants* between 50 000 and 100 000 EURO;
- *47 micro projects of both national and regional scale* awarded grants valued between 5 000 and 50 000 EURO
- *60 small communities-based projects awarded grants* valued up to 12 200 EURO via the 6 recruited intermediary regional NGO partners in the six plan regions of the country;
- *10 specialized issue-based training* based on the thematic areas of support of the project;
- *12 partnership and advocacy building trainings;*
- *6 programmatic and managerial skills development and grants management trainings;*

3.4 Activities:

3.4.1. Activity No 1: Capacity building and training

Aim of the activity will be to meet the specific project objective:

- Increase institutional, programmatic and outreach capabilities of 100 national, 200 local and regional NGOs through the delivery of 10 issue-based, 12 partnership/advocacy-building, 8 programmatic/managerial and 6 grants management trainings in order to better implement aquis and formulate consistent national /regional coherent policies in the thematic priority areas.

The target groups will be at about 100 national based and 200 regional and local based NGOs working in the thematic priorities of the project. Their training and capacity building will serve the project objective as well as will set fruitful grounds for further investment.

The activity is finally worked out on the basis of the recommendations given by the diagnostic research. It will genuinely comprises of 10 **specialized issue-based trainings**, based on the thematic areas of support of the project, 12 **partnership and advocacy building trainings**, 6 **programmatic and managerial skills development and grants management¹ trainings**.

It should raise both the institutional capacities of intermediary regional NGO partners as well as the local and regional programmatic and managerial capacities of project direct and indirect beneficiaries (NGOs, local authorities, businesses, etc). The trainings and capacity building programmes will be designed as highly participatory and will be delivered in a user-friendly and interactive format. Each training and capacity building format will be accompanied by a set of supportive materials and relevant other documentation.

Total Budget Activity 1: 0,250 MEURO

Activity No2: Three-staged Grant Scheme to support the development and application of strategic approaches of NGOs for better integration of vulnerable and minorities groups, fight against corruption and implementation of acquis.

Aim of the activity will be to meet the specific project objectives:

-Design and apply transparent grants management scheme so as to support 15 national large-scale and 47 regional medium-scale initiatives of NGOs for better integration of vulnerable and minorities groups, fight against corruption and implementation of the environment, consumer protection and social acquis.

-Develop cross-sectoral partnerships between NGOs, public bodies and business groups through the investment in 6 regional intermediary NGO partners to further assist 60 small-scale initiatives of community-based NGOs in order to facilitate the communication, interaction and inter-exchange of resources in thematic priorities areas.

Target groups will be NGOs working at national but preferably on regional and local level. It is expected that at about 122 NGOs of different range will be awarded 107 micro /60 of them via intermediary organizations in the 6 plan regions/ and 15 macro projects.

The general areas of support will follow the areas of support of the programme, i. e. integration of minorities and vulnerable groups, fight against corruption and implementation of social, environmental and consumer protection acquis. The specific areas of support will be developed under the recommendations of the diagnostic research and its relevant needs assessments per sectors.

Following the recommendations of the Diagnostic Research on the best working sets of documentation a National Grant scheme will be developed including the project pre-selection, selection and post-selection periods, documentation and relevant terms. There should be couple of principles that will be imbedded in the philosophy of the scheme:

The support is given primarily to improve approaches and increase level of influence of the civil society on national and local decision makers in the thematic areas of support under this project

Grant support should be given following a co-financing principle defined by the PIU and Steering Committee for each of the grants categories

¹ **This training will be based on the “Manual for management of Grant Mechanisms for Civil Society Development”** that will be developed under 2001 Phare Civil Society Development programme. The latter will be developed, published and distributed by the time of commencement of 2002 Phare Civil Society.

Support for individual projects should be based on clear criteria and equal treatment of interested to benefit

The process of identification and selection of projects for grant support at all levels should be transparent, accountable and reflect on objective assessment of needs. It should be based on a modern, improved and objective project evaluation process.

Maximum financial oversight must be integral part of the grant scheme at all levels and special TA in meeting the financial and reporting requirements should be delivered.

Within the framework of activity No2 The PIU will undertake the granting scheme following three stages:

In the First stage projects submitted by NGOs, NGO networks and coalitions with nation-wide target groups, scope of activities, strong advocacy national impact will be invited. Grant support on co-financing basis will be offered to projects in the priority thematic areas in accordance with the agreed selection criteria. It will comprise allocation of grants valued at 50 000 and 100 000 EURO. An estimated amount of 15 macro projects is foreseen (average grant of 75 000 EURO).

Total Budget (Stage one): 1.125 MEUR

In the Second stage projects submitted by NGOs and coalitions with primarily regional outreach and concentrated community-based target groups will be invited to apply. Special accent will be continuously given in those NGOs which act as local ombudsman, esp., in the thematic priority areas of the project. Grant support on co-financing basis will be offered to projects of 5 000 to 50 000 MEURO. An estimated amount of 47 projects is foreseen (average grant of 27 500 EURO.)

Total budget (Stage two): 1.260 MEUR.

In the Third Phase the PIU will establish a decentralized network of 6 Intermediary Regional NGO partners (one for each of the six planning regions) identified among those already supported under specific criteria and following all PRAG's procedures. Special grant management training will be provided to those selected as well as specific strategy development under thematic priorities of the project will be facilitated in order to develop specific regional sub priorities.

The intermediary Regional NGO partners will organise regional grants distribution rounds and identify projects according the local priorities within the objectives and priority areas of the project. The PIU (and PSC) will closely monitor the process and rigorously assess projects according to standardised evaluation criteria and procedures to ensure fairness and transparency in each competition, according to the selection criteria, principles and assessment methodology laid out by the PIU.

It is expected that up to 10 projects per region should be awarded operational grants of up to 12 200 EURO (average grant of 9500 EURO).

Total budget /Phase 3/: 1.220 MEURO

Overall Budget for Activity 2: 3.605 MEURO

3.5 Lessons learned:

The lessons learnt and recommendations from OMAS in regard to previous Phare projects show that there should be more horizontal interaction between programme recipients as well as resource and content expertise exchange. More specific and measurable results-orientated projects should be encouraged complemented by cross-sectoral partnership in the thematic areas of support by the project.

4. Institutional Framework:

4.1. Project Steering Committee /PSC/:

A **Project Steering Committee /PSC/** will supervise the project as a whole and will advise on its implementation strategy. It will also ease the coherent communication between policy and opinion makers and the implementing agents. It will also oversee the coherence of implementation of the individual activities with the goals and purpose of the project itself and will foster linkages between its components.

- The **PSC will comprise of** representatives from the Ministry of Foreign Affairs (European Integration Directorate), EC Delegation, ministries, dealing with matters related to the thematic priorities of the project, stakeholders and the civil society sector. A criterion for the latter will be that they have no potential conflict of interest with actions proposed under or supported under the project.
- The PSC will aim to ensure a broad **representation and consensus among all relevant stakeholders** (umbrella organizations should be identified, esp. in the areas of environment, consumer protection and social areas) on the actions for assistance the components of the project, as well as it will provide guidance to the PIU on issues that arise. The PSC will be chaired by representative of the PIU, elected during the first meeting of the PSC. All the decision will be taken with consensus.
- The PSC will approve all reports prepares by the PIU. The latter will be required to report on grant-making activities and on project evaluation process the latter being agreed on prior to the commencement in collaboration with the PIU.

4.2. Project Implementation Unit /PIU/:

Project Implementation Unit n/PIU/ composed of NGO/NGOs will be established to implement all the components of the project. As no single NGO has the necessary expertise it is likely the PIU to be composed of a consortium of NGOs rather than a single NGO. It will be directly responsible to the CFCU. The PIU will be identified after a standard PHARE tendering procedure, organized by the CFCU in accordance with the PHARE regulations and the DIS Manual.

The project will further develop the grant-making capacity of the NGO/NGOs selected to form the PIU.

5. Detailed Budget - in MEURO

Two types of co-financing should be required, namely the usual 10% from the beneficiaries and support from national and local authorities.

There will be a national co-financing of 0.6 MEUR as well as a support from the Phare PPF up to 0.350 MEUR.

The management costs shall not exceed 7 % of the total Phare contribution.

	Phare Support					
	Investment Support	Institution Building	Total Phare (=I+IB)	National Cofinancing *	IFI *	TOTAL
Activity 1		0.210	0.210			0.210
Activity 2 I Phase		1.005	1.005			1.005
Activity 2 II Phase		1.00	1.00			1.00
Activity 2 III Phase		1.04	1.04			1.04
Management		0.245	0.245			0.245
National Co-financing				0.6 (Ministry of finance)		0.6
Total		3.5	3.5	0.6		4.1

6. Implementation Arrangements:

6.1. Implementing Agency:

6.1.1 Implementing Agency /IA/:

The overall implementing agency will be the CFCU from the Ministry of Finance. The PAO will be the Minister of Finance.

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6.1.2 Management responsibility:

The Management responsibility will be delegated to a Project Implementation Unit /PIU/ that will be either one NGO or a consortium of NGOs.

In order to achieve efficiency in management and reporting of funds it is recommendable that one of the NGOs in case of consortium will have the lead responsibility. This can be decided once the tender has been completed.

6.1.3 Project Implementation Unit /PIU/:

The NGO/NGOs that will form the Project Implementation Unit should be identified according to standard PHARE tendering procedure, organized by the CFCU.

Criteria for the NGO/NGOs that will form the PIU:

- Registered under the 2001 law on legal persons with non-profit purposes and self-defined as working for public benefit;
- Exercises profound, detailed expertise of the core trends of the civil society in Bulgaria and in particular of the thematic priority areas;
- Has track record in working with the specific target groups relevant to the project

- **Content knowledge and institutional capacities** in the areas of integration of minorities and vulnerable groups, fight against corruption and implementation of the acquis;
- **Well established network of partners and strategic relations** with key national stakeholders in the thematic priority areas of the project
- **Capacity in grants management** in accordance with the PHARE regulations.
- **Maintain relevant human, communication, technical resources** to guarantee the efficient implementation of the project;
- **Have set well developed internal organizational structure**, and procedures summarized in internal self-regulations' manual;
- **Maintain training and capacity building experience**, preferably using internationally recognized methods.
- **Declared and validated disinterest in being a recipient of any assistance that might be awarded under the project.** This will be apart from that to be normally expected to accrue to a project management unit in respect of agreed management costs;
- **Particular strengths in advocacy and lobbying** especially in relation to government institutions;
- **Knowledge of matters related to European integration**, accession and EU structural funds;
- Capacity to act as a **'think tank' for the priority thematic areas of the project;**
- Track record **in fostering partnerships between NGOs and public bodies;**

Responsibilities of the PIU:

- **Provide** overall project management and supervision
- **Secure** on time and self-consistent objective reporting to the CFCU;
- **Help** the design, monitor the implementation of the grant scheme;
- **Provide** overall financial oversight with maximum financial accountability and control in order to ensure that PHARE funding is spent and used properly in accordance with the acting EU procedures;

6.1.4 Monitoring:

Monitoring of the activities funded within the framework of each grant will be closely undertaken by the PIU through the project duration, which will report its findings regularly to the PSC, CFCU and the Delegation of the EC. Monitoring will especially focus on whether financial accountability and control are integral part of activities and grants at all levels.

6.1.5 Tendering, contracting and payments:

Tendering, contracting and all associated financial management processes will be carried out by the Central Finance and Contracts Unit /CFCU/ in accordance with the standard Phare procedures in this respect as outlined in the Practical Guide to Phare, ISPA & SAPARD Contract procedures.

6.1.6. Project Steering Committee /PSC/:

The Project Steering Committee /PSC/, as described in item 4.1.will supervise the project as a whole and will advise its implementation strategy per individual activities execution. It will support the PIU in provision of the programmatic and financial oversight. It will also consult issues of strategic, operational and resource concern.

6.1.7. Special rules against the inclusion of GONGOs as intermediary regional partners or direct beneficiaries are in effect government NGOs /GONGOs/:

Assessment against some key attributes for potential intermediary regional NGO partners could be used to exclude (in fact, they should not be favored un-proportionally) GONGOs such as:

- **Representativeness** which means an NGO comprised of high number and diverse type of specific sector stakeholders]
- **Authenticity** which means that the profile of the NGO and the values it stands for are distinguishable;
- **Operationality** meaning that the NGO does real, concrete social and charitable work;
- **Independence** –the NGO is financially independent from governmental funding;

6.1.8. Regional partners/implementation structures:

Implementing arrangements for the 6 Intermediary Regional partner NGOs are explained under activities for the Project components in item 3.4.3. The selection of the regional partners to handle the grants on a decentralised basis will be agreed by the PIU in consultation with the CFCU and Steering Committee. It will be based on a tender process and standardised evaluation procedures with criteria agreed in advance. Their formulation will be one of the initial tasks of the PIU on the basis of the Diagnostic research recommendations.

6.2. Twinning:

It is not foreseen that twinning and its associated assistance will form part of the current project; all implementation will be implemented with local resource from Bulgaria.

6.3. Non-standard aspects:

The Project will be managed under PRAG rules. Project component I and II will be directly implemented by the PIU as “activities with results” thus directly contributing to the effective design and implementation of Activity III that will follow small-scale grant fund delivery mechanism, preceded by call for proposals. The grant-awarding procedures will be strictly in line with Practical Guide to EC external aid contract procedures (PRAG).

6.4 Contracts:

Tendering, contracting, payments and all associated financial management processes will be carried out by the Central Finance and Contracts Unit (CFCU) in accordance with the standard Phare procedures in this respect as outlined in the Practical Guide to Phare, Ispa & Sapard Contract procedures.

One contract comprising three major activities is foreseen. The contractor – PIU will comprise of NGO/NGOs and will be selected under standard PHARE tendering procedure, implemented by the CFCU.

The total contract value is 4,1 MEURO of which 3,5 MEUR under Phare and 0,6 MEUR under National Co-Financing.

7. Implementation Schedule:

7.1. Start of tendering/call for proposals:

January, 2003

7.2 Start of project activity:

March, 2003.

7.3. Project Completion:

November 2006

Due to the complexity of the project (selection of a proper consortium of NGOs which will provide the “PIU” to this project as well as the need for proper impact assessment before the end of the project) the disbursement period will be extended to 30 November 2006. Previous experience (BG 9804 or BG 0104.03 on Civil Society Development) shows the challenge of contracting and implementing comparable projects and grant schemes are still relatively new in Bulgaria.

8. Equal Opportunity:

Throughout the project cycle equal participation of men and women will be stimulated in particular gender balance will be sought both within the project implementing agency team and within the groups of beneficiaries. Furthermore gender balance will be highly recommended and required element of the grantee's projects. Gender balance will be one of the indicators within all the monitoring procedures.

9.Environment: (N/A)

10.Rates of return: (N/A)

11.Investment criteria: (N/A)

12.Conditionality and sequencing:

*The successful beginning of the project is based on the understanding that a diagnostic research, based on 3 supportive issue-based (integration of vulnerable groups and minorities, fight against the corruption and acquis implementation) needs assessments will be undertaken prior project official start. The diagnostic research and needs assessments will be funded by **the Phare PPF up to 0.350 MEUR.***

The diagnostic research will comprise of quantitative and qualitative analysis of project intermediary and direct beneficiaries as well will assess the level of development and status of each of the thematic priorities addressed by the project. It will result needs assessment of the beneficiaries and capacity assessment of the civil sector in the context of a comparative analysis and tendencies' analysis. The need of capacity building and training is also to be measured, assessed as niches of intervention and training approach.

The diagnostic research report should also include recommendations in what areas what kind of strategic intervention should be considered by NGOs and what type of partnerships should be further encouraged. Based on it the National grants management scheme should be developed. It should be taken into consideration the developed under 2001 Phare Civil Society Guide on Grants Management. Existing grant-making practices should also be taken into consideration when recommending investment approaches under three of the grants management stages. The diagnostic research will also help the identification of the 6 intermediary regional partner NGOs and clarify the way of their recruitment, specific training and further provision of technical assistance.

The Delegation needs to approve, before implementation commences, the institutional and implementation arrangements, including the adequacy of staffing and resourcing of the bodies involved in implementation, robust arrangements for ensuring sound management of EU funds and any operating guidelines, Memoranda of Understanding required.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format (compulsory)
2. Detailed implementation chart (compulsory)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)

Phare log frame

LOGFRAME PLANNING MATRIX FOR Project Civil Society Development		Programme name and number	2002 National Phare Programme
		Contracting period expires <i>30 November 2004</i>	Disbursement period expires <i>November 2006</i>
		Total budget 4,1 MEURO	Phare budget: 3,5 MEURO

Overall objective	Objectively verifiable indicators	Sources of Verification
Sustaining the civil society role in Bulgaria through improving its strategic approaches and institutional competencies towards the vulnerable groups and minorities integration fighting against the corruption and transposition and implementation of the environment, consumer protection and social acquis.	<ul style="list-style-type: none"> - Increased role, influence and significance of NGOs in minorities and vulnerable groups integration, fight against the corruption and implementation of the acquis; - Developed institutional, programmatic and outreach skills for better interventions of NGOs in thematic priorities of the project - Constructive issue based partnerships developed 	<ul style="list-style-type: none"> -Diagnostic research, issue-based needs assessments; - Available policy papers/researches of national NGOs, central and regional district governments; - Press clippings related to the thematic project areas; - Reports & data by the respective line ministries;

Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
To enhance the strategic approaches and capacities of civil society Through improvement of institutional competencies of national, regional and local NGOs and the implementation of a three staged grant-management scheme	<ol style="list-style-type: none"> 1. Diagnostic research and impact assessment identified specific areas of concern and sub- thematic niches within the thematic priorities areas; 2. Grant scheme developed and implemented for large, medium and small scale projects 3. Co-operation between NGOs, public bodies and business groups encouraged and motivated; 4. Increased institutional capacity and professional competencies the NGOs in the thematic priorities areas; 	<p>-Grants' scheme application set of materials;</p> <ul style="list-style-type: none"> -Diagnostic research, issue-based needs assessments; -Available reports on regional development for the six planning regions -Available research studies, special reports, analytical and comparative studies for the thematic priority areas from other institutions -Large, medium and small grants recipients interim, final reports - Press clippings related to the thematic project areas; - Trainings contents, methodology, individual training manuals; 	<ol style="list-style-type: none"> 1. NGOs are recognized as an equal, resourceful and accountable partner in the decision making process in the thematic priority areas 2. Possible delegation of services and projects on behalf of state institutions/ministries towards the NGOs

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<p><i>Result # 1</i> Institutional capacities of national, regional and local NGOs developed through delivery of thematically prioritised, partnership/advocacy building, programmatic/managerial and grants management type of trainings</p>	<p>1.1 Diagnostic research, based on 3 supportive issue-based (<i>integration of vulnerable groups and minorities, fight against the corruption and acquis implementation</i>) needs assessments undertaken</p> <p>2. 6 intermediary regional partners identified and trained for further applying effective grants management schemes in the six planning regions base</p> <p>3. At least 100 national, 200 local and regional NGOs trained on specific institutional and programmatic skills.</p>	<p>- Individual training course reports, certificates, relevant data;</p> <p>- Course training programmes and materials;</p> <p>-Information about trainees under each specific course</p> <p>- Data of level of trainings skills post application</p>	<p>1.NGOs are considered as equal societal partner at national, regional and local level.</p> <p>2. Local NGOs actively participate in the regional planning process.</p> <p>3. The developed stable and replicable partnership model between the civic sector, the governmental institutions and the business groups can be multiplied in the country</p>
<p><i>Result # 2</i> Grant-management scheme developed and implemented through direct grants distribution at national and regional level (large and medium scale projects) and indirect intermediary support at local level (small-scaled projects)</p>	<p>1. Type of specific areas of concern identified within the thematic priorities areas;</p> <p>2. No of NGOs partnerships, coalitions and networks efficiency assessed at local and regional level;</p> <p>3. No of proposals developed in improving the decision-making process at the thematic priorities areas;</p> <p>4. Grants scheme application packages adequacy and objectivity;</p> <p>6. Quality of pre-selection, selection and post-selection phases of grants management scheme;</p> <p>7. Level of coordination amongst the three types of projects supported (large, medium and small scale projects);</p> <p>8. Number of large, medium and small scale projects supported</p> <p>9. Quality of information campaigning</p> <p>10. Type and consistency of partnerships developed at national, regional and local level</p>	<p>- Diagnostic research report and individual needs assessments;</p> <p>-Available other research, surveys, & reports in the thematic priorities areas of the project;</p> <p>- Grantees' reports;</p> <p>- Individual monitoring reports;</p> <p>- Project research reports and impact assessment reports;</p> <p>- Available surveys and public opinion polls made on the thematic priority areas;</p> <p>- Field monitoring and evaluations reports;</p>	<p>1.NGOs at national, regional and local level are strengthened and developed</p> <p>2.Possible proposition of draft legal texts for anti-corruption and anti-discrimination measures</p> <p>3.Reduced discrimination against minorities and vulnerable groups;</p> <p>5.Improved services for vulnerable groups;</p> <p>6.Improved public attitude/raised awareness toward minorities;</p> <p>7.Raised understanding of the society towards the <i>acquis</i> and its process of implementation</p>

Activities	Means		Assumptions
<p>Activity No 1: Institutional and capacity building training designed and delivered</p>	<p>1. At about 100 national based and 200 regional and local based NGOs working in the thematic priorities of the project.</p> <p>2. Developed interactive training modules for the following type of trainings:</p> <ul style="list-style-type: none"> -thematically prioritised training in regard to project priorities (integration of minorities and vulnerable groups, fight against the corruption and implementation of the acquis: - partnership/advocacy building trainings - programmatic/managerial trainings - grants management trainings <p>3. Level of participation, number, type of trainees</p> <p>4. Training contents, methodology, materials adequacy, relevance to the needs of trainees</p> <p>5. Adequate forms of feedback applied</p>	<ol style="list-style-type: none"> 1. Diagnostic final report 2. Needs Assessments 3. Minutes of the Steering Committee meetings 4. Feedback forms form the trainings 5. Training materials 6. Minutes from the trainings 7. List and type of trainees 	<p>1. Quality of overall performance of NGOs is raised.</p> <p>2. Local qualified human resources educated.</p> <p>3. New training approaches developed in to support the reforms in the thematic priority areas</p>
<p>Activity No2: Three-staged grant scheme designed and implemented</p>	<p>1. At about 122 NGOs of different range will be awarded 107 micro /€ of them via intermediary organizations in the 6 plan regions/ and 1 macro projects.</p> <p>2. Clearly defined and articulated goals, objectives, type of support, application and evaluation procedures</p> <p>4. Clearly and objectively set evaluation procedures.</p> <p>5. Level of serving the objectives of the project in regard to projects supported under the grant management large, medium and small scale .</p>	<ul style="list-style-type: none"> - Diagnostic research report and individual needs assessments; - Minutes of the Steering Committee meetings - Grants Management documentation and procedures - Individual records of grantees - Monitoring and impact assessment reports - Manual for management of Grant Mechanisms for Civil Society Development” procedures 	<ol style="list-style-type: none"> 1. NGOs better target and serve the needs of their beneficiaries. 2. NGOs start to develop specific expertise and issue-based profiles 3. NGOs apply individual approaches when implementing their local programmes.
			<p>Preconditions</p>
			<p>The project gets the necessary Phare and national co-financing</p> <p>PIU meets fully the requirements and enjoys the institutional capabilities to fulfil project individual components</p>

	2002					2003					2004					2005					2006																								
Detailed Project Implementation	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N				
Diagnostic Research and Issue-based Needs Assessments	■	■																																											
Set up Steering Committee																																													
TOR drafted and approved and tendered																																													
Tender the Project																																													
Contracting the Project																																													
Design and Develop Training and Capacity Building Programmes																																													
Design and plan implementation of Grant Management Scheme																																													
Start implementation of Stage 1 (Tender large scale grants)																																													
Start implementation of Stage 2 (Tender medium scale grants)																																													
Start implementation of Stage 3 (Tender small scale grants)																																													
Large scale grants execution under Stage 1																																													
Medium scale and small scale grants execution under Stages 2 and 3																																													
Grants Execution Monitoring and Assessment																																													
Reporting																																													

Cumulative Contracting and Disbursement Schedule (MEuro)									
DATE	1/01/2003	30/06/2003	1/01/2004	30/06/2004	30/11/2004	30/06/2005	1/01/2006	30/06/2006	30/11/2006
Services and Grants Contracted									
Services									
Management		0,245							0,245
Capacity Building and training		0,250							0,250
Grants awarded									
Stage one			1,125						1,125
Stage two				1,260					1,260
Stage three					1,220				1,220
Total contracted		0,495	1,125	2,385	3,500	4,100			4,100

Services and Grants Contracts Disbursements									
Services									
Management		0,031	0,061	0,092	0,123	0,153	0,184	0,214	0,245
Capacity Building and training		0,050	0,100	0,150	0,200	0,250			0,250
Grants disbursed									
Stage one				0,300	0,450	0,900	0,975	1,088	1,125
Stage two					0,336	0,504	1,008	1,134	1,260
Stage three					0,933	0,488	0,976	1,098	1,220
Total disbursed		0,081	0,161	0,542	2,042	2,295	3,143	3,534	4,100
<i>Cumulative percentage</i>		<i>1,97%</i>	<i>3,93%</i>	<i>13,22%</i>	<i>49,80%</i>	<i>55,98%</i>	<i>76,65%</i>	<i>86,19%</i>	<i>100,00%</i>