DECREE No 104 OF 17 MAY 2008 ON ORGANIZATION AND COORDINATION OF MANAGEMENT OF RESOURCES FROM THE FUNDS OF THE EUROPEAN UNION

Effective as of 20 May 2008

Promulgated, SG No 47 of 20 May 2008, as amended, SG No 67 of 29 July 2008

THE COUNCIL OF MINISTERS DECREED:

Article 1. The overall coordination of planning, programming, management, monitoring and control of resources from the pre-accession programs of the European Union, the Transitional Financial Instrument, the Schengen Instrument and the Operational Programmes, co-financed from the Structural Funds, the Cohesion Fund, the European Agricultural Fund for Rural Development, the European Agricultural Guidance and Guarantee Fund and the European Fisheries Fund, shall be ensured by a Deputy Prime Minister, designated by the Prime Minister.

Article 2. The Deputy Prime Minister under Article 1 shall:

1. monitor the accomplishment of the goals and priorities of the strategic programming documents on management of resources within the meaning of Article 1;

2. propose and coordinate changes to the strategic programming documents, including for re-allocation of resources, to be approved in accordance with the applicable legal framework;

3. require reports on the implementation of the pre-accession instruments, the Transitional Financial Instrument, the "Schengen" Instrument and the Operational Programmes and the Rural Development Programme for the period of 2007 - 2013, elaborated by the administrative structures and units in charge and submitted through the respective coordinator at national level;

4. require reports, prepared by the National Aid Coordinator, the coordinator of aid from the Cohesion Fund under Regulation No 1164/94 (OJ L 130, 25.5.1994), the Central Coordination Unit and the Competent Accreditation Body of the Payment Agency on the overall process of absorption of resources from the Funds of the European Union;

5. require reports on financial; management and implementation of aid from the preaccession programs, the Transitional Financial Instrument, the "Schengen" Instrument and from the Structural Funds, the Cohesion Fund, the European Agricultural Fund for Rural Development, the European Agricultural Guidance and Guarantee Fund and the European Fisheries Fund of the European Union, prepared by the National Aid Coordinator and the respective certification body and submitted through the respective coordinator at national level;

6. require reports for control of the pre-accession instruments, the Transitional Financial Instrument, the "Schengen" Instrument and the Operational Programmes and the

Rural Development Programme for the period of 2007 - 2013, elaborated by the auditing bodies and by other outside and internal control bodies and submitted through the respective coordinator at national level;

7. require information, accompanied by analysis and opinion, from the heads of the Central Coordination Unit and from the heads of the managing authorities of the Operational Programmes and the Rural Development Programme for the period of 2007 - 2013, the National Aid Coordinator and the coordinator of aid from the Cohesion Fund under Regulation No 1164/94 concerning the conclusions and recommendations from the assessments performed of the National Strategic Reference Framework and of the programmes;

8. require information from the secretariats of the Monitoring Committees of the Operational Programmes and the Rural Development Programme for the period of 2007 - 2013, from the Joint Monitoring Committees and the "Schengen" Instrument Monitoring Committee concerning the decisions, taken at the Committees meetings;

9. require information, accompanied by analysis and opinion, through the Central Coordination Unit from the National Aid Coordinator, the National Chief Officer for Aid, the respective audit authority, the respective certification body, the managing authorities and the executive agencies in connection with the implementation of the pre-accession instruments, of the Operational Programmes and the Rural Development Programme for the period of 2007 - 2013;

10. require information, accompanied by analysis and opinion, through the Central Coordination Unit and the unit for monitoring and coordination of the activities of the Payment Agency on the elaboration and functioning of the information systems for management and monitoring of resources from the Structural Funds, the Cohesion Fund, the European Agricultural Fund for Rural Development, the European Agricultural Guidance and Guarantee Fund and the European Fisheries Fund;

11. order corrective measures based on the reports, information, analyses and opinions, received under p. 3 - 10 and approve the report concerning the implementation of the corrective measures;

12. take decisions on problematic issues, related to absorption of funds from the European Union, upon proposals from the ministers in charge;

13. issue methodological instructions concerning the management of resources from the European Union;

14. coordinate the proposals to the European Commission on the major projects within the meaning of Article 39 of Council Regulation No 1083/2006 (OJ, Special Issue, 2007, Chapter 14, Volume 02), submitted through the Central Coordination Unit;

15. monitor the implementation of the horizontal policies in connection with absorption of resources from the European Union;

16. take part in the functioning of the National Strategic Reference Framework;

17. monitor the functioning of the units for ex ante, current and posterior control in the award of public procurement contracts in connection with projects, co-financed by resources of the European Union;

18. direct the Council of the Anti-Fraud Coordination Structure (AFCOS);

19. coordinate and control the activities of strengthening the administrative capacity at central, regional and local level for absorption of resources from the European Union;

20. coordinate and control the effective implementation of measures for publicity and transparency in the absorption of resources from the European Union;

21. carry out other tasks as well, related to management of resources from the

European Union, assigned by the Prime Minister.

Article 3. (1) In the execution of his/her functions the Deputy Prime Minister under Article 1 shall be assisted by administrative structures and units in accordance with the Annex.

(2) The Minister of Finance, the Minister of Economy and Energy, the Minister of Regional Development and Public Works, the Minister of Labour and Social Policy, the Minister of Transport, the Minister of Environment and Water, the Minister of State Administration and Administrative Reform, the Minister of Agriculture and Food, the Minister of Interior, the Minister of Education and Science and the Chairman of the State Forestry Agency shall ensure the organization of the implementation of the activities under Article 2 by means of the administrative structures and units, reporting to them.

FINAL PROVISIONS

§ 1. The following amendments and supplements shall be made to the Rules of Organization of the Council of Ministers and its Administration, adopted by Decree No 216 of the Council of Ministers of 2005. (promulgated, SG, No 84 of 2005; as amended and supplemented, No 89 of 2005; No 92 of 2005; No 19, 48, 54, 55, 71 and 81 of 2006, No 35, 36 and 100 of 2007 and No 2 of 2008):

1. Article 16 shall be amended as follows:

"Article 16. (1) The Council of Ministers shall be composed of:

1. Prime Minister;

2. Deputy Prime Minister and Minister for Foreign affairs;

3. Deputy Prime Minister and Minister of Education and Science;

4. Deputy Prime Minister and Minister of Emergency Situations;

- 5. Deputy Prime Minister;
- 6. Minister of Finance;

7. Minister of Interior;

- 8. Minister of Defence;
- 9. Minister of Justice;
- 10. Minister of State Administration and Administrative Reform;
- 11. Minister of Economy and Energy;

12. Minister of Transport;

- 13. Minister of Regional Development and Public Works;
- 14. Minister of Environment and Water;
- 15. Minister of Agriculture and Food;
- 16. Minister of Labour and Social Policy;
- 17. Minister of Health;
- 18. Minister of Culture;
- 19. Minister of European Affairs.

(2) The Deputy Prime Ministers and Ministers shall manage Ministries, except for the Deputy Prime Minister under paragraph (1), p. 5 and the Minister of European Affairs."

2. In Article 23:

a) paragraph (1) shall be amended as follows:

"(1) The Deputy Prime Ministers shall be single-person bodies of the executive power, which support the Prime Minister in the execution of his powers under Article 18, p. 4. and p. 10.";

b) a new paragraph (2) shall be inserted:

"(2) The Deputy Prime Minister under Article 16 (1), p. 5 shall support the Prime Minister in the implementation of coordination, control and communication of the activities, related to management of resources the European Union.";

c) a new paragraph (3) shall be inserted:

"(3) The Prime Minister shall designate by order the Ministries and other administrative structures, whose activity shall be supervised by the respective Deputy Prime Minister";

d) the current paragraph (2) shall become paragraph (4).

3. A new point 9 shall be inserted in Article 100 (2):

"9. Directorate "Coordination and Control over the Activities of Management of Resources of the European Union"."

4. A new Article 108a shall be inserted:

"Article 108a. The Directorate "Coordination and Control over the Activities of Management of Resources of the European Union" shall provide expert and administrative and technical support for the organization, coordination and communication of the activities of management of the resources from the Funds of the European Union."

5. In Annex No 3 to Article 88 (2):

a) the number "386" in the title shall be substituted by "404";

b) after the line "Political Cabinet of the Deputy Prime Minister and Minister of Education and Science" a new line shall be inserted "Political cabinet of the Deputy Prime Minister under Article 16 (1), p. 59";

c) the number "147" on the "Specialized Administration" line shall be substituted by "156";

d) after the line "Directorate "Procedural Representation before the Judicial Institutions of the European Union" a new line shall be inserted "Directorate "Coordination and Control Over the Activities of Management of Resources of the European Union" 9".

§ 2. (1) The Minister of Finance shall provide funds in the amount of BGN 725,500 from the 2008 national budget for the budget of the Council of Ministers in connection with the amendments and supplements, introduced by § 1 into the Rules of Organization of the Council of Ministers and its Administration.

(2) The funds under paragraph (1) shall be provided by restructuring of the targeted expenditures in the 2008 national budget

(3) The Minister of Finance shall make the necessary changes to the relevant budgets for 2008.

§ 3. The following amendments and supplements shall be made to Article 3 of Decree No 18 of the Council of Ministers of 2003 establishing the Anti-Fraud Coordination Structure (promulgated, SG, No 13 of 2003; as amended and supplemented, No 49 of 2003, No 95 of 2004, No 60 of 2006 and No 37 of 2008):

1. In paragraph (2) the phrase "the Minister of Interior" shall be substituted by "the Deputy Prime Minister".

2. In paragraph (2) after the phrase "Deputy-Minister of Interior" a comma shall be inserted, followed by "proposed by the Minister of Interior".

§ 4. Within one month of entry into force of this Decree the Ministers under Article 3 (2) shall propose modification to the acts of the Council of Ministers in connection with the implementation of Article 2.

§ 5. This Decree was adopted on the basis of Article 105 (1) of the Constitution of the Republic of Bulgaria and Article 27 of the Law on the International Treaties of the Republic of Bulgaria in connection with the Treaty of Accession of the Republic of Bulgaria to the European Union.

 \S 6. This Decree shall enter into force as of the date of its promulgation in the State Gazette".

Annex to Article 3 (1)

(Amended - SG, No 67 of 2008)

1. Directorate "Coordination and Control over the Activities of Management of Resources of the European Union" within the administration of the Council of Ministers;

2. Directorate "Management of European Union Funds" of the Ministry of Finance, designated as Central Coordination Unit for management of resources from the Structural Funds of the European Union, as structure, supporting the National Aid Coordinator, as National Coordination Unit for management of aid from the Cohesion Fund under Council Regulation No 1164/94 of 16.05.1994 establishing a Cohesion Fund, as National Contact Point for the "Schengen" Instrument and Managing Authority of the Operational Programme "Technical Assistance";

3. Directorate "National Fund" of the Ministry of Finance, designated as certification authority under the Operational Programmes, co-financed using resources from the Structural Funds and the Cohesion Fund of the European Union, as Payment Agency under the ISPA Programme/Cohesion Fund (Council Regulation No 1164/94 of 16 May 1994 establishing a Cohesion Fund), as unit supporting the National Chief Officer and as certification authority under the "Schengen" Instrument;

4. Directorate "Audit of European Union Funds" of the Ministry of Finance, designated as audit authority under the Operational Programmes, co-financed using resources from the Structural Funds and the Cohesion Fund of the European Union, as body for issuing declarations of completion of the projects, funded by the Cohesion Fund under Regulation No 1164/94 and as audit authority under the "Schengen" Instrument;

5. General Directorate "Programming of Regional Development" of the Ministry of Regional Development and Public Works, designated as Managing Authority of the Operational Programme "Regional Development";

6. Directorate "European Competitiveness Funds" of the Ministry of Economy and Energy, designated as Managing Authority of the Operational Programme "Development of the Competitiveness of the Bulgarian Economy" and as Executive Agency under the PHARE programme;

7. General Directorate "European Funds, International Programmes and Projects" of the Ministry of Labour and Social Policy, designated as Managing Authority of the Operational Programme "Human Resources Development" and as Executive Agency under the PHARE programme;

8. Directorate "Coordination of Programmes and Projects" of the Ministry of Transport designated as Managing Authority of the Operational Programme Transport and as Executive Agency under the ISPA programme;

9. Directorate "Cohesion Policy for the Environment" of the Ministry of Environment and Water, designated as Managing Authority of the Operational Programme Environment;

10. Directorate "Project and Programme Management" of the Ministry of State Administration and Administrative Reform, designated as Managing Authority of the Operational Programme Administrative Capacity;

11. Directorate "Rural Development" of the Ministry of Agriculture and Food, designated as Managing Authority of the Rural Development Program for the period 2007 - 2013;

12. Directorate "Structural Funds and International Educational Programmes" of the Ministry of Education and Science;

13. Directorate "European Union Funds for the Environment" of the Ministry of Environment and Water, designated as intermediate body of the Operational Programme Environment and as Executive Agency under the ISPA programme;

14. (amended - SG, No 67 of 2008) Directorate "Anti-Fraud Structure" within the administration of the Council of Ministers, supporting the organization of work and the activities of the Council of the Anti-Fraud Coordination;

15. Directorate "PHARE Executive Agency" of the Ministry of Regional Development and Public Works, designated as Executive Agency under the PHARE programme;

16. Directorate "Central Financing and Contracting Unit" of the Ministry of Finance, designated as Executive Agency under the PHARE programme and the Schengen Instrument;

17. Directorate "European Infrastructure Projects" of the Ministry of Regional Development and Public Works, designated as Executive Agency under the ISPA programme;

18. Directorate "Implementation of European Union Funded Projects" of the "National Road Infrastructure" Fund, designated as Executive Agency under the ISPA programme;

19. The unit for monitoring and control of the activity of the Payment Agency with the Minister of Agriculture and Food;

20. The National Agency for Fisheries and Aquaculture, designated as Managing Authority of the Operational Programme for Development of the "Fisheries" Sector;

21. The State Forestry Agency;

22. The "Agriculture" State Fund, designated as Payment Agency under the Rural Development Programme for the period of 2007 - 2013, co-financed by resources from the European Agricultural Fund for Rural Development, and within the Operational Programme for Development of the "Fisheries" Sector, co-financed by resources from the European Fisheries Fund - as Payment Agency and Certification Body;

23. The Small and Medium Enterprises Promotion Agency under the Minister of Economy and Energy, designated as intermediate body of the Operational Programme "Development of the Competitiveness of the Bulgarian Economy";

24. The Employment Agency under the Minister of Labour and Social Policy and the Social Assistance Agency under the Minister of Labour and Social Policy, designated as intermediate bodies of the Operational Programme "Human Resources Development".