__Annex No.3__ to Art. 14, para. 1 of ORDINANCE No. 22 from 14.12.2015 for the application of Sub-measure 19.2 "Application of Activities Within the Frameworks of the Community-Lead Local Development Strategies" of Measure 19 "Community-Lead Local Development"(CLLD) of the 2014-2020 Rural Area Development Programme (RADP).
(Altered by State Gazette # 38 from 2016, valid from 20.05.2016)

CLLD STRATEGY OF GOTSE DELCHEV – GARMEN – HADZHIDIMOVO LOCAL INITIATIVE GROUP

Introduction

During the 2007-2013 period, for the first time ever, Bulgaria managed to effectively utilize the LEADER method as a tool for decentralized management and integrated local development in rural areas. For the purpose, 35 local initiative groups, comprising 57 rural municipalities and 6 local fishing groups spanning across the territories of 17 municipalities have been established in the years prior 2013 and are still functioning. During the 2009-2011 period, we have performed activities with the purpose of preparing potential local initiative groups for implementing strategies for local development. Additionally, these activities are responsible for teaching skills and ensuring activities can happen on a communal level across the territories of potential local initiative groups under the Rural Area Development Programme.

The LEADER method in Europe dates back to 1991. Since then it has been developed as a separate initiative in the EU member-states until 2007 ("Leader I" during the 1991-1993 period, "Leader II" during the 1994-1999 period and "Leader+" during the 2000-2006 period) and as for the 2007-2013 Programme Period, the initiative has been included as a part of the Programmes for Rural Area Development (PRAD) of member-states. The name of the method originates from the French abbreviation of *„Liaison entre actions de développement rural (LEADER)" – "Connections between the activities for development of rural areas"*. Since its creation up until this day, the LEADER method has been focused primarily on encouraging and improving the potential for local development in rural areas through the reliance of the initiative and skills of local communities. The idea is that local communities in member-states should *define their own development priorities*, after conducting a wide range of consultations with stakeholders from the civil, non-government, profit, and public sectors. This idea originates from the fact that the local population best knows its own problems, needs, priorities, and development potential.

During the 2014-2020 Programme Period, LEADER is being implemented through the **Community-Lead Local Development** Approach (CLLD) described in Measure 19 "Support for local development under LEADER" of RADP. CLLD is applied in a "bottom to top" fashion so that local communities can determine, choose, and approve priorities and a strategy for an integrated development of the area and communities. The main challenges, that will be encountered through the application of CLLD in the 2014-2020 programme period, concern the necessity of creating employment (incl. alternative) and utilizing the local potential for growth with improving the quality of life and the income of the local population as main goals. The use of CLLD is focused around achieving unification and concentration of support for the interventions that possess the highest amount of added value with respect to overcoming economic and social discrepancies in the development of the territories. During the 2014-2020 Period, CLLD is encouraging the implementation of the so-called multi-fund strategies with support of the European Agricultural Fund for Rural Development and, possibly, with the support of the European Regional

Development Fund, European Social Fund, and the European Maritime and Fisheries Fund (which will come as a major difference in the current implementation of the approach compared to the implementations of previous years).

The main priorities of CLLD are:

- encouraging social inclusion and decrease of poverty levels;
- establishing an integrated approach for conserving and protecting the environment and stimulating resource efficiency, incl. prevention and risk management activities as well as utilizing the cultural heritage potential;
- focusing on innovations through the encouragement of their introduction and application
- encouraging sustainable and qualitative employment and providing support for the mobility of workforce;
- increasing the competitiveness of local economies and identifying opportunities for the establishment of local businesses through diversification, alternative activities and sustainable production of aquacultures;
- Improving the quality of education and the qualifications of the local population.

CLLD is applied through integrated and multi-sector strategies for CLLD, based on the characteristics of the specific territory and developed with respect to local needs and potential in accordance with national, regional, and local development policies, including desegregation and de-institutionalization policies. Strategies usually support the implementation of small-scale projects for local product diversification, for improvement of agricultural activities, for minor infrastructural improvements of villages, and other projects leading to the improvement the quality of life in rural areas and setting the grounds for a better, more sustainable future.

The current Strategy for Community-Lead Local Development (referred to as "Strategy for CLLD" or "The Strategy" in the following pages) has been developed for the territory of the **Gotse Delchev – Garmen – Hadzhidimovo Local Initiative Group** with the purpose of fulfilling the primary needs and utilizing the development potential of the Gotse Delchev, Garmen, and Hadzhidiovo Municipalities for the period until 31st December 2020.

General information about the contract

The Strategy for Community-Lead Local Development of LAG – Gotse Delchev – Garmen – Hadzhidimovo has been prepared within the framework of Grant Contract No. RD 50-194/ 07.12.2015 under Sub-measure 19.1 "Aid for preparatory activities" of Measure 19 "Community-lead local development" under the 2014-2020 Rural Area Development Programme (referred to as "the contract" in this document for short). The contract amounts to 47,815.75 BGN with a period of implementation 07th of December 2015 – 07th of June 2016.

The contract beneficiary is the non-profit association "Local Initiative Group – Gotse Delchev" (LAG – Gotse Delchev) in partnership with:

- Local Initiative Group – Hadzhidimovo Foundation
- Garmen Municipality (Garmen local partnership);
- ET Suzana Sarieva (Garmen local partnership);
- Nevrokop Association (Garmen local partnership).

The following activities were carried out within the contract framework:

1. Popularizing the strategy development process;
2. Training of the LAG team, incl. members of partner organizations and local leaders;

3. Survey and analysis of the territory;
4. Planning and accounting for strategy-related expenses;
5. Implementation of activities regarding administrative expenses

As a result of completing the above-mentioned activities, the Strategy for CLLD was prepared during the period December 2015 – May 2016. It has been approved by stakeholders during public talks on 18th of April 2016 and 18th of May 2016, by the municipal councils of the municipalities of Gotse Delchev, Garmen, and Hadzhidimovo during sessions on 26th of May 2016, and by the General Assembly of LAG – Gotse Delchev – Garmen – Hadzhidimovo on 27th of May 2016.
The main achieved results of the project implementation are:

- **Completed Strategy for Community-Lead Local Development until 2020.**
- **MIG – Gotse Delchev Association has expanded its territorial range and has acquired new members** (contract partners and members of the local community from the three municipalities with representatives from more than 50% of towns and villages within the project territory acting as members of the General Assembly of the Association).

Legal grounds

The current CLLD Strategy of LAG – Gotse Delchev – Garmen – Hadzhidimovo has been developed in compliance with the following European and national normative and programme documents, regulating the application of the CLLD Method for the 2014-2020 period:

European normative base:

- **Regulation (EU) No. 1303/2013 of the European Parliament and Council** from 17.12.2013 for the determination of generally applicable orders of the European Regional Development Fund, European Social Fund, Cohesion Fund, European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, for the determination of general provisions of the European Regional Development Fund, European Social Fund, Cohesion Fund, and European Maritime and Fisheries Fund, and for the cancellation of Regulation (EC) No. 1083/2006 of the Council (members 32-35);
- **Regulation (EC) No. 1305/2013 of the European Parliament and the Council** from 17.12.2013 regarding support for the development of rural areas by the European Agricultural Fund for Rural Development (EAFRD) and for the repeal of Regulation (EC) No. 1698/2005 of the Council (members 42-44) – *referred to in this document as "Regulation (EC) No.1305/2013".*
- **Partnership agreement of the Republic of Bulgaria** outlining the aid of European structural and investment funds for the 2014-2020 period (Section 3, p. 3.1 "Integrated approach for territorial development")

National normative base:

- LAW for Management of Resources from European Structural and Investment Funds
- ORDINANCE No. 16 from 30.07.2015 for the application of Sub-measure 19.1 "Aid for preparatory activities", part of Measure 19 "Community-lead local development" from the 2014 – 2020 Rural Area Development Programme (referred to in this document as "Regulation No.16 of 30.07.2015").
- ORDINANCE No. 22 from 14.12.2015 for the application of Sub-measure 19.2 "Application of activities within the framework of the community-lead local development strategies" of Measure 19 "Community-lead local development" of the 2014 – 2020 Rural Area Development Programme (referred to in this document as "Regulation No. 22 of 14.12.2015" for short) by May 2016.

- ORDINANCE No. 1 from 22.01.2016 for the application of Sub-measure 19.4 "Current expenditures and promotion of the community-lead local development strategy" of Measure 19 "Community-lead local development" from the 2014 – 2020 Rural Area Development Programme.
- DECREE No. 119 from 20.05.2014 for the adoption of national rules concerning operative programme expenditure limits, co-financed by the European Regional Development Fund, European Social Fund, Cohesion Fund, and European Maritime and Fisheries Fund for the 2014 – 2020 financial framework (referred to in this document as "DCR No. 119 from 20.05.2014)
- Decree of the Council of Ministers for the determination of rules concerning the coordination between the managing authorities of the programmes and the local initiative groups/local initiative fishing groups with respect to the use of the Community-Lead Local Development Method for the 2014-2020[1] period. (referred to in this document as "DCR for Coordination Between MA During CLLD Implementation")
- Ordinance for Determining Criteria for Disadvantaged Regions and Their Territorial Range (published in State Gazette (DV), issue 20 from 26.02.2008, in effect since 26.02.2008; modified and added, issue 53 from 12.07.2011).

National programme documents:

- Rural Area Development Programme for the 2014 – 2020 period (RADP)
- 2014-2020 Innovations and Competitiveness Operational Programme (ICOP)
- 2014-2020 Development of Human Resources Operational Programme (HRDOP)

Additionally, the current Strategy has been developed in compliance with regional and local policies for sustainable development of the LAG-covered municipalities for the 2014-2020 period, described in the following documents:

- Regional Development Plan for the Southwest Region for the 2014-2020 period.
- 2014-2020 Regional Development Strategy for Blagoevgrad District.
- 2014-2020 Municipal Development Plan for Gotse Delchev Municipality.
- 2014-2020 Municipal Development Plan for Garmen Municipality.
- 2014-2020 Municipal Development Plan for Hadzhidimovo Municipality

1. Description of LAG

Local Action Group (LAG) – Gotse Delchev – Garmen – Hadzhidimovo is a legal non-profit entity which also includes members of the commercial, non-profit, and public sectors of **Gotse Delchev, Garmen, and Hadzhidimovo Municipalities**.

The territorial span of the LAG covers the territory of all three municipalities and all settlements within – 2 towns and 41 villages. Gotse Delchev – Garmen – Hadzhidimovo LAG covers a total area of 1 046,28 sq. km, part of Blagoevgrad Administrative District and Southwestern Planning Region of Bulgaria. The proximity of the municipalities to the district center of Blagoevgrad and the capital of Sofia, as well as the functioning border checkpoint of Ilinden-Eksohi, provides the LAG with a relative advantage in terms of transportation.

The area covers the south-east part of the Pirin Mountain, parts of the western slopes of Western Rhodope Mountains, the north-eastern part of Slavyanka Mountain, and the south Mesta River and

[1] At the moment of Strategy preparation, we have used the draft text of this document, as published for public consideration at the web page www.strategy.bg)

Gotse Delchev Ravine. The terrain is characterized by a vast diversity – from high mountains to valleys and ravines. The region is relatively poor in minerals and fossil fuels but abundant in water resources. All three municipalities have a large forest fund share, most of which is state-owned. Part of Pirin National Park, a number of nature reserves (Orelyak, Tamnata gora), protected areas and natural landmarks (rock formations, etc.), as well as a rich range of protected species of flora and fauna can be found within the LAG territory.

As of 2014, the population of the local initiative group is **55046**, which amounts to 17.5% of the total population of Blagoevgrad District. Population density of Gotse Delchev Municipality is 94 people per sq. km, of Garmen – 38 people per sq. km, and of Hadzhidimovo – 28 sq. km. The gender structure displays a slight prevail of the female population (50.6% to 49.4%). Approximately 39% of the population lives in one of the two towns on the territory of the LAG (Gotse Delchev and Hadzhidimovo), the other 61% - in the villages (incl. the municipal center – Garmen Village). The aging process is slower across the LAG territory in comparison to other regions and the country as a whole, especially in the Gotse Delchev and Garmen Municipalities. The age structure of the three municipalities is more balanced than the county average. This data shows potential for development of human resources in pre-working and working age. The natural growth of the LAG territory is negative as a whole, but has a positive value for Garmen Municipality. The mechanical growth of the population is generally negative for the territory of the LAG, but there are slight differences between the municipalities. In terms of ethnicity, 61% identify as Bulgarians with the highest minorities being Turkish (16%) and Roma (3.5%), the latter being a smaller percentage than the country average. Infrastructural facilities are at a satisfactory level with identified need for investment in the water and sewage system, improvements on multiple road sections, update of the material-technical base of some educational and cultural sights, and other. Unemployment rates vary greatly between the municipalities – Gotse Delchev has been exhibiting a decrease of the unemployment rate in recent years, while Hadzhidimovo and Garmen Municipalities are exhibiting a constant increase.

In the year 2014, 2341 enterprises were registered as functioning, 90% of which are microenterprises. The main industry for the three municipalities is process manufacturing, with branches in: textile and shoe manufacturing, leather processing, food production and processing, tobacco industry, timber production, paper and cardboard industries, plastics production, and rubber production. Garmen Municipality is characterized by a strong **tailoring and shoe production industry**, Hadzhidimovo – **textile production and processing**, as well as **clothing production** (app. 50% of the processing industry), followed by leather processing and production, travel equipment, production of food and beverages (meat and dairy, bread and pastry). **Agriculture, forestry and fisheries** are leading industrial branches in the municipalities of Garmen and Hadzhidimovo, while in Gotse Delchev – not so much. The climate and soil types are suitable for growing almost all time of agricultural crops which can grow in the temperate climate zone. The most developed agricultural branches are tobacco production, grain production, vegetable production, perennials, potatoes, and others. Animal husbandry occupies a smaller share of the total agricultural output of the municipalities with almost all livestock breeding being present by cattle breeding, sheep breeding, goat breeding, poultry breeding, and beekeeping. In all three municipalities farms hold the largest share of the agricultural fund (over 50%), followed by pastures, fruit plantations, and other perennial cultures. The number of registered farms is close to 7500, 80% of which have a size of up to 10 decares. Their small size explains the need for their consolidation for the purposes of optimization and mechanization of production. The sector provides permanent and seasonal employment for more than 9000 people across the LAG territory.

Forestry is generally poorly developed with a few logging and processing companies operating on the territory with most of the wood being turned into wooden construction materials and furniture details. One of the most profitable and employment-providing businesses in all three municipality is the **trade and maintenance of motorcycles and cars** branch. Construction also takes up a major share of the economy with high investments poured into the industrial sector from all three municipalities. The **hotel and restaurant** business is best developed in Garmen, with smaller representation in the other two municipalities. For the 2013-2015 period there is a **notable positive trend** for number of places providing lodging (20% more), nights spent (app. 40% more) and income from bookings (app. 48% more). The LAG territory has **high potential for tourism development** with typical for the region **cultural and historical** tourism, **rural** tourism, **balneological** tourism, **mountain** tourism and **ecotourism**. Cultural and historical tourism relies on architectural reserves and cultural monuments of national importance such as Kovachevitsa Village (Garmen Municipality), the antique Roman town of Nikopolis ad Nestum (Garmen Municipality), a number of Medieval and antique forts and settlements (eg., Gradishte in Garmen Municipality) and others. Rural tourism is one of the main forms of tourism offered in the region. Leshten Village Resort in Garmen Municipality is the most developed attraction. It is one of the most attractive and authentic resorts for rural tourism in Bulgaria. Fifteen restored antique building recreate the characteristic Bulgarian Renaissance atmosphere of the region, combined with all the modern comforts guests will need. Balneotourism (SPA) is best represented by the mineral springs in Ognyanovo Village. Mineral water has a proven healing effect on a number of diseases. Beautiful nature and thermal waters have turned Ognyanovo Village into a preferred resort for hundreds of tourists from the country and from abroad. The region offers a number of attractions with potential for the development of ecotourism and cognitive tourism. The LAG territory holds a number of natural attractions as well – parts of Pirin National Park, nature reserves, protected areas, waterfalls, rock formations, and others such as Orelyak Nature Reserve, Tamnata Gora Nature Reserve, the gorge of Kanina River, Kayakliiski rocks, Koziyat kamak (The Goat Rock), Rizova dupka Cave, Pavlyova padina Locality, Manoilova dupka Cave, Zagradski chinari, the Slavyanka and Stargach Mountains. A number of eco paths take tourists to some of these natural sights.

The educational system on the LAG territory can be divided into pre-schools (a total of 17) and schools (a total of 25). There are facilities for higher education on the LAG territory. Gotse Delchev municipality has 1 specialized high school, 2 professional high schools, 1 school for children with special needs and a Home for raising and educating of children deprived of parental care. The high schools offer a wide range of topics for specialization – electrical engineering, mechanization of agriculture, economics, machine building, clothing and design, and others. These institutions hold functions on a level beyond the municipal – children from neighboring municipalities and from all over the country study there. The highest share of the population structure is the one of people that have completed secondary education, followed by the share of people who have completed primary education (7^{th} grade) and the share of people who have partially completed primary education (4^{th} grade), the people who haven't completed primary education, and the people who have never attended school. The share of people who have completed some form of higher education is 12%.

Social services across the LAG territory are relatively well-developed with identified needs for expanding and offering new services according to the municipal development plans and the district social services development strategy. Social services are focused on the social inclusion of vulnerable groups for the purpose of preventing social isolation. There are 2133 registered people with disabilities across the LAG, most of which are older than 65. A total of 21 different types of social services are offered across the municipalities with 10 new ones on the way and an expansion

of the existing base. Some of the existing social services include a center for social support, a day center for children with disabilities, sheltered housing, a day center for adults with disabilities, transitional housing, healthcare mediators, home social patronage, a soup kitchen, a social club for the disabled, social work assistants, and others. Planned services include a center for social rehabilitation and integration, a crisis center for children and people who are victims to violence and human trafficking, a day center for the elderly, a retirement home, and others.

Healthcare on the LAG territory is well expressed through a network of providers of hospital and paramedic assistance with a major role in all of this being played by the healthcare infrastructure of Gotse Delchev Town which also services the neighboring municipalities. The provider of hospital treatment and services for the Gotse Delchev Municipality is Ivan Skenderov Multi-profile Hospital which also caters for the needs of 3 neighboring municipalities – Garmen, Hadzhidimovo, and Satovcha. The hospital has a functioning diagnostic and consultation center accompanied by a medical diagnostic lab. Paramedic treatment is provided by a number of medical and dental practices in almost all settlements, a medical center, as well as a private surgical clinic. The Gotse Delchev Urgent Medical Help branch services the population of the Gotse Delchev, Garmen, Satovcha, and Hadzhidimovo Municipalities. The abundance of cultural and historical heritage of the region has played a major part in forming the historical memory and national self-consciousness of the people. It is also the reason for the development of tourism in the area, as well as a mentality for preservation and enrichment of the cultural heritage. Cultural activities are being organized by Municipal Historical Museum and House of Culture in Gotse Delchev Town and a number of community centers. The local cultural institutions have tasked themselves with preserving the local folklore and traditional customs as a part of the national cultural heritage. The main groups responsible for that are the Nevrokop Ensemble for Folk Songs and Dance, Nikolina Chakardakova's groups, and the authentic folklore groups in the villages.

Sports activity is represented by football, handball, wrestling, basketball, and track-and-field clubs. There is a functioning municipal stadium in the town of Gotse Delchev. Sport clubs are primarily developed through the learning institutions of the area.

The LAG area is characterized by excellent ecological qualities with respect to air quality, soil quality, noise, and pollution which allow for the development of ecological agriculture and eco-tourism.

1.1. Data for municipalities and settlements on the LAG territory:

list of the municipalities covered by the LAG

- **Gotse Delchev Municipality,** Blagoevgrad District;
- **Garmen Municipality,** Blagoevgrad District;
- **Hadzhidimovo Municipality**, Blagoevgrad District.

list of settlements covered by the LAG

List of all settlements covered by Gotse Delchev – Garmen – Hadzhidimovo LAG:

Municipality	Administrative center	Settlements	
		No.	Names
Gotse Delchev BLG11	Gotse Delchev Town	12	Gotse Delchev (t), Banichan (v), Borovo (v), Breznitsa (v), Bukovo (v), Gospodintsi (v), Delchevo (v), Dobrotino (v),

				Kornitsa (v), Lazhnitsa (v), Musomishta (v), Popovi Livadi (v) [2]
	Garmen BLG13	Garmen Village	16	Baldevo (v), Gorno Dryanovo (v), Garmen (v), Debren (v), Dolno Dryanovo (v), Dabnitsa (v), Kovachevitsa (v), Krushevo (v), Leshten (v), Marchevo (v), Ognyanovo (v), Oreshe (v), Osikovo (v), Ribnovo (v), Skrebatno (v), Hvostyane (v),
	Hadzhidimovo BLG52	Hadzhidimovo Town	15	Hadzhidimovo (t), Albanitsa (v), Beslen (v), Blatska (v), Gaitaninovo (v), Iliden (v), Koprivlen (v), Laki (v), Nova Lovcha (v), Novo Leski (v), Paril (v), Petrelik (v), Sadovo (v), Teplen (v), Teshovo (v)

number of residents on the LAG territory

Municipality	**Number of residents**	
	2014	**2015**
Gotse Delchev	30 587	30 306
Garmen	14 846	14 936
Hadzhidimovo	9 613	9 501
TOTAL	**55 046**	**54 743**

1.2. Map of the territory:



Figure 1: Map of the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG

2. Description of the community participation process and strategy development

The Strategy for CLLD of Gotse Delchev – Garmen –Hadzhidimovo LAG has been developed with

[2] With Decision No. 377 from 29.05.2015, an administrative and territorial change has been made in the municipality of Gotse Delchev and a new settlement has been created – the village of Popovi Livadi

the widespread participation of the communities. It is for that purpose that stakeholders were identified at the early stages of preparation and were actively involved in the conducted surveys, meetings, and events by sharing their opinions and visions about the problems and needs of the municipalities of the LAG as well as their ideas and suggestions for the main priorities the Strategy should include and focus on.

2.1. Description of the process – consultative meetings, seminars, conferences, trainings and public discussions):

Stakeholders from the Gotse Delchev, Garmen, and Hadzhidimovo were involved in the Strategy preparation process through their involvement in the events that will be described in the following paragraphs. Information regarding each event was published in a timely fashion on the websites of the municipalities, and eventually on the specifically designed for the purpose website of the LAG (website address: www.mig-gotsedelchev.com) and Facebook page[3]. Invitations for the events were posted on the information boards in every municipality and were sent through email to stakeholders, whenever possible. Detailed information about the meetings and discussions can be found in the protocols for every event, as well as in the Stakeholder Analysis Report prepared specifically for the needs of the project.

Polls

During the period of February – April, 2016, we conducted polls to *identify potential beneficiaries and project proposals towards the Strategy for Community-Lead Local Development of Gotse Delchev – Garmen – Hadzhidimovo LAG*. A questionnaire was prepared for that very purpose containing the following groups of questions: Information about their organization; Problems, needs, and priorities for development across the LAG territory; Information regarding the project idea; Interest in measures to be included in the CLLD. The purpose of the polls was to identify the potential beneficiaries located within the LAG territory who can present their own suggestions for measures which are to be included in the Strategy, as well as information about their ideas, initiatives, and vision for the project. All of this is a necessary part for the determination of appropriate Strategy measures which will most adequately target the needs and development potential of the area. The questionnaire was distributed in paper form to the people present at the meetings and discussions and in electronic form to companies, organizations, and institutions from the region. The result – **162 people and organizations** from the following sectors and municipalities responded:

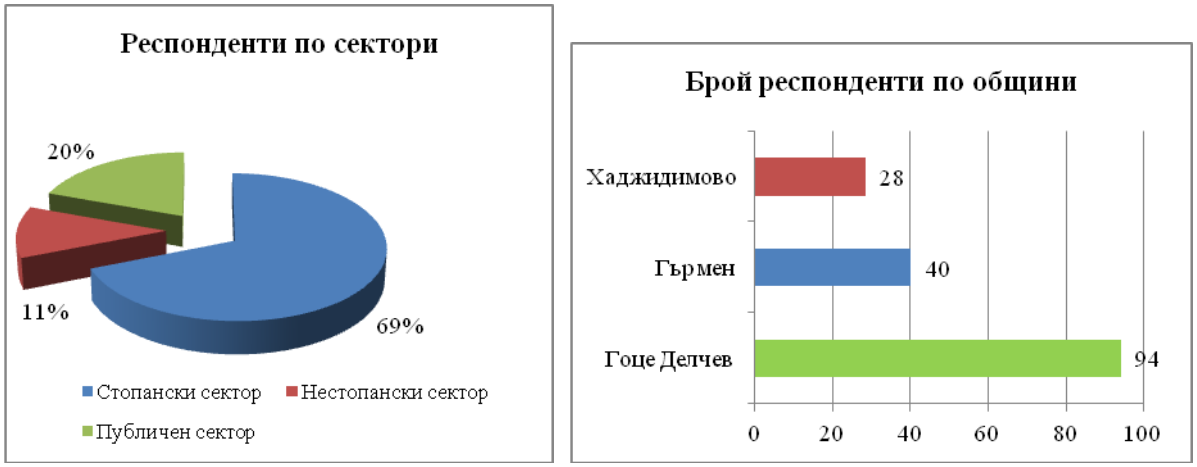


Figure 2: Respondents of the poll among the stakeholders

In addition, we conducted research within the business sector within the LAG territory in order to

[3] Address: https://www.facebook.com/Местна-инициативна-група-Гоце-Делчев-1756269841263737/?fref=ts

identify any existing interest in and potential for realization of any Innovation and Competitiveness Operational Programme or Human Resources Development Operational Programme projects.

Information meetings and conferences

In addition to the polls and questionnaires, stakeholders and the local community was included in the development of the Strategy through numerous information meetings and consultations carried out through the entire development period for the Strategy. A total of **9 information meetings and conferences** were conducted throughout February and March, 2016 in the municipal centers and villages of the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities. During those 9 events members of the Strategy development team presented detailed information about the CLLD method, requirements, and specifications of the Strategy for the 2014-2020 period, as well as measures and activities that can be included in the document. For that very purpose, the team prepared detailed materials listing all the appropriate measures that can be included. These materials were given out during the meetings and were available for further inspection in all three municipal administrations. Questionnaires were handed out during these meetings in order to identify potential beneficiaries within the LAG territory and the potential for implementing their project ideas within the frameworks of the CLLD Strategy. Every meeting included a discussion about opportunities to realize projects for the Strategy and the requirements a beneficiary and their project proposals should meet, such as the development of a measure for conservation and development of the territory, adding measures from Innovations and Competitiveness Operational Programme, opportunities for aid for innovative ideas under the Human Resources Development Operational Programme, and others.

Consultative meetings

During the next stage of Strategy preparation we carried out **5 consultative meetings** with project partners, municipal managements and stakeholders to whom the LAG team presented a draft of strategic framework and Strategy budget prepared using the results of the conducted poll and information meetings – measures and their distribution within the limits of permitted public participation that every programme includes. The meetings were productive – during the discussions there were suggestions coming from stakeholders regarding the range of the measures and their position in the Strategy budgeting – and documented in a timely fashion. We conducted **3 additional consultative meetings** – with representatives of the Labor Bureau and Gotse Delchev Social Assistance Directorate (which also covers Garmen and Hadzhidimovo Municipalities), SMI members and Gotse Delchev Entrepreneur Association. During these additional consultative meetings we discussed the need for adding of certain ICOP and HRDOP and their development potential from the perspective of potential beneficiaries and project ideas.

Trainings

We conducted 5 one-day training in May 2016 – three training for local leaders in the three municipalities which involved the participation of mayors from the villages, municipal councilors, community center chairmen, active NGOs, key business owners from the three municipalities, and others; and 2 trainings for the LAG team. The purpose of these trainings was to provide target groups with the necessary skills to apply the CLLD method and execute the Strategy in accordance to all applicable normative documents and requirements for the 2014-2020 period.

Public discussions

We conducted **4 public discussions** of the CLLD Strategy. Three of the discussions were carried out during April 2016 when we discussed the Strategy, its final strategic framework, and budget for

measures within the Strategy in the three municipal centers of the LAG territory and in May 2016 we conducted a final public discussion of the Strategy project prior to its submittal for approval by the municipal councils of the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities. Stakeholders approved the Strategy project and accepted the distribution of the measures presented during the public discussions.

As a conclusion, during the period of February – May 2016, the following meetings, discussions and trainings were conducted as a part of CLLD Strategy development process (presented in the next page):

Summarized information about the meetings and discussions held with stakeholder

Type of meeting	Sub-activity	No. of meetings	Date of meeting	Venue of meeting	No. of participants	Stakeholders presented
Information meetings and conferences						
Information day	1.1	3	12.02.2016	Gotse Delchev town Garmen village Hadzhidimovo town	54 33 30	All groups of stakeholders
Information meeting	1.3	3	29.02.2016	Hadzhidimovo town	26	Commercial sector (Panel 1) Non-commercial and public sector (Panel 2)
			01.03.2016	Gotse Delchev town	103	
			02.03.2016	Garmen village	47	
Information conference	1.4	3	16.03.2016	Ablanitsa village, Hadzhidimovo Municipality	53	All groups of stakeholders from the small settlements within the municipalities
			17.03.2016	Dabnitsa village, Garmen Municipality	55	
			18.03.2016	Breznitsa village, Gotse Delchev Municipality	53	
Consultative meetings						
Work meeting for consultations with municipal officers and the leaders of participating municipalities and with project partners	4.1	2	08.04.2016	Gotse Delchev town	17	Public sector / local administration – municipal officers and leaders of Gotse Delchev Municipality
			10.04.2016	Ognyanovo village, Garmen Municipality	16	Public sector / local administration – municipal officers and leaders of the

Type of meeting	Sub-activity	No. of meetings	Date of meeting	Venue of meeting	No. of participants	Stakeholders presented
						municipalities of Hadzhidimovo and Garmen and the project partners
Information meeting for consultations with local communities and stakeholders	4.3	3	11.04.2016	Hadzhidimovo town	24	All groups of stakeholders
			11.04.2016	Garmen village	21	
			12.04.2016	Gotse Delchev town	33	
Additional consultative meetings						
Work meeting for consultations with representatives of the Labour Bureau and Social Support Directorate – for HRDOP	-	1	14.04.2016	Gotse Delchev town	4	Partners - Labour Bureau and Social Support Directorate
Work meeting for consultations with representatives of SMEs – for ICOP and HRDOP	-	1	14.04.2016	Gotse Delchev town	5	Commercial sector – enterprises outside the agricultural sector
Work meeting for consultations with the Association of Entrepreneurs of Gotse Delchev Region – for ICOP and HRDOP	-	1	14.04.2016	Gotse Delchev town	13	Commercial sector – enterprises outside the agricultural sector
Public hearings						
Public hearing	4.4	3	18.04.2016	Gotse Delchev town Garmen village	30 19	All groups of stakeholders

Type of meeting	Sub-activity	No. of meetings	Date of meeting	Venue of meeting	No. of participants	Stakeholders presented
				Hadzhidimovo town	27	
		1	18.05.2016	Gotse Delchev town	57	All groups of stakeholders
Total number of participants in information and consultative meetings and in public hearings					**720**	**All groups of stakeholders**
Trainings						
Training of the team of LAG, incl. representatives of partners (one-day)	2.1	2	26.05.2016	Gotse Delchev town	14	LAG team, incl. representatives of partners
			27.05.2016	Gotse Delchev town	36	
Обучение на местни лидери (еднодневно)	2.2	3	17.05.2016	Hadzhidimovo town	23	Local leaders of Hadzhidimovo Municipality
			17.05.2016	Garmen village	22	Local leaders of Garmen Municipality
			18.05.2016	Gotse Delchev town	22	Local leaders of Gotse Delchev Municipality
Total number of participants in trainings					**117**	**-**

Table 1: Meetings and discussions held with stakeholders

2.2. Groups/sectors and stakeholders who participated in the Strategy development:

At the early stage of the Strategy development, we identifies the main groups of stakeholders (described in Chapter 3.2) who have can play a role in the CLLD Strategy as *future beneficiaries* and/or *partners* in the preparation of the Strategy both as individuals and organizations who best know the problems of the LAG territory and the need for certain remedying actions and who best can present adequate information and resources for the Strategy's development. All groups were included in the survey and actively contributed, during meetings and discussions, for the preparation of the Strategy through their comments regarding main problems, needs, and suggestions for the range of measures, activities, as well as suggestions for the responsible distribution of the budget for measures and project evaluation criteria. A portion of the work meetings were carried out in the form of two work panels involving representatives of different stakeholder groups – one with members of the commercial sector and one with members of the non-profit and public sectors from the LAG territory for the purpose of discussing specific measures and activities relevant to the respective sector, specifics and funding parameters.

3. Description of the region situation at the moment of application

3.1. Analysis of the needs and development potential of the territory:

The needs and potential for development of the LAG territory were derived from a detailed analysis – an annex to the current strategy – and can be summarized in the following directions:

1) **Potential of natural and cultural resources, and region location**

- opportunity for capitalizing on the strategic location of the region in the form of cross-border partnership with Greece – fast access to the seaport town of Kavala, Greece through a border checkpoint in close proximity to the area;
- good ecological parameters (air, soils, noise, low levels of pollution) which permit the development of ecological farming and ecotourism;
- substantial forest fund which provides opportunities for development of year-round tourism and recreation, hunting tourism, grazing grounds for livestock, hay and fodder, gathering of herbs, medicinal plants, forest fruit, mushrooms, and others;
- opportunities for the development of water resources (Mesta River, mineral springs, lakes and water basins) in the form of water sports, fishing, and SPA tourism;
- various natural landmarks and protected areas preserving members of rare and dying species which can be foundations for the development of ecotourism;
- need for a utilization of the various material and non-material cultural and historical resources for tourism purposes, including restoration, research, access optimization, popularization and exposure.

2) Potential for economic development – agriculture, industrial sector, services sector:

- development of potential by strong entrepreneurial spirit, decades of traditions in the branches of the processing industry (light, textile, clothing, footwear, and others) and foreign investors;
- need for increasing competitiveness of the agricultural sector through consolidation of farmsteads, modernization of the technical inventory, introduction of new standards, and a production market focus;
- need for the establishment of new high tech and innovative productions with high added value and export potential;
- favorable age and educational structure of the population which in turn presents potential for the development of prospective economic sectors;
- development of the current infrastructure and business-supporting organizations;

- utilization of the high development potential ecological farming;
- improvement of the existing infrastructure of water resources used for irrigation as well as rural roads;
- need for a more active development and modernization of the food industry (processing enterprises), and in particular – the milk, meat, vegetable, perennial plants, herb production sector;
- need for the modernization of the animal husbandry sector by introducing new technologies, automation of production, and better market orientation;
- existence of various natural, cultural, and historical resources and traditions for developing the tourism sector;
- existence of professional schools which create trained assets for some business sectors;
- very high development potential of the services sector through tourism, trade, and the development of local crafts.

The following businesses function on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG in 2014:

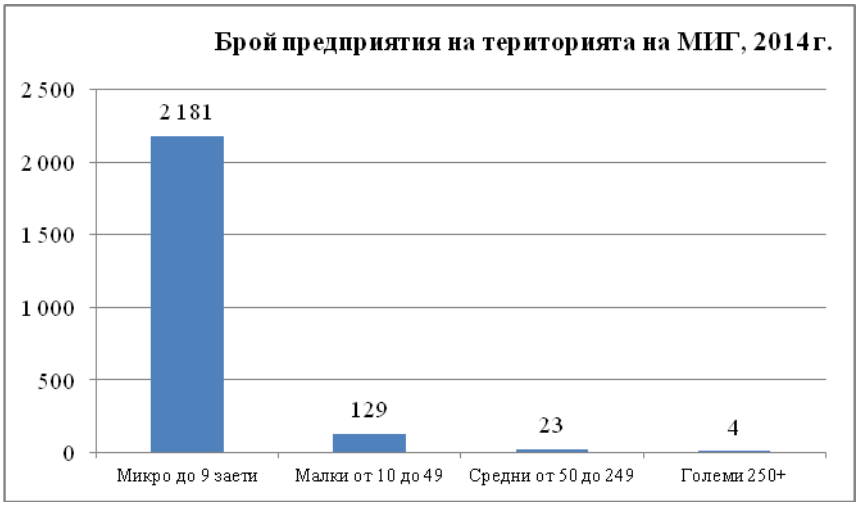


Figure 3: Number of businesses within the LAG territory divided into categories, 2014, NSI

The figure shows that **more than 2000 microenterprises** function on the LAG territory in 2014 which are eligible beneficiaries for the RADP (Measure 3-6.4, mentioned in Chapter 5 of the current Strategy) and more than 150 small and medium enterprises from the three municipalities are eligible beneficiaries for the measures included in the ICOP. As stated is Strategy Measure 5, focused on the implementation of ICOP Priority Axis 2, candidate elligibility is determined on the basis of the code of their primary economic activity and whether they fall in one of the following sectors according to Classification of Economic Activities 2008 (CEA-2008):

- High- and medium-tech industrial productions;
- Low-tech and medium low-tech industrial productions;
- Knowledge-demanding services.

The following non-confidential NSI data (presented in the table and graph) informs that a total of **347 LAG-located enterprises are developing according to the ICOP-eligible CEA-2008 sectors**. That makes them potential beneficiaries under Measure 5 of the Strategy. A large part of them expressed interest in participating during the stakeholders surveys and polls.

CEA-2008 Code	CEA-2008 Sector	No. of enterprises
C10-C12	CA Production of foodstuff, beverages, and tobacco products	68

C13-C15	Production of textile and clothing; leather processing; footwear production; production of other goods from leather (without hair)	124
C16-C18	CC Production of wooden material, paper, cardboard, and products made from them (except furniture); printing activity	41
C20	CE Production of chemical products	*Confidential*
C22-C23	CG Production of goods made from rubber, plastic, and non-metal mineral raw materials	29
C24-C25	CH Production of basic metals and metal products (except machines and equipment)	11
C26	CI Production of computers and communication equipment; electronic and optical products	*Confidential*
C27	CJ Production of electric installations	*Confidential*
C28	CK Production of machines and equipment with general and special functions	*Confidential*
C31-C33	CM Production of furniture; production of goods not falling in any other category; repair and install of machines and equipment	43
58-J60	JA Publishing activity, production of audio-visual goods, radio and television activity	7
J61	JB Telecommunications	7
J62_J63	JC Activities in the field of information technologies and services	17
M72	MB Research and development activities	*No cases found*
TOTAL number of enterprises		**347**

Table 2: Number of enterprises on the LAG territory, divided into CEA-2008 codes, 2014, NSI

Key of the colors with respect to sectors eligible for funding under the ICOP Priority Axis 2

	High- and medium-tech industrial productions
	Low-tech and medium low-tech industrial productions
	Knowledge-demanding services

Data for enterprises in *high- and medium-tech industrial productions* are classified but it can be assumed that a certain number of them exist on the LAG territory. When it comes to the other two sectors, the number of enterprises that operate in the *low-tech and medium low-tech industrial productions* is higher*:*

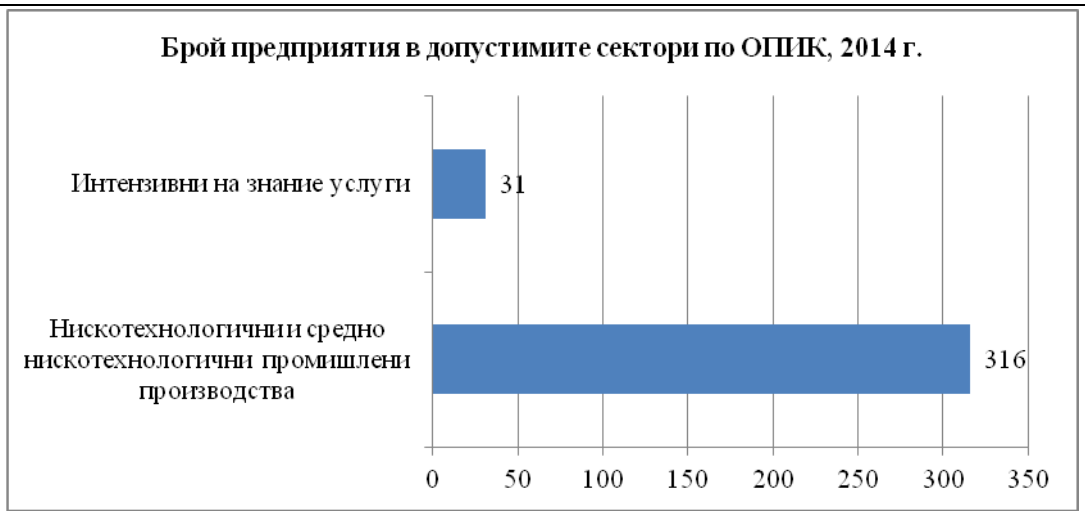


Figure 4: Number of enterprises on LAG territory operating in the ICOP sectors eligible for funding, 2014, NSI

It is evident from the data presented that the Gotse Delchev – Garmen – Hadzhidimovo LAG possesses **big potential for ICOP project realization** with respect to beneficiary eligibility and the **SME declared interest for activities involving innovations and technological modernization** first documented during the conducted meetings and surveys among stakeholders. That is why two measures have been included in the current CLLD Strategy with ICOP funding as described further down in this document.

3) Potential for development of the social field, incl. education, healthcare, human resources, culture, and sport

- relatively favorable demographics of the population which present potential for socio-economic development and diversification of the economic activities across the LAG territory;
- good educational structure of the population, good educational stability through facilities and educators (incl. professional high schools) which is a prerequisite for the development of the high-tech and knowledge-demanding economic sectors;
- need for strengthening the cooperation between business and local professional high schools and educational centers;
- good social service coverage, existence of clear plans for development of new and expansion of existing social services;
- utilization of the opportunities for partnership with the non-government center in terms of social services;
- identified needs for optimization of healthcare coverage and service in some small and remote villages;
- identified needs for improvement of the material base of some educational centers (pre-schools and schools);
- need for social inclusion of vulnerable groups for the purpose of avoiding social isolation;
- need for taking actions to provide better access to social and health services for marginalized communities for the purpose of integration and improvement of the general life quality of the community;
- need for an improvement in the material and technical base of community centers;
- rich cultural and sporting traditions as well as material and non-material cultural and historical heritage present strong potential for the development of cultural and historical events and the conducting of events to preserve the local life and culture;
- need for motivation of the local community to promote the region and maintain the material and non-material cultural and historic heritage by organizing festivals, tourism expositions,

fairs, participation in national and international events, by providing tourist information, by advertising, promoting and popularizing the cultural and historical heritage and local crafts, customs, and traditions through innovative events involving tourist participation

4) Potential for development of the LAG territory infrastructure

- need for a modernization of the water and sewage systems in almost all settlements, incl. the construction of treatment facilities;
- need for improvement of the street and road network in some settlements;
- need for an increase and maintenance of grassy areas in some settlements;
- need for improvement of the sport infrastructure incl. in schools
- need for implementation of measures for energy efficiency, energy conservation, and thermal isolation of old residential and public structures, incl. an introduction of renewable and alternative energy sources.

3.2. Identified stakeholder groups from the LAG territory:

From the very early stages of Strategy development, we identified the main groups of stakeholders who we then included in the preparation process. Stakeholders were divided into two groups on the basis of their role in the Strategy development process:

- *potential future beneficiaries of Strategy projects* (taking into consideration the eligible beneficiaries under the measures that can be added to the RADP and other CLLD-participating programmes) who will contribute their ideas and opinions about the main needs and problems of the territory, will provide priorities and measures to be included in the Strategy, and who are expressing interest in future participation in measure development and implementation;
- *partners in the Strategy preparation* (without being potential beneficiaries), which provide output information for its development, are actively participating in discussions about the problems and needs of the territory, and are, whenever possible, giving an opinion about the potential of future Strategy measures.

Main Stakeholder group	Role in Strategy preparation
Commercial sector	
1. Agricultural producers	Potential beneficiaries under RADP
2. Enterprises in non-agricultural sectors (microenterprises and SME)	Potential beneficiaries (microenterprises under RADP, SME under ICOP and HRDOP)
Non-profit sector	
3. Community centers and other cultural organizations	Potential beneficiaries (under RADP and HRDOP)
4. Organizations in the field of social inclusion of marginalized communities	Potential beneficiaries (under HRDOP)
5. Non-government organizations in other fields *(tourist associations, sports clubs, eco-organizations, educational organizations, local religions organizations, and others)*	Potential beneficiaries (under RADP, HRDOP, and EOP)
Public sector	
6. Local administration *(municipal management*	Potential beneficiary (under

staff, municipal administration, municipal councilors, mayors and mayoral executives)	RADP and EOP)

Table 3: Stakeholder groups

Additionally, the following groups of stakeholders took part in the Strategy development process as partners:

Additional stakeholder groups	Role in Strategy preparation
1. Civil sector (*retirees, unemployed individuals, and othrs*)	Partners and potential users of the project's results
2. Educational and healthcare institutions	Partners
3. Local institutions *(Labor Bureau, Social Assistance Directorate, Regional Forestry Directorate, Municipal Forestry Services, TSB, and others)*	Partners

All groups of stakeholders were involved in the Strategy preparation process through their participation in the carried out surveys, information and consultative meetings, and public discussions. *Local institutions* took part in the process by contributing with up-to-date statistical information required for the Strategy analysis and by participating in the meetings and providing opinions about the effectiveness and applicability of the suggested measures (without being potential beneficiaries), alongside the educational and healthcare institutions and the civil sector. *Owners and managers of forests* were also identified as stakeholders, but as a part of the other primary stakeholder groups considering that the owners and managers of forests can be legal entities, physical entities, or the municipality itself. The questionnaire contained a question specifically designed to identify potential beneficiaries under the so-called forestry measures of RADP[4].

The following figure clearly shows the wide range of the survey with respect to stakeholders included:

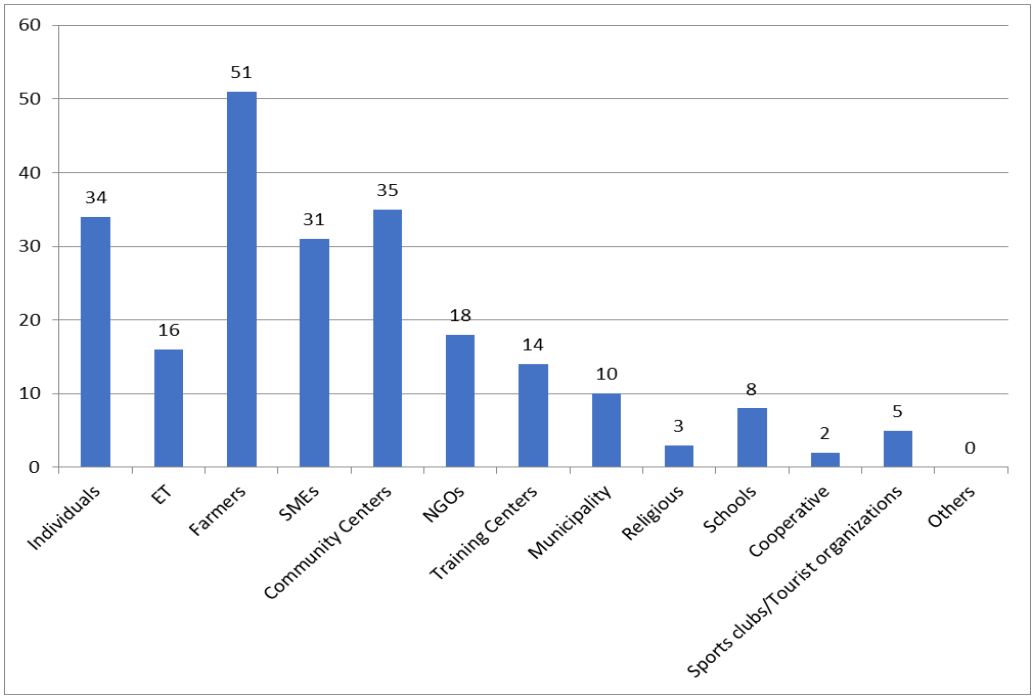


Figure 5: Interviewed persons divided by categories of stakeholders

[4] Sub-measures of Measure 8 „Investments in forestry areas development and improvement of forest vitality" from RADP

3.3. Analysis of strengths, weaknesses, opportunities, and threats:

The SWOT analysis of the Gotse Delchev – Garmen – Hadzhidimovo LAG territory evaluates the impact of internal and external factors of the environment in which the three municipalities function. The influence of the environment provides favorable opportunities for development and less severe potential threats from unfavorable factors. The strengths and weaknesses, opportunities and threats derived by the analysis have been taken into consideration and serve as a starting point for the development of the strategic framework of the CLLD Strategy of the LAG.

Strengths	Weaknesses
• Favorable geographic location and proximity to the Bulgarian-Greek border, Ilinden Border Checkpoint, the seaport of Kavala, all good grounds for a stronger cross-border partnership and economic relations. • Abundant water resources, incl. mineral waters. • БFavorable conditions for agricultural development – both animal husbandry and crop growing – in most parts of the LAG territory • Rich cultural and historical heritage possessing high tourism potential • Availability of strong natural potential, incl. a well-developed network of protected areas, reserves, and biodiversity-rich areas. • Rich cultural and sporting traditions, incl. regional and national events and activities. • Favorable educational structure of the population and the towns of the LAG, strong network of educational facilities and educators in Gotse Delchev Municipality. • Relatively favorable demographic structure of the population compared to the country average which provides potential for socio-economic development and diversification of the economic activity on the LAG territory. • Good educational structure of the population in the towns of the LAG territory, a strong network of educational facilities and educators (incl. professional high schools) which	• Remoteness of the region with respect to the geographic location of the main urban centers of the country. • High levels of unemployment in some parts of the LAG territory. • Migration of young, educated individuals. • Poor condition of some healthcare and sport facilities. • Poor condition of the street and road network in some parts of the LAG territory. • Fragmentation and weak competitiveness of farms. • Undeveloped animal husbandry sector – outdated material and technical base. • Inadequately developed food industry. • Symbolic presence of high-tech, export-oriented, and innovative productions with high added value. • A majority of industrial branches with low productivity and efficiency. • Weak competitiveness of the agricultural sector, outdated material and technical base. • Poor condition of the material and technical base of community centers.

provide grounds for the development of the high-tech and knowledge-demanding economic sectors. • Good social, healthcare, and educational infrastructure • Decent levels of economic activity among the urban population • Availability of active enterprises of all categories (micro, small, medium, and large enterprises) across the LAG territory. • Ongoing development of the LAG economy in the processing industry sector. • Availability of diverse specializations in high schools possessing the potential to satisfy the needs of local businesses. • Lack of large concentrations of minorities with specific problems and social needs in most of the territory. • High entrepreneurial spirit, years of traditions in the branches of the processing industry, and foreign investors. • Favorable demographic and educational structure of the population as a factor for business development. • Existence of entrepreneurial mechanisms promoting business and cross-border relations with neighboring countries. • Good waste management system – existence of a regional household waste landfill meeting all contemporary requirements; separate disposal of waste and purchasing of recyclable waste. • Good ecological factors (air, soils, noise, low levels of pollution) which permit the development of ecological farming and ecotourism.	
Threats	**Opportunities**
• Impact of the global economic crisis on the local economy, labor market, unemployment levels, and income of the population. • Lack of financial resources in the municipal and national budget to realize local plans and development strategies.	• Opportunity for utilization of the strategic location of the region in terms of developing cross-border cooperation with Greece – close proximity of a border checkpoint, quick access to the seaport of Kavala, Greece. • Substantial forest fund which creates

• A state of lagging in terms of technological modernization and development of high-tech and innovative productions in the processing and agricultural branches. • Migration of young, educated individuals from across the LAG territory. • Insufficient assimilation of EU funding for development programmes. • Inadequately developed cross-border relations. • Intensification of emigration processes. • Deterioration of the age structure of the population in some parts of the LAG territory.	opportunity for the development of all-year-round tourism and recreation, hunting tourism, grazing grounds, hay and fodder production, gathering of herbs, medicinal plants, forest fruit, mushrooms, and others. • Opportunities for the development of water resources (Mesta River, mineral springs, lakes, and water basins) in terms of water sports, fishing, and SPA-tourism. • Various natural landmarks and protected areas with members of rare and dying species which provide the grounds for the development of ecotourism and cognitive tourism. • Opportunity for the utilization of the variety of material and non-material cultural and historical resources for tourism purposes through restoration, research, improved access, popularization, and exposure. • Development of the potential originating from the strong entrepreneurial spirit, years of tradition in the branches of the processing industry (light, textile, clothing, footwear, and others) and foreign investors. • Opportunities for the improvement of competitiveness of agricultural production through consolidation and modernization of the technical base, introduction of new standards and market-oriented productions, incl. using the EU Funds. • Addition of new high-tech and innovative productions with high added value and export potential to the local economy. • Guiding the support of local infrastructure and organizations towards businesses. • Development of the high growth potential of ecological farming, incl. using the EU Funds. • Improvement of the existing infrastructure of water resources used

	for irrigation as well as rural roads. • More active development and modernization of the food industry (processing enterprises) and in particular – the milk, meat, vegetable, perennial plants, herb production sector, incl. using the EU Funds. • Opportunity for the modernization of the animal husbandry sector by introducing new technologies, automation of production, and better market orientation, incl. using the EU Funds. • Development of local crafts in a more tourism-oriented direction. • Opportunity for cooperation between the business sector and local professional high schools and educational centers. • Opportunities for expansion of the coverage and introduction of new social services on the basis of the already developed plans for the purpose of including vulnerable groups and avoiding the risk of social isolation. • Utilization of the partnership opportunities between the region and the non-government sector for the purpose of offering additional social services. • Optimization of the healthcare service in some smaller more remote settlements. • Improvement of the material base in some educational centers (pre-schools and schools). • Opportunity for a modernization of the material and technical base of community centers. • Opportunity to motivate the local community to promote the region and maintain the material and non-material cultural and historic heritage by organizing festivals, tourism expositions, fairs, participation in national and international events, by providing tourist information, by advertising, promoting and

	popularizing the cultural and historical heritage and local crafts, customs, and traditions through innovative events involving tourist participation • Need for modernization of the water and sewage systems in almost all settlements, incl. construction of treatment facilities. • Need for an improvement in the condition of the street and road network in some settlements. • Need to increase the size of grassy areas and provide better maintenance for them in some settlements. • Need for improvement of the sport infrastructure, incl. in schools. • Need for introduction of measures for energy efficiency, energy conservation, and isolating of old residential and public structures, incl. the addition of renewable and alternative energy sources.

3.4. Needs of vulnerable groups and minorities if present:

During the development of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG, we examined the main risk groups on the territory of the municipality as well as their needs and problems in order to prepare adequate measures that could help their situation. The current CLLD Strategy aims at making an impact on the whole territory and complete population. Therefore, we did a review of the municipal sectoral policies in the field of social services and integration activities. The majority of risk groups on the LAG territory have been addressed by a number of social services in their home and public environments (incl. residential type of services) and we've planned measures to remedy the detected problems. During the development process of the current Strategy, **we did not detect the presence of minorities** in large concentration on the territory of the Gotse Delchev – Garmen – Hadzhidimovo LAG. However, we identified the following primary **marginalized communities** (ethnic groups, vulnerable or at risk):

1. **Ethnic groups**

Members of the Turkish and Roma communities are the main ethnic groups with considerable presence on the territory of all three municipalities, according to the statistical data from the 2011 National Census and the ethnic self-definition of individuals. The number of people who stated they belong to the Turkish ethnic community is quite large – twice as many compared to the national levels, and as for the Roma – the number is slightly less than the country's average percentage of Roma population. The Turkish ethnic community is not defined as marginalized but the **Roma ethnic group has been identified as high-risk**, due to the fact that the Roma community is facing a number of problems in terms of residential availability and living conditions, access to education, access to social and healthcare services, literacy of the population, employment, and others.

The current Strategy confirms the predictions of the *2015 - 2017 municipal action plans of Gotse Delchev, Garmen, and Hadzhidimovo for implementation of integration policies*, focused on the completion of the following priorities deemed necessary for the **integration of individuals from**

risk ethnic groups into the life of the community:

- education;
- healthcare;
- living conditions;
- employment and social inclusion;
- law neutrality and non-discrimination;
- culture, sport, and media.

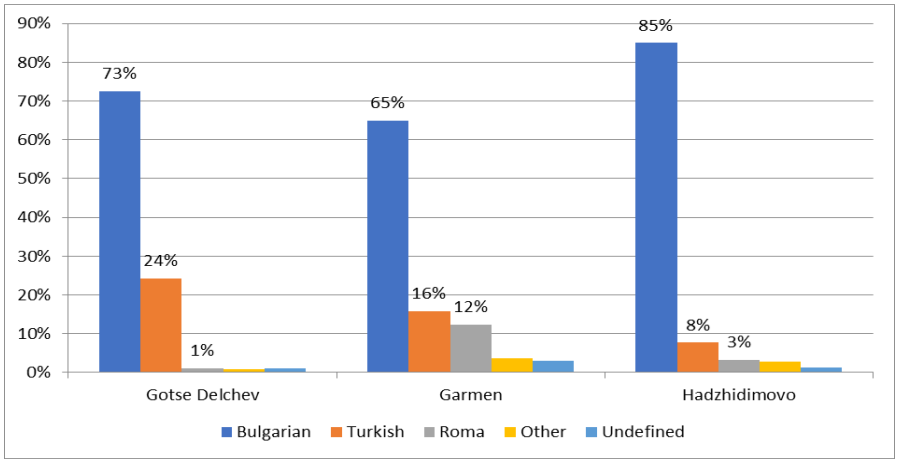
The CLLD Strategy includes *Measure 10 "Integration of marginalized communities"* with planned activities covering most of the above-mentioned priorities of the municipal plans for integration policies. Higher priority will be given to projects whose activities focus on the Roma people who are considered as a high-risk ethnic group on the territory of the LAG and who have the following distribution and ratio to the total population of the area:

Ethnic structure of the LAG territory as of 01.02.2011

Area	No. of respondents	Ethnic identity (of the respondents)				
		Bulgarians	Turks	Roma	Other	Undefined
Gotse Delchev Municipality	**28 140**	**20 424**	**6 820**	**318**	**263**	**315**
% of respondents		*73%*	*24%*	*1%*	*1%*	*1%*
Garmen Municipality	**11 176**	**7 262**	**1 774**	**1 386**	**419**	**335**
% of respondents		*65%*	*16%*	*12%*	*4%*	*3%*
Hadzhidimovo Municipality	**7 961**	**6 763**	**615**	**263**	**219**	**101**
% of respondents		*85%*	*8%*	*3%*	*3%*	*1%*
LAG total	**47 277**	**34 449**	**9 209**	**1 967**	**901**	**751**
% of respondents		*73%*	*19%*	*4%*	*2%*	*2%*
Republic of Bulgaria	**6 680 980**	**5 664 624**	**588 318**	**325 343**	**49 304**	**53 391**
% of respondents		*85%*	*9%*	*5%*	*1%*	*1%*

Table 4: Ethnic Structure of the LAG territory as of 01.02.2011

The data from the table above come from the National Census of the NSI from 2011. All the participants of the census voluntarily provided information about their *self-defined* ethnicity. This leads to the assumption, that perhaps not all member of the Roma ethnic group have states their ethnicity and the number of Roma on the LAG territory is therefore higher.



The highest number of Roma people are concentrated in Garmen Municipality where their ratio to the total number of Census participants is twice as high as the average for the country with an increase of their numbers to 1900 as of 2015. 700 of them are concentrated in the Kremikovtsi neighbourhood – outside of the Garmen Village jurisdiction. The municipality is constantly working on improving the living standards of the Roma population. The neighborhood has received electrification, external water supply system and plumbing. A new social center was also constructed with resources from Garmen Municipality.

Roma population by age	0-9	10-19	20-29	30-39	40-49	50-59	60-69	Над 70
Gotse Delchev Municipality	50	62	49	34	35	18	11	-
Hadzhidimovo Municipality	51	63	50	34	35	18	12	-

Table 5: Roma population of the LAG territory divided into age groups as of 01.02.2011

In terms of age, the most numerous age group of Roma people is that of ages 10 to 19, followed by children of age 9 or younger and that of people ages 20 to 29. The concentration of Roma people in younger age groups indicates the need for immediate action to integrate them into the educational system of the country and to ease their access to the healthcare and social services that they need. It is for this very reason that the current CLLD Strategy gives priority to Measure 10 projects focusing on activities and services that integrate *Roma children and young people of ages until 29* across the LAG territory.

2. **Vulnerable groups:**

a) Individuals and children with disabilities;

b) Families with children, incl. children with disabilities;

c) Elderly people and people living alone.

The total number of people with disabilities from across the LAG territory is **2 133**, divided into the following categories:

Type of disability	Total number	Distribution of individuals with permanent disabilities into age groups		
		younger than 18 /number/	18 to 65 /number/	older than 65 /number/
Individuals with physical disabilities	**615**	**41**	**343**	**231**
Individuals with sensory disabilities	**277**	**26**	**152**	**99**
Individuals with intellectual disabilities	**256**	**31**	**188**	**37**
Individuals with another type of disability	**985**	**35**	**577**	**373**
Total number of individuals with disabilities for the LAG	**2 133**	**133**	**1 260**	**740**

Table 6: Individuals with disabilities across the Gotse Delchev – Garmen – Hadzhidimovo LAG

The highest number of people with disabilities is that of individuals ages 18 to 65. People with disabilities account for 4% of the total LAG population and, respectively, of Gotse Delchev and Hadzhidimovo Municipalities. Garmen Municipality has the smallest share – 3%. The highest number of individuals with disabilities is that of ages 18 to 65, followed by the number of disabled

people over 65. The latter usually experience difficulties in caring for themselves which is also attributed to their advanced age and diseases, which automatically makes them the most vulnerable group of people with disabilities.

With respect to the needs and wants of the above-mentioned vulnerable groups, the CLLD Strategy has measures that coincide with the **district strategy and the municipal strategies for the development of social services** of the target municipalities until 2020. Said strategies plan for a concentration of investments in the following priority sectors, covered by the CLLD Strategy:

- *Prevention and services for children and families at risk;*
- *Development of social services for social inclusion of vulnerable groups and individuals in disadvantaged situations;*
- *Elderly care;*
- *Human Resources Development.*

The 2020 District Strategy for Social Services Development predicts an expansion of the available social services in all three municipalities and an introduction of new social services in Gotse Delchev Municipality with a range of the entire LAG territory (as a part of the Blagoevgrad District territory):

- *Family-type placement center (FTPC) for people with mental disabilities;*
- *Crisis center for children and individuals that are victims of violence, traffic, or another form of exploitation;*
- *Center for social rehabilitation and integration of people with disabilities.*

There are plans for the following new social services for Gotse Delchev Municipality:

- Public kitchen for elderly people living alone, retirees with low incomes, disabled people with low income, and others;
- Social Services Bureau for the elderly, people living alone, and people with disabilities;
- Social assistant for people with permanent disabilities, with severe health conditions who can't or are experiencing significant difficulties in taking care for themselves;
- Home assistant for people with permanent disabilities, with severe health conditions who can't or are experiencing significant difficulties in taking care for themselves.

There are plans for the following new social services for Garmen Municipality:

- FTPS for elderly people.

In all three municipalities of the LAG territory there are social services offered to people with disabilities and other vulnerable groups but often these services are insufficient and a large number of the individuals at risk are not covered in the assistance system, incl. the personal assistant and home assistant services.

The CLLD Strategy includes a **Measure 11 "Better access to sustainable services for social inclusion of people with disabilities and people living alone"**. This Measure plans the establishment of social and healthcare services, both innovative ones and supplements to the old ones (listed above), for the people with disabilities and people experiencing difficulties in taking care for themselves, but most importantly – for the people that remain outside the social services system of the LAG territory. Priority will be given to project proposals that include activities that can be connected with the planned new services for the whole LAG territory or just for a single municipality according to the district and municipal strategies for social services by 2020.

Additionally, all infrastructural projects within the CLLD Strategy frameworks of Gotse Delchev – Garmen – Hadzhidimovo LAG will be implemented in compliance with the Bulgarian Territorial Structure Act (TSA) and the conditions for ensuring access to individuals with disabilities, thus contributing for the improvement of their living conditions and quality of life.

d) Unemployed individuals

In 2015 the number of unemployed individuals on the LAG territory was **3264.89 of which having reduced working capacity** (unemployed individuals with disabilities):

Municipality	2015			
	Total No. of unemployed individuals	With reduced working capacity	% of total number of unemployed	Percentage of unemployment
Gotse Delchev	1 321	41	3%	8.5%
Garmen	1 131	38	3%	16.4%
Hadzhidimovo	813	10	1%	17.6%
LAG total	**3 264**	**89**	**3%**	**14.17%**

Table 7: Unemployed individuals on the Gotse Delchev – Garmen – Hadzhidimovo LAG territory

The average unemployment rate of the LAG territory (14.17%) is higher than the average for Blagoevgrad District (10.3%) and the country's average (9.1%) which turns unemployed people into one of the main vulnerable groups, which requires the identification and introduction of measures to meet their needs and wants. Additionally, 3% of all unemployed individuals across the LAG territory have reduced working capacity. Finding work is a hard task for these people especially in smaller settlements where work places are fewer and less diverse. In order to meet the needs and wants of unemployed individuals, including the ones with disabilities, the CLLD Strategy of the LAG predicts Measure 8 **"Better access to employment for unemployed individuals, incl. individuals with disabilities, and altering the work force to Better Suit the Needs of Businesses"** which strives to help unemployed individuals start their own business with priority for projects focused on services for unemployed people over 54 and/or unemployed people with reduced working capacity who find it the hardest to find employment and, even more so, to start their own business.

Through the above-mentioned, HRDOP-funded measures, the CLLD Strategy for the LAG is focused on **fulfilling the needs and wants of vulnerable and ethnic risk groups**, stated by stakeholders during the meetings and polls:

- Development of preventive healthcare.
- Responsibility towards health among young people and marginalized communities.
- Raising awareness and improving the opportunities for social services.
- Relocation of elderly people in the center – especially those who require helping devices.
- Construction of ramps, elevators, and other means of access to public buildings and areas for people with disabilities.
- Better means of transportation for students of Roma ethnicity.
- Better access to employment for all age and social groups.
- Integration of minorities, incl. Roma and refugees.
- Assistance for unemployed individuals over 54.
- Providing healthcare and family consultation of Roma people.
- Social inclusion for people with disabilities, especially severe cases.

The completion of the goals set in the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG will contribute to the betterment of the quality of life and general living environment of the total population of the municipalities, including all social and ethnic groups at risk.

4. Goals of the Strategy

4.1. Goals of the Strategy and development priorities for the territory:

The CLLD method is applied through the implementation of integrated multi-sector strategies, based on the characteristics of the specific territory and developed around the local needs and potential in compliance with national, regional, and local policies, including desegregation and deinstitutionalization policies.

The CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG is based entirely on the local needs and potential derived as a result from the socio-economic surveys and discussions with stakeholders. One of the main topics in the questionnaire and the conducted meetings and discussions was the main problems and needs of the LAG territory, as well as the Strategy's priorities. The opinions and suggestions of stakeholders are the basic for determining the goals and priorities of the current Strategy according to which the future of the LAG territory should be focused on stimulating *tourism development, support for businesses outside the agricultural sector, development of agricultural practices and assistance for the modernization of farms, improvement of the municipal infrastructure, combat unemployment, increase of the effectiveness of the working force, and others*[5] in order to overcome the detected problems, needs and weaknesses in the development of the three municipalities.

By taking the identified needs, wants, and characteristics of the three municipalities into consideration, the CLLD Strategy sets he following **COMMON STRATEGIC GOAL** for the development of the Gotse Delchev – Garmen – Hadzhidimovo LAG territory:

Sustainable development of the Gotse Delchev, Garmen, and Hadzhidimovo municipalities through stimulation of the local economy, improvement of the living environment and the quality of life, increase of the human resources capacity, and utilization of the local potential and identity of the territory.

The fulfillment of this common goal is to be carried out by focusing on the following territorial development **PRIORITIES**, incorporated in certain measures of the CLLD Strategy:

PRIORITY 1 – Sustainable development of the local economy

The first priority is focused on the development of the local economy. All three municipalities possess identified capacity as well as serious interests coming from potential beneficiaries under the Strategy in the fields of farming, development and processing of agricultural production, development of businesses outside the agricultural sector, and increase of micro-, small, and medium enterprises within the LAG territory. The priority includes the completion of 2 specific goals and 5 measures with funding from RADP and ICOP.

PRIORITY 2 – Improvement of the living environment by investing in updating small-scale infrastructures, preserving the local identify, cultural, historical and natural identity

The second priority is focused on the update of municipal infrastructure (educational, social, cultural, road, and other), which is expected to have a positive impact on the appearance of the three municipalities, thus attracting new business initiatives and investments that will better the population's quality of life. Investments in public infrastructure are particularly important for the revival of settlements, especially the ones further away from municipal centers where infrastructure tends to be outdated and amortized with very limited financial resources for improvement. In

[5] The identified needs and wants of the territory have been presented in detail in the social and economic study and the analysis of stakeholders; so the goals of the CLLD Strategy have been formulated.

addition, the priority includes plans for activities aiming to strengthen and preserve the local identity such as organizing festivals, recreating customs, celebrating traditional holidays, organizing gatherings, publishing folklore collections, and more activities striving to preserve and promote the cultural, historical, and natural heritage of Gotse Delchev – Garmen – Hadzhidimovo LAG. The priority includes the completion of 2 specific goals and 2 measures with funding from RADP and the European Agricultural Fund for Rural Development (EARDF).

PRIORITY 3 – Development of human capital through better access to employment, stimulation of entrepreneurial ideas and modern social services

The third priority is focused on the so-called "soft measures" for increasing the capacity and skills of unemployed individuals in order to make finding a job easier and support the development of entrepreneurial ideas, thus combating unemployment across the LAG territory, improving and diversifying the skills of employed individuals and increasing their productivity and effectiveness in the process, and providing support for the development of innovative and region-specific social services targeting individuals from marginalized groups. The priority includes the completion of 2 specific goals and 4 measures with funding from HRDOP.

4.2. Specific goals:

Each of the above-mentioned development priorities for the area will be realized through the completion of the following specific goals within whose framework the following measures of the CLLD Strategy have been developed:

Within the framework of PRIORITY 1:

- **Specific goal 1.1. – *Stimulating the sustainable development of agriculture across the territory of Gotse Delchev, Garmen, and Hadzhidimovo Municipalities***

The specific goal focuses on the sustainable development of agriculture in the three municipalities where the potential for establishing and modernizing existing competitive farms is very high. Agriculture, along with tourism, is one of the sectors with highest potential future development in the economy of the LAG territory which is the reason why it is experiencing the highest interest for future sustainability projects. Needs have been identified for the optimization of farms and increasing competitiveness through the introduction of new technologies in the agricultural production process and modernization of the existing technical base. The goal is to be realized through two measures – support for investments in farms and support for supplying the marked and processing and/or the development of agricultural products. The measures are to be funded from the RADP. Stakeholder and potential beneficiary interest was highest for those two measures and related projects for the LAG territory.

- **Specific goal 1.2 – *Diversification of the local economy through the development of non-agricultural activities in the fields of tourism and services and encouraging innovative ideas and the technological modernization of small and medium enterprises across the LAG territory***

. The second specific goal of Priority 1 is focused on the implementation of activities which would lead to the economic diversification of the covered municipalities by stimulating *the development of tourism* – the sector with the highest development potential in the entire LAG territory as well as *additional services in other areas* through the implementation of 1 measure which is to be funded by RADP. This specific goal will be realized with the help of two additional measures (with funding from ICOP) the purpose of which is to enhance competitiveness and to increase the *support for development of small and medium enterprises* on the territory of the three municipalities through

modernization of the existing machinery and equipment, introduction of standards, and development of innovative business ideas. The territory of the LAG has serious potential for the implementation of projects in ICOP-funded fields. This statement is supported by the high number of eligible potential beneficiaries from the processing industry which brings the highest added value to the LAG economy and the high interest displayed by businesses during the stakeholder analysis.

Within the framework of PRIORITY 2:

- **Specific goal 2.1 –** ***Stimulation of the development of the LAG territory through a renovation of all types of small-scale infrastructure***

The goal's framework contains a single measure, focused on the renovation of all small-scale infrastructure in the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities – cultural, educational, social, etc. An improvement in the appearance of settlements and a modern infrastructure meeting all current requirements for safety and environmental protection will lead to an increased life quality of the population and will bring in new investments in the LAG territory.

- **Specific goal 2.2 –** ***Strengthening and preserving the local identity by promoting the cultural, historical, and natural heritage of the Gotse Delchev – Garmen – Hadzhidimovo LAG territory***

This specific goal covers the implementation of a single measure which shares the goals of Regulation (EU) No. 1305/2013 and is focused on the preservation of the local identity of the LAG territory and the rich cultural and historical heritage of the three municipalities. Funding will be given to activities connected with organizing and holding cultural events, festivals, custom recreation, celebrating traditional holidays, organizing gatherings, publishing folklore collections, and other activities that strive to preserve and promote and cultural, historical, and natural heritage of the territory of the three LAG municipalities.

Within the framework of PRIORITY 3:

- **Specific goal 3.1 –** ***Providing better access to employment and better quality work places by training and educating unemployed individuals and supporting the development of innovative entrepreneurial ideas***

The goal is focused on completing activities that will stimulate employment rates, combat unemployment, and prevent people from disappearing from the job market of the LAG territory. Two HRDOP-funded measures will be realized within the framework of this goal with focus on training unemployed individuals, incl. unemployed individuals with disabilities, creating business incentives for their long-term employment, training of employed individuals in order to further increase the competitiveness and efficiency of enterprises, and establishing the grounds for the establishment of new business ideas in market-oriented, competitive fields by organizing trainings and seminars for entrepreneurship.

- **Specific goal 3.2 –** ***Promoting the social inclusion of individuals from marginalized groups, individuals with disabilities, individuals living alone, and other members of vulnerable communities***

The last specific goal incorporates two HRDOP-funded measures aimed at providing specific and innovative social services and activities preventing the social exclusion of marginalized groups, including but not limited to Roma, individuals with disabilities, individuals living alone, individuals experiencing difficulties in taking care for themselves, and other at-risk social groups, the number of which has been increasing across the LAG territory. These people require additional social services and activities, specifically designed to suit their needs and wants and to provide a better quality of life for them.

The connections between the measures, the specific goals, and the priorities of the CLLD Strategy

have been presented in the following table:

STRATEGIC FRAMEWORK of CLLDS of Gotse Delchev – Garmen – Hadzhidimovo LAG:

COMMON STRATEGIC GOAL

Sustainable development of the Gotse Delchev, Garmen, and Hadzhidimovo municipalities through stimulation of the local economy, improvement of the living environment and the quality of life, increase of the human resources capacity, and utilization of the local potential and identity of the territory

Specific goal	Measure	Expected results	Funding programme and measure/axis
PRIORITY 1 – Sustainable development of the local economy			
1.1 – *Stimulating the sustainable development of agriculture across the territory of Gotse Delchev, Garmen, and Hadzhidimovo Municipalities*	*M 1 – 4.1 „Support for investments in farms”*	Improved effectiveness and competitiveness of farms	RADP/ Measure 4.1
	M 2 – 4.2 „Support for investments in the processing, market supply and/or development of agricultural products”	Added value to agricultural products through investments in their processing	RADP/ Measure 4.2
1.2 – *Diversification of the local economy through the development of non-agricultural activities in the fields of tourism and services and encouraging innovative ideas and the technological modernization of small and medium enterprises across the LAG territory*	*M 3 – 6.4 „Investments in support of non-agricultural activities“*	Improved competitiveness of enterprises and developed new services in sectors outside agriculture	RADP/ Measure 6.4
	M 4 "Support for the development and introduction of innovations in SMEs"	Improved innovation capacity of SMEs and increased share of businesses who develop, introduce and disseminates innovations on its own	ICOP/ Axis 1, IP 1.1
	M 5 "Technological renewal and introduction of standards in SMEs"	Improved competitiveness of SMEs through modernized production equipment	ICOP/ Axis 2, IP 2.2
PRIORITY 2 – Improvement of the living environment by investing in updating small-scale infrastructures, preserving the local identify, cultural, historical and natural identity			
2.1 – *Stimulation of the development of the*	*M 6 – 7.2 „Investments in the creation,*	Improved living environment	RADP/ мярка 7.2

LAG territory through a renovation of all types of small-scale infrastructure	*improvement or expansion of all types small-scale infrastructure“*	and quality of life of population, increased attractiveness of the LAG territory through investments in public infrastructure	
2.2 – *Strengthening and preserving the local identity by promoting the cultural, historical, and natural heritage of the Gotse Delchev – Garmen – Hadzhidimovo LAG territory*	*M 7 „Preservation and promotion of local identity, cultural, historical and natural heritage“*	Preserved and kept traditional elements of local identity and promoted cultural, historical and natural heritage on the LAG territory	EARDF
PRIORITY 3 – Development of human capital through better access to employment, stimulation of entrepreneurial ideas and modern social services			
3.1 – *Providing better access to employment and better quality work places by training and educating unemployed individuals and supporting the development of innovative entrepreneurial ideas*	*M 8 „Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business”*	Decreased number of unemployed, incl. people with disabilities, and improved effectiveness of the employed as a result of conducted trainings	HRDOP/ Axis 1, IP 1, 3 and 6, and Axis 2, IP 2
	M 9 “Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG“	Increased awareness and skills of entrepreneurs on the LAG territory for development of personal businesses	HRDOP/ Axis 1, IP 5
3.2 – *Promoting the social inclusion of individuals from marginalized groups, individuals with disabilities, individuals living alone, and other members of vulnerable communities*	*M 10 „Integration of marginalized communities”*	Improved living conditions of marginalized groups through easier access to social and health services and to the labour market	HRDOP/ Axis 2, IP 1

	M 11 „Better access to sustainable services for social inclusion of disabled people and people living alone"	Secured dignified life for people from risky social groups within the LAG municipalities	HRDOP/ Axis 2, IP 3

Table 8: Strategic framework of CLLDS of Gotse Delchev – Garmen – Hadzhidimovo LAG

4.3. Characteristics of the specific territory, developed using the knowledge about local needs and potential in compliance with national, regional, and local policies, including desegregation and deinstitutionalization policies:

As a result of the socio-economic analysis and survey we conducted in order to identify the potential and needs of stakeholders from the Gotse Delchev, Garmen and Hadzhidimovo Municipalities, we outlined the following main characteristics of the LAG territory which we used to develop the current CLLD Strategy and its priorities and development goals:

- Traditions in the field of farming – a structure-defining branch for parts of the LAG territory;
- Good ecological characteristics (air, soils, noise, low levels of pollution), which allow for the development of ecological farming and ecotourism;
- Years of traditions in the branches of the processing industry (light, textile, clothing, footwear, and others) and foreign investors;
- A large number of small and medium enterprises operating in the sphere of the processing industry – a structure-defining branch for the entire LAG territory;
- Availability of various specializations in high schools with the potential to fulfill the needs of local businesses and to realize entrepreneurial ideas;
- Rich cultural and sporting traditions, including material and non-material cultural, historical, and natural heritage;
- High development potential for tourism – cultural, historical, rural, balneological, mountainous, and ecotourism.

Realization of the territory's potential should be pursuit by minimizing the impact of its weaknesses and undertaking actions to overcome them:

- *Average unemployment rate for the LAG territory is higher than the average for Blagoevgrad District and the country;*
- *Weak competitiveness of the agricultural sector, outdated material and technical base and machinery;*
- *Symbolic presence of high-tech, export-oriented and innovative productions with high added value;*
- *Identified vulnerable groups on the LAG territory and a need for their social inclusion for the purpose of preventing social isolation;*
- *A large share of the Roma population in some parts of the LAG territory (higher than the country's average);*
- *Poor condition of the structural fund and street infrastructure in parts of the LAG territory, need for restoration of objects belonging to the cultural, social, educational, or any other type of infrastructure;*
- *Lack of interesting or engaging work places needed to keep young people in the territory;*
- *Defined imbalance "center – periphery, town – villages" accompanied by all negative consequences;*
- *Unutilized tourism potential, lack of wholesome tourism products;*
- *Low levels of development of rural areas;*
- *Lack of social and healthcare services and a need to find new ways to overcome the risk of social inclusion of vulnerable and marginalized communities, especially members of the Roma population.*

The current CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG accounts for all limiting factors and weaknesses of the territory and is striving to achieve balance by supporting the sectors that are affected by the policies of the EAFRD. All of the adopted measures, after being

restructured into the priorities and goals of the Strategy, will have a direct or indirect contribution for the achieving of the LAG's full potential.

Through the current CLLD Strategy, we aim to utilize the full potential of the territory and to fulfill the identified needs and wants in compliance with national, regional, and local policies. Through the implementation of its measures, by 2020 the CLLD Strategy is expected to contribute significantly to the development Strategy of Blagoevgrad District and contribute partially for the implementation of the following general and specific goals of the ***municipal development plans of the three LAG-covered municipalities***:

Goals of 2014-2020 Gotse Delchev Municipal Development Plan

- Increase of the competitiveness of the agricultural production;
- Restoration and reconstruction of the municipal road network;
- Development of the municipality's settlements;
- Development of the municipal infrastructure;
- Transformation of the municipality into a popular touristic destination;
- Preservation of the ecological condition of the municipality;
- Achieving a higher rate of employment.

Goals of 2014-2020 Garmen Municipal Development Plan

- Expansion and improvement of the technical infrastructure;
- Expansion and improvement of the social infrastructure;
- Integrated spatial development of the territory;
- Environmental conservation, prevention of natural risks and climate safety;
- Further development of agriculture;
- Enacting an active local policy for promoting Garmen Municipality as a tourist destination;
- Further development of traditional crafts and introducing alternatives;
- Support for a stronger competitiveness of small and medium businesses;
- Increase of the literacy level of the population;
- Providing high-quality social and healthcare services;
- Preventing people from disappearing from the labor market;

Goals of the 2014-2020 Hadzhidimovo Municipal Development Plan

- Encouraging the development of agriculture as a main branch in the local economy;
- Encouraging entrepreneurship for the purpose of establishing micro- and small firms for processing of agricultural production;
- Attracting foreign investments;
- Increasing the employment rate and developing the labor market;
- Improving access to education and social infrastructure, development of the opportunities for professional orientation of young people;
- Improving the living conditions of young people;
- Updating and maintaining the technical and social infrastructure that services the population of the municipality.

4.4. Description of the innovative characteristics of the strategy:

The current Strategy introduces a new approach, methods, and means for its realization which have not been used on the territory of the local communities until now:

Innovative characteristic	Way of incorporation into the Strategy
Opportunities to create a new product or a service not yet present in the territory	. Opportunities to establish an innovative product or a service are mostly created through the incorporated mechanisms within the measures that are promoting innovative projects, but also through the addition of Measure 4 "Support for the Development and Introduction of Innovations to SME" of ICOP. Additional opportunities are provided through the planned special measures within the Strategy: • **Measure 9 "Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG"** The main goals of the measure are connected with the diversification of the economy of Gotse Delchev – Garmen – Hadzhidimovo LAG by **providing support for the development of entrepreneurial ideas and skills in different and innovative fields**. By stimulating entrepreneurship on the territory with a focus on innovative, unknown, and unused resources, we most certainly expect the start of a business offering new products or services to the territory. The below-mentioned **criteria for project evaluation** (in the table) are particularly focused on the creation of products or services that are new to the territory.
Including activities/measures which provide opportunity for an innovative for the territory form of utilizing the natural resources and/or the cultural and historical heritage	The Strategy contains a separate measure which provides various opportunities for adding new forms of utilization of the natural resources and cultural/historical heritage: • **Measure 7 "Preservation and promotion of local identity, cultural, historical and natural heritage".** The primary goals of the measure are connected with transforming the LAG territory into a desirable place for living and recreation through initiatives and innovative projects. There are plans for a number of previously unused forms of identifying the local distinctive features of the territory, increasing the population's awareness, and drawing attention towards the conservation and promotion of the local cultural, historical, and natural heritage, environmental protection, natural element conservation, conservation of protected species of flora and fauna, typical for the LAG territory, transfer of knowledge and good practices and other.
New method and/or way for solving local problems and weaknesses of the territory	New methods and ways for solving the local demographic problems of the territory are incorporated in the following HRDOP-funded measures: • **Measure 9 "Support for the development of entrepreneurship ideas on the territory of**

	Gotse Delchev – Garmen – Hadzhidimovo LAG" • **Measure 10 "Integration of marginalized communities"** • **Measure 11 "Better access to sustainable services for social inclusion of disabled people and people living alone"** Each of the measures will encourage projects working on social innovations. A social innovation is any type of new strategies, concepts, ideas, and organizations, which meet various social needs – from working conditions to education to community development to healthcare. Stimulating social innovations will contribute to the development of the demographic problems detected by the analysis of the territory.
Defining criteria for evaluating projects connected with innovativeness	Practically almost all measures included in the Strategy apply criteria for evaluating the projects connected with their innovativeness: • **Measure 1-4.1 "Support for investments in farms":** Innovativeness of the project – the project is focused on introducing a product/ technique/ technology new to agriculture and/or introducing a product or service new to the LAG territory – 5 points • **Measure 2-4.2 "Support for investments in the processing, market supply and/or development of agricultural products":** The project is focused on introducing innovations to the processing industry, incl. by offering a production and/or a product that is new to the LAG territory – 10 points. • **Measure 3-6.4 "Investments in support of non-agricultural activities":** The project includes investments in the development of "green economy", and in emission reducing technologies in particular – 10 points. • **Measure 7 "Preservation and promotion of local identity, cultural, historical and natural heritage":** The project is focused on activities/measures which will present opportunities for an innovative form of natural resource and/or cultural and historical heritage utilization that is new to the LAG territory – 5 points. • **Measure 8 "Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business":** The project is

	innovative for the LAG territory – it includes the introduction of previously non-existent healthcare services, social services and/or innovative ways to ease access to employment of target groups – 13 points. • **Measure 9 "Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG":** The project focuses on social innovations – 8 points. • **Measure 10 "Integration of marginalized communities":** The project focuses on social innovations – 3 points. • **Measure 11 "Better access to sustainable services for social inclusion of disabled people and people living alone":** The project focuses on social innovations – 6 points. The Strategy also includes Measure 4 "Support for the development and introduction of innovations in SMEs".

4.5. Hierarchy of goals – including goals for end products or results:

When formulating the strategic framework of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG we used the following approach:

- *Determining the priorities and goals for development of the LAG territory using the evaluation of the local needs and potential, derived as a result of the socio-economic analysis and survey of the stakeholders;*
- *Correspondence of the chosen priorities and goals of the CLLD Strategy with the specific goals of EAFRD;*
- *Correspondence of the chosen priorities and goals of the CLLD Strategy with the development priorities of Blagoevgrad District for the 2014-2020 period;*
- *Correspondence of the chosen priorities and goals of the CLLD Strategy with the development priorities of Gotse Delchev, Garmen, and Hadzhidimovo Municipalities for the 2014-2020 period.*

Every specific goal of the Strategy is accompanied by measures of the RADP, measures corresponding to Regulation 1305/2013, and measures of HRDOP and ICOP. The measures within the Strategy are directly responsible for achieving each of the specific goals defined in the strategic framework, which, in turn, is focused on the priorities of the two Strategy goals. The logical connection between the measures, the specific goals, and the priorities of the Strategy will ensure that the final results are successful and that the needs and expectations of the local population are met in a way that makes maximum use of the characteristics and potential of the territory.

The connections between the chosen measures of the priorities and goals of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG are described in *Table 5: Strategic framework of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG*, Chapter 4.2. "Specific goals" of the current document.

The strategic framework of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG has been developed using the following logical order of the elements:



The structure of the strategic framework of the CLLD Strategy has been developed on the basis of the characteristics of the territory and the unused potential for development. The main priorities are based on the needs and expectations of the local community which we identified in our survey.

The hierarchy of goals can be seen in the upcoming graph where the priorities and goals for development of the LAG territory have been identified and are arranged from most important to least important according to the local potential and the main areas in which the Strategy aims to focus its efforts:

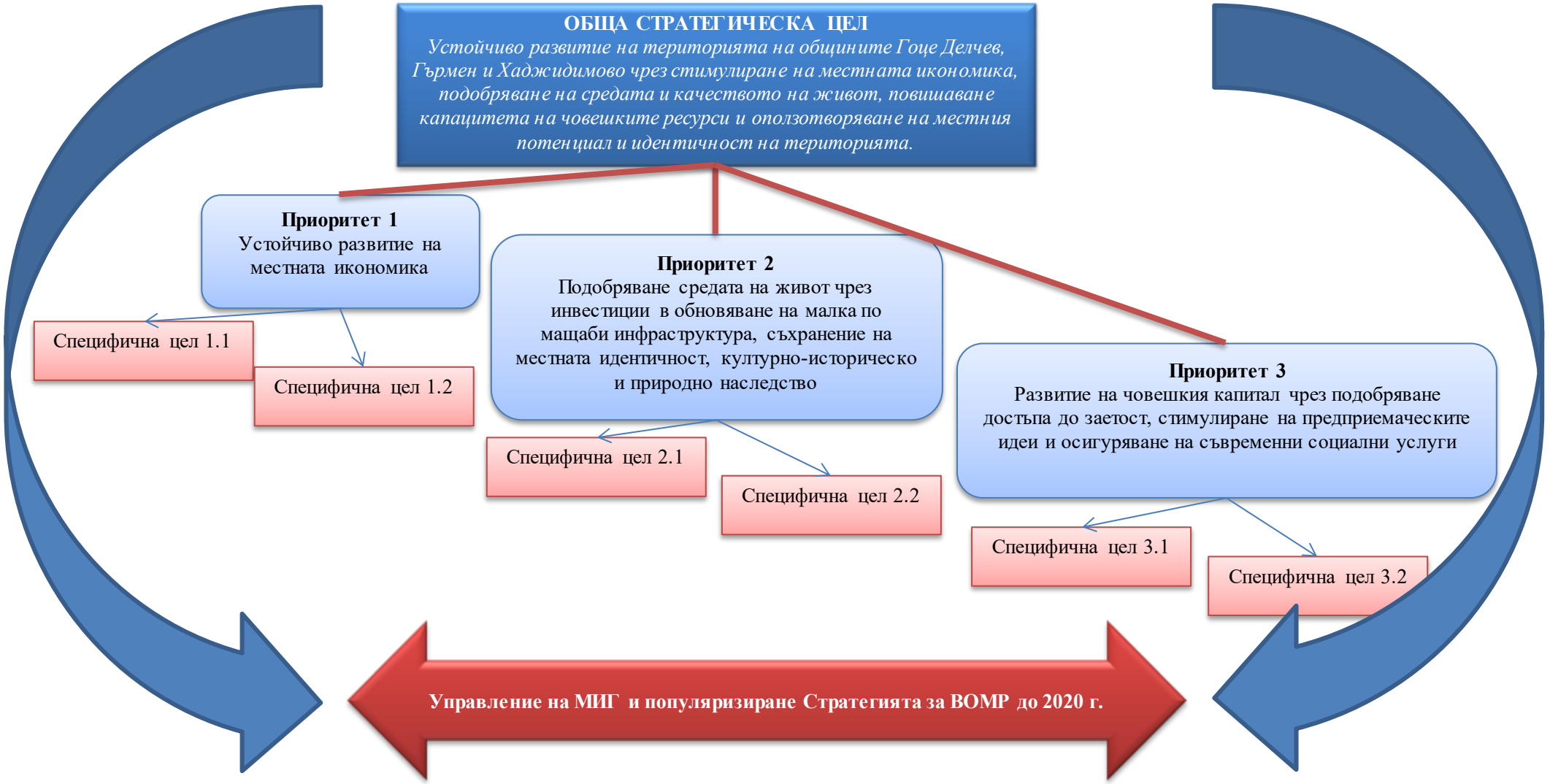


Figure 6: Hierarchy of the goals of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG

5. Description of the measures

General information about the measures

The essence of the CLLD Strategy is formed by the measures developed to pursue the above-mentioned priorities and specific goals for the development of the Gotse Delchev – Garmen – Hadzhidimovo LAG territory. Within the frameworks of said priorities and specific goals, there is real opportunity to implement project proposals made by beneficiaries of the three municipalities. The measures that are included in the current Strategy are focused on the utilization of the potential of the covered territory, overcoming the identified problems, and fulfilling the needs of the local community. The Strategy's measures are funded by the following programmes participating in the CLLD method:

1. **Rural Area Development Programme and Regulation (EU) No. 1305/2013 for the 2014-2020 period**
2. **2014-2020 Innovations and Competitiveness Operational Programme**
3. **2014-2020 Human Resources Development Operational Programme**

The programmes were included in the CLLD Strategy due to the interest expressed by stakeholders during our meetings and surveys where it was decided that *these three programmes are most attractive for the eligible beneficiaries and have the highest realization potential.* Detailed information about the results of the conducted research and the compliance of the current Strategy with the needs and wants of stakeholders can be found in a ***Report of the Needs and Expectations of Stakeholders***, attached to the current Strategy.

All chosen Strategy measures will contribute to the development of the territory's potential and to an improvement of the competitiveness of the local economy, thus also contributing to the implementation of local development policies, incorporated in the development plans of the three municipalities and the development strategy of Blagoevgrad District by 2020.

All included measures comply with the conditions and requirements for the beneficiaries and the projects of the funding programmes mentioned previously, incl. Regulation (EU) No. 1305/2013. A number of **GENERAL CONDITIONS FOR MEASURES**[6] have been partially incorporated in the current Strategy. All candidates must comply with these conditions, and, more particularly, with the eligibility of their organization and project idea regardless of the measure they are applying for. Here are the general conditions:

Territorial range of measures

Project activities, funded within the frameworks of the CLLD Strategy measures can be carried out only *on the territory of the LAG* – the municipalities of Gotse Delchev, Garmen, and Hadzhidimovo according to Chapter 1.1. of the current document.

Additionally, **the candidate** must have a permanent address – for physical entities, and headquarters with a physical address – for sole traders and legal entities, located exclusively *on the territory of the LAG.*

Projects will not be eligible for implementation on the territory of Gotse Delchev town if their activities are supported by Priority Axis 1 "Sustainable and Integrated Urban Development" of Operational Programme "Regions in Development".

Operational period of the CLLD Strategy

The CLLD Strategy is developed for a period until 31.12.2020, i.e. the deadline for signing grant

[6] As per the requirements of Order No. 22 from 14.12.2015, Order No. 16 from 30.07.2015 and the conditions of the three funding programmes and Regulation (EC) No. 1305/2013

contracts for projects under the measures included in the Strategy, is 31.12.2020. The deadline for completing all project activities of the CLLD Strategy is **30.06.2023**.
The deadline for the LAG team to account for all current expenditures and promoting the CLLD Strategy is **30.09.2023** *(under Sub-measure 19.4 "Current Expenditures and Promotion of the Strategy for Community-Lead Local Development" of the RADP)*.

Measure range and restrictions

Съгласно приложимата нормативна уредба, в една стратегия за ВОМР могат да бъдат включени мерки, които: According to the applicable normative regulation, a CLLD strategy can include measures that:

a) have been selected in RADP for the 2014 - 2020 period;
b) are not included in RADP for the 2014 - 2020 RADP, but are a part of Regulation (EU) No. 1305/2013;
c) are outside the range of the Regulation (EU) No. 1305.2013 measures but correspond with the goals of the Regulation;
d) are incorporated in programmes which are funding the CLLD method.

The current CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG includes measures based on the conducted surveys, polls, and meeting with stakeholders. These measures:

a) are incorporated in RADP for the 2014 – 2020 period
b) are outside the range of measures from Regulation (EU) No. 1305/2013 but correspond with the goals of the Regulation;
c) are incorporated in programmes which are funding the CLLD method – and ICOP and HRDOP to a degree.

The measures of the CLLD Strategy are implemented in such a way as to not overlap with other EU-funded programmes but still be able to coordinate with them. As a result, the following restrictions of the measures' range apply for the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG:

- It is ***not allowed to use ICOP funds to fund projects carried out by microenterprises in rural areas*** or by enterprises who are not eligible under the coordination system in place between ICOP and other EU-funded programmes.
- The CLLD Strategy ***cannot adopt EAFRD-funded measures which predict fixed payments or measures connected with payments for area***, such as Sub-measure 6.1 "Starting aid for young agricultural producers", Sub-measure 6.2 "Starting aid for non-agricultural activities", and Sub-measure 6.3 "Starting aid for developing small farms", parts of Measure 6 "Development of farms and enterprises" under RADP for the 2014 – 2020 period;
- The CLLD Strategy ***cannot adopt EAFRD-funded measures which predict investments in healthcare infrastructure***[7]**.**

A. Range of RADP-Funded Measures

Some of the RADP-funded measures will reward projects implemented on the territory of **underdeveloped regions**. According to the *Ordinance for Determining the Criteria of Underdeveloped Regions and Their Territorial Range accepted with Decree No.30 by the Council of Ministers on 15.02.2008*, all three municipalities on the LAG territory have settlements in underdeveloped regions (mountainous regions and regions with non-mountainous limitations).

[7] As per Order No. 22 from 14.12.2015 by May 2016

Measures 1-4.1, 2-4.2, 3-6.4, 4, and 5 require a realistic business plan which demonstrates the economic future value of the investment which will assist the projects that have the best chances of achieving competitiveness and a high employment rate on the territory of the LAG.

B. Range of ICOP-Funded Measures [8]

The current conditions are applicable for **the range of activities** under the following measures that have been included in the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG:

- ***M4 "Support for the development and introduction of innovations in SMEs*** which is to be funded by Axis 1, Investment Priority (IP)1.1. of ICOP

Under the framework of this measure, the funding of which is to be provided by Priority Axis 1 "Technological Development and Innovations" of ICOP, support will only be provided to activities that involve the introduction or development of **innovations, complying with the general idea of the Innovative Strategy for Intelligent Specialization** such as:

- **ICT and informatics:**
  - productions, especially Fabless and new design and/or assembly approaches;
  - ICT approaches in mechanical engineering, medicine, and creative industries (with respect to the other three fields), incl. digitalization of the cultural and historical heritage, educational games, embedded software, etc.;
  - 3D digitalization, visualization and prototyping
  - Big Data, Grid and Cloud Technologies;
  - wireless sensory networks and wireless communication/management;
  - language technologies
  - web, hybrid, and "native" applications, web-based applications for creating and exploiting new services and products;
  - exploiting new opportunities for outsourcing and ICT-based services and systems.
- **Mechatronics and clean technologies:**
  - production of base elements, details, units, and equipment constructed as parts of a mechatronic aggregate or as an independent aggregate;
  - machine and appliance building, incl. parts, components, and systems with an accent on transportation and energetics;
  - engineering, reengineering, and prolonging the life cycle of industrial machines, appliances, and systems;
  - systems for automated and software-supported management with application in production;
  - installing RES in robotized systems with artificial intelligence;
  - construction of modern information facilities for autonomous energy systems;
  - robotics and process automation, incl. 3-D modeling of robotized automated systems
  - design and production of high-tech products and/or participation in an international production chain, incl. in the aerospace industry;
  - bio-mechatronics;
  - intelligent systems and appliances, "intelligent homes" – " intelligent cities";
  - clean technologies with an accent on transportation and energetics (conservation, reduction, and effective distribution of energy, electric means of transportation and eco-mobility, hydrogen-based vehicles and technology, zero-waste technologies, technologies and methods for introducing waste products and materials into the

[8] As per *„Guidelines of MA of ICOP 2014-2020 about the development of local development strategies within the multi-fund application of CLLD"*

production cycle of other industries).

- **Healthy living industry and biotechnologies** [9]:
  - methods for clean production, storage, processing and distribution of specific Bulgarian ingredients and products (such as yogurt, honey, bread, wine, dairy and meat, essential oils, beer, herbs, cosmetics);
  - production of specialized foods and beverages (for babies and children)
  - production of instruments, equipment, and supplies for medical and dental diagnostics and therapy and/or participation in an international production chain;
  - personal medicine, diagnostics, and individual therapy, healing and medicinal goods and products;
  - medical and healing tourism with an accent on opportunities for personalization (for the individual, not for the mass)
  - nanotechnologies in medicine
  - biotechnologies with direct application for healthy living;
  - "blue" technologies and introduction of new methods and technologies to the sustainable use of freshwater and saltwater resoruces;
  - production of installations for production of green electric energy and industrial water;
  - green economy.
- **New technologies in creative and recreational industries:**
  - cultural and creative industries (according to the definition of EC: architecture, archiving and librarianship, artistic crafts, audio-visual forms of entertainment (movies, TV, video games, and multimedia), cultural heritage, design, incl. fashion design, festivals, music, stage and visual arts, publishing activities, radio;
  - computer and mobile phone apps and educational, marketing and/or entertaining games;
  - alternative (rural, eco-, cultural, and festive) and extreme tourism and sports (to stimulate off-season, non-generic but permanent niche tourism)
  - production of goods and installations with direct application in these fields (such as national (regional) traditional clothing, bicycles, climbing walls and other goods for alternative and extreme sports, costumes, decors, materials for historic recreation, specialized gear and equipment, paper-printed issues)

➢ Measure ***M5 "Technological renewal and introduction of standards in SMEs"***, which is to be funded by Axis 2, Investment Priority 2.2. of ICOP

The purpose of Measure M5 "Technologic renovation and introduction of standards to SME" of the CLLD Strategy which is to be funded by Priority Axis (PA) 2 "Entrepreneurship and growth capacity of SME", Investment Priority 2.2. "Growth Capacity of SME" of ICOP, is to **support sectors defined to be of high priority according to the 2014-2020 National Strategy for Enhancing Small and Medium Enterprises** (NSPSME). The sectors are listed in Chapter 4 "Requirements for candidate eligibility" further down this document. Additionally, priority will be given to **projects, complying with the general idea of the Innovative Strategy for Intelligent Specialization** (listed above).

C. Range of the HRDOP-Funded Measures [10]

[9] Projects implemented in this thematic area should be in compliance with RADP and MFOP and the limitations for enterprises of the fishery and aqua-cultures sphere, primary production of agricultural products, the processing and sale of agricultural products.

[10] As per *„Guidelines of MA of HRDOP 2014 – 2020 for application of the CLLD approach with resources from HRDOP 2014-2020"*

The current CLLD Strategy includes measures which are to be funded by the following priority axis of HRDOP for the 2014-2020 period, each of which sets certain conditions and requirements for measures and any future projects under the measures:

- **Priority Axis 1 "Better access to employment and quality of work places"**

Measures are focused on acquiring knowledge and teaching the right skills to target groups for the purpose of satisfying the specific demands of the regional labor market and the need of employers for a work force with specific qualities.

Measure 8 "Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business" of the CLLD Strategy, within the frameworks of Investment Priorities 1, 3, and 6 of PA1 and elements of IP 2, PA2 of HRDOP, is focused on having a long-term impact on the target group in terms of more permanent employment. Projects implemented under this measure must create an opportunity to teach *the right skills to target groups in order to ensure better competitiveness and a successful integration into the labor market*. Providing resources to increase the professional qualifications of target groups will lead to *ensuring the sustainable and long-lasting employment of the trainees*.
Training for professional qualifications must only be conducted by *centers for professional training that have a National Agency for Professional Education and Training license* (NAPET) .

Measure 9 "Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG" of the CLLD Strategy, within the frameworks of IP 5 of PA 1 of HRDOP targeting starting entrepreneurs, *does not include the provision of grants to start enterprises*, but is focused on the organizing of seminars, trainings, discussions, providing advice, and other functions in the field of entrepreneurship.
HRDOP cannot provide funding to beneficiaries of the agricultural production industry due to the restrictions of the Ministry of Agriculture, Food, and Forests about providing funds under the *de minimis* aid approach that the HRDOP is applying.

The following restrictions apply ***with respected to the planned training within the framework of Measure 8*** of the CLLD Strategy in terms of the demarcation between HRDOP and RADP:

- Support for training in the field of agriculture and forestry for *individuals engaged in the sectors of farming and forestry* will be funded by RADP.
- HRDOP can provide funding for:
  - (1) professional trainings in the field of farming and forestry for unemployed individuals;
  - (2) another type of professional training, as well as training for acquiring key qualities to individuals, employed in the sectors of farming and forestry
- Trainings in the field of the foods industry will be supported by RADP only for individuals, engaged in the sectors of farming and forestry.

Employment and support for enterprises – support measures are eligible for funding under HRDOP, i.e. *subsidizing of wages, measures encouraging employers to hire people in the sectors of farming, food industry, and forestry.* Support will be provided in the form of minimal aid under Regulation (EU) No. 1408/2013 of 18.12.2013, OG L 352 of 24.12.2013 with the total amount of *de minimis* aid provided to a single enterprises of a member state not exceeding 15 000 EUR for a period of three budget years.

- **Priority Axis 2 "Reducing Poverty and Promoting Social Inclusion".**

The process of implementing projects under the HRDOP measures includes activities which are

focused on:

- providing services, incl. support services, prevention services, and integrated services for social inclusion, and services for early intervention;
- activities involved in cross-municipal cooperation in the field of social services;
- activities in both the public and home environment with a priority for innovative ones. It is recommended to focus on mobile work with target groups when providing services;
- services providing easier access to real employment of individuals with disabilities.

Measure 10 "Integration of marginalized communities" of the CLLD Strategy, within the frameworks of IP 1, PA 2 of HRDOP, is expected to contribute for the completion of the goals of the following primary strategic documents of the area:

- National Strategy of the Republic of Bulgaria for Roma Integration 2012-2020;
- District strategies and municipal plans for the integration of Roma (i.e., integration strategies) of the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities;
- National Strategy for Decreasing Poverty and Promoting Social Inclusion 2020;
- Municipal strategies for the development of social services for the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities.

Measure 8 "Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business" of the CLLD Strategy within the frameworks of PA 1, IP 1,3, and 6, and PA 2, IP 2, will be focusing on the application of an integrated approach. HRDOP invests in measures which provide a social service and high-quality childcare, as well as care for children and adults with disabilities in a public or home environment. Along with that, individuals permanently engaged in taking care of disabled children or elderly people will receive aid through measures connected with their meaningful participation in the labor market. When implementing projects within the framework of this measure, those projects must include *a full range of services which will not only ease social integration, but also the work integration of individuals, if applicable*. This measure is expected to contribute for the completion of the goals of the following primary strategic documents:

- National Strategy for Decreasing Poverty and Promoting Social Inclusion 2020;
- National Strategy for Long-Term Care.

Measure 11 "Better access to sustainable services for social inclusion of disabled people and people living alone" of the CLLD Strategy, within the framework of Investment Priority 3, is expected to contribute for the completion of the goals of the following primary strategic documents for the area:

- National Strategy for Decreasing Poverty and Promoting Social Inclusion 2020;
- Vision for the Deinstitutionalization of Bulgaria's Children National Strategy
- National Strategy for Long-Term Care
- Municipal strategies for development of social services of the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities.

Projects under this measure will promote the application of *an integrated approach for people unable to take care of themselves and people with disabilities* by combining complex activities in a way that ensures the availability of long-term care, incl. social and healthcare services in public or home environment.

Requirements for candidate eligibility

Candidates with projects under the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo Municipalities must have **a permanent address** – for physical entities, and **headquarters with a**

physical address – for sole traders and legal entities, which is located on the territory of the LAG and must carry out their project activities on the territory of the LAG – the territory of the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities. *Branches of legal entities or sole traders* are not eligible for financial aid, unless the legal entity or sole trader that opened the branch do not meet the stated requirements.

Furthermore, under the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG, financial aid will **not be given** to a candidate and/or their legal or authorized representatives if they do not fulfill **the conditions determined by the applicable funding programmes** (RADP, ICOP, HRDOP) **and/or if**[11]:

1. they have declared insolvency, or have been declared insolvent, or are in the process of liquidation, or have signed an extrajudicial agreement with its creditors within the meaning of Art. 740 of the Trade Act, or have ceased their activity altogether;

2. they have tax obligations and mandatory insurance depositions + interest within the meaning of Art. 162, para. 2, Chapter 1 of the Tax and Social Insurance Process Code to the state or the municipality; or similar obligations, unless there has been a rescheduling, extension or collateral of the obligations, or the obligation is under an act that has not come into force. The type and size of the obligations is to be determined by an act from a managing authority that has come into force.

3. they have been stripped of the right to practice a certain profession or activity, through an act of a managing authority in accordance with the legislature of the country in which the violation has been committed;

4. they have presented a document with false contents or have not presented required information connected with a verification of the lack of reason for a denial of funding, selection criteria, or contract implementation, enforced by an act of a managing authority in accordance with the legislature of the country in which the violation has been committed;

5. they have signed an agreement with other entities for the purpose of neutralizing competition when the violation has been proven and has come into force through an act of a managing authority in accordance with the legislature of the country in which the violation has been committed;

6. they have broken the rules of intellectual property and the violation has been proven and has come into force through an act of a managing authority in accordance with the legislature of the country in which the violation has been committed;

7. after a violation has been proven and has come into force through an act of a managing authority in accordance with the legislature of the country in which the violation has been committed, they have tried:

   a) to influence an entity with the authority to make a decision or assume control from a MA of a European structural or investment fund, included in the CLLD Strategy and/or from the Agricultural State Fund (ASF) – Paying Agency (PA), connected with the approval for receiving financial aid by presenting false or misleading information;

   b) to receive information from an entity with the authority to make a decision or assume control from a MA of a European structural or financial fund, included in the CLLD Strategy and/or from the ASF – PA, which might give him an unjustified advantage in the process of receiving financial aid;

8. it has been proven through a punitive decree or a court decision which has come into force, that they have violated Art. 118, Art. 128, Art. 245, and Art. 301 – 305 of the Labor Code or similar obligations that have been proven and have come into force through an act of a managing authority in accordance with the legislature of the country in which the candidate or the participant

[11] In accordance with Ordinance No. 22 from 14.12.2015 to May 2016

has a seat;

9. they have been proven guilty for not completing a contract for a provision of financial aid from a European investment or structural fund, a contract for a public order, a contract for a construction/service concession, which has let to its early termination, payment of compensation or other similar sanctions, which has been detected with the exception of cases when the non-completion of the contract covers less than 50% of the value or size of the contract;

10. a revision, audit, or an investigation conducted by a state manager of the budget, the European Anti-Fraud Office, or the European Court of Auditors has discovered significant shortcomings in terms of completing the primary obligations of a contract for a provision of financial aid from a European investment or structural fund, a contract for a public order, a contract for a construction/service concession which has let to its early termination, payment of compensations or other analogous sanctions, including financial corrections;

11. they have committed an irregularity registered by an in-force act of the competent bodies in line with the legislation of the state where irregularity has been accomplished;

12. they have exigible and liquid obligations to the Agricultural State Fund;

13. they have been added to the Early Detection and Exclusion System Database under Art. 108 or Regulation (EU, Euratom) No. 966/2012 of the European Parliament and the Council from 25.10.2012 regarding financial rules, applicable for the common budget of the Union and for the repeal of Regulation (EC, Euratom) No. 1605/2002 of the Council (updated, Official Journal L 298/1 from 26.10.2012) referred to as "Regulation (EU, Euratom) No. 966/2021 in this document;

14. they present a conflict of interests that cannot be resolved under the definition of Art. 57 of Regulation (EU, Euratom) No. 966, 2012;

15. they are an entity with ties (under the definition of § 1, Chapter 1 of the additional regulations of the Conflict of Interest Prevention and Ascertainment Act) to another entity at a managerial position in the MA of one of the programmes responsible for managing the European structural and investment funds which is included in the CLLD Strategy (RADP, ICOP, and HRDOP) or in ASF – PA;

16. they are an entity with a legal or civil servant contract in ASF – PA or an MA of one of the programmes responsible for managing the European structural and investment funds which is included in the CLLD Strategy (RADP, ICOP, and HRDOP) within 1 year of contract termination;

17. they have been sentenced (unless also rehabilitated) for:

a) participating in an organized crime group under Art. 321 and Art. 321a of the Penal Code;

b) bribery under Art. 301 – 307 of the Penal Code;

c) crime against the financial, tax, or insurance systems, including but not limited to money laundering, under Art. 253 – 260 of the Penal Code;

d) crime against the economy under Art. 219 – 252 of the Penal Code;

e) crime against property under Art. 194 – 217 of the Penal Code;

f) престъпление по чл. 108а от Наказателния кодекс; crime under Art. 108a of the Penal Code;

g) crime under Art. 159a – 159d of the Penal Code;

h) crime under Art. 172 of the Penal Code;

i) crime under Art. 192a of the Penal Code;

j) crime under Art. 352 -353f of the Penal Code

k) crime analogous to the ones of letters "a" to "j" in another member or non-member state.

IMPORTANT:

Within the framework of the CLLD Strategy of Gotse Delchev – Garmen - Hadzhidimovo LAG aid will be provided only to **micro, small, and medium enterprises**, according to the Small Business Act, regardless of the financing fund and/or programme.

A. Eligibility of candidates for ICOP-funded projects [12]

The current conditions are applicable for candidates under the following measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG:

- Measure *M4 "Support for the development and introduction of innovations to SME"*, which is to be funded by Axis 1, IP 1.1. of ICOP
- Measure *M5 "Technological renovation and introduction of standards to SME"*, which is to be funded by Axis 2, IP 2.2. of ICOP

Conditions for eligibility of candidates:

a) ICOP-provided funding *will not be given to projects implemented by microenterprises (in accordance with the Law on SMEs) situated in rural areas* and by enterprises which are not eligible according to the coordination between ICOP and other programmes.
b) Candidates must *fit the definition of trader under the Trade Act or Cooperatives Act.*
c) . Candidates must *meet all requirements for* ***a small or medium enterprise*** according to the Law on SMEs and Annex I of Regulation (EU) No. 651/2014.

IMPORTANT:

Microenterprises and large enterprises are not eligible beneficiaries of projects under ICOP-funded measures of the CLLD Strategy *(Measures 4 and 5 of the Strategy).*

d) Candidates cannot participate in the project selection procedure and cannot receive grants if the candidates fall under *the prohibitive mechanisms of Regulation (EU) No. 1407/2013 of the Commission from 18.12.2013 with respect to the application of Articles 107 and 108 of the Treaty for the Functioning of the European Union to the de minimis aid.*

The candidates for aid under Measure *M5 "Technological renovation and introduction of standards to SME"* of the CLLD Strategy which is to be funded by Axis 2, IP 2.2. of ICOP must have **a code of primary economic activity** from the Classification of Economic Activities (CEA – 2008) in one of the listed groups of sectors of economic activities in accordance with their technological intensity:

Priority sectors according to the National Strategy for Enhancing Small and Medium Enterprises 2014-2020

High-tech and medium high-tech industrial productions:

C20 "Production of chemicals and chemical products"
C21 "Production of pharmaceutical substances and products"
C26 "Production of computers and communication equipment; electronic and optical products"
C27 "Production of electrical equipment"
C28 "Production of machinery and equipment with general and special functions"
C29 "Production of motor vehicles, trailers, and semitrailers"
C30 "Production of other transportation equipment, except automobiles"

Knowledge-demanding services:

J58 "Publishing services"
J59 "Production of motion pictures, video and television programmes, sound recording, and music publishing"
J60 "Programming and broadcasting services"
J61 "Telecommunications services"
J62 "Activities in the field of IT"

[12] As per *„Guidelines of MA of ICOP 2014-2020 about the development of local development strategies within the multi-fund application of CLLD"*

J63 “Information technologies”
M72 “Scientific research and development services”

Low-tech and medium low-tech industrial productions[13]:

C10 “Production of food”
C11 “Production of beverages”
C13 “Production of textile and textile goods with the exception of clothing”
C14 “Production of wearing apparel”
C15 “Leather processing, production of footwear, and other goods from processed leather”
C16 “Production of wood and goods made of timber and cork, except furniture; articles of straw and plaiting materials”
C17 “Production of paper, cardboard, and goods made of paper and cardboard”
C18 “Printing services and reproduction of recorded carriers”
C19 “Production of coke and refined petroleum products”
C22 “Production of rubber and plastic products”
C23 “Production of goods from other non-metal mineral raw materials”
C24 “Production of basic metals”
C25 “Production of fabricated metal products, except machinery and equipment”
C31 “Production of furniture”
C32 “Production of other manufactured goods”
C33 “Repair and installation services of machinery and equipment”

B. Eligibility of candidates for HRDOP-funded projects [14]

Eligible beneficiaries of the CLLD Strategy measures are *a part of the list of eligible beneficiaries under HRDOP’s respective investment priority* which provides the funding for the specific measure.

Candidates must meet the following mandatory criteria:

- They must meet *the requirements for providing minimal aid* in compliance with the applicable legislature;
- They must *possess the financial capacity* which is evaluated by the method for evaluation of financial capacity provided by the MA of HRDOP. In accordance to Art. 131, Chapter 3 of Regulation (EU) 966/2012, the requirements for proving the financial capacity of the candidate do not apply to public authorities;
- If the candidate is a municipality and they are applying with partner(s) or one of the project partners is a municipality, then they must present *a Decision of the Municipal Council for submitting a project proposal* through the correct procedure and a Decision of the Municipal Council for approval of an agreement for municipal cooperation with the project partner in accordance to Art. 59 and the ones that follow from the Local Self-Government and Local Administration Act (LSGLAA);
- Candidates may apply in *partnership* depending on the specifics of the measure and only with partners who meet all the stated requirements for potential beneficiaries and must meet said requirements themselves.

Eligible expenses and applicable state aid regime

[13] Projects implemented in a thematic field should comply with the demarcation of RADP and MFOP, as well as the restrictions for enterprises in the sectors of fishing and aquacultures, primary production of agricultural products, processing and trade of agricultural products.

[14] As per *„Guidelines of MA of HRDOP 2014 – 2020 for application of the CLLD approach with resources from HRDOP 2014-2020“*

According to Art. 1, para. 2 of the Law on Management of Funds from European Structural and Investment Funds (LMFESIF), *funds from European structural and investment funds (ESIF) are resources coming from the European Regional Development Fund, European Social Fund, Cohesion Fund, European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, at disposal for programmes of the Republic of Bulgaria*. In that relation, the provisions of LMFESIF which concern the eligibility of project expenses funded by ESIF also apply to the measures of the CLLD Strategy which are to be funded by RADP and EAFRD.

In accordance with Art. 57, para. 1 of LMFESIF, expenses are deemed <u>eligible</u> if all of the following conditions are present at the same time:

1. the expenses are activities covering the criteria for selection of operations and are carried out by eligible beneficiaries according to the respective programme under Art. 3, para. 2 of LMFESIF
2. the expenses fall in the included categories in the documents under Art. 26, para. 1 of LMFESIF and the project approved categories of expense;
3. the expenses are for actually delivered products, provided services and construction activities;
4. the expenses were done in compliance with the applicable laws of the European Union and Bulgarian legislature;
5. the expenses have all been accounted for in the accounting documentation of the beneficiary through separate accounting analytic accounts or in a separate accounting system;
6. all made expenses have an easily-detectable auditing trail according to the minimal requirements of Art. 25 of the Delegated Regulation (EU) No. 480/2014 of the Commission from 03.03.2014 for an annex to Regulation (EU) No. 1303/2013 of the European Parliament and the Council regarding the determination of generally applicable orders for the European Regional Development Fund, European Social Fund, Cohesion Fund, European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, for the determination of general orders of the European Regional Development Fund, European Social Fund, Cohesion Fund, and European Maritime and Fisheries Fund (OG L 138/5 from 13.05.2014), and all the requirements for documentation storage under Art. 140 of Regulation (EU) No. 1303/2013 have been met;
7. the expenses comply with the applicable rules for acquiring state aid.

On the basis of Art. 57, para. 2 of LMFESIF **expenses are not approved** for projects for activities which ***have been physically completed or fully implemented before the beneficiary has submitted the application form***, regardless of whether or not all related payments were carried out by the beneficiary.

<u>Ineligible expenses</u> of projects within the frameworks of all CLLD Strategy measures can be divided into the following two types:

- *Ineligible funding expenses from EARDF*, listed in p. A below in accordance with Ordinance No. 22 of 14.12.2015 applicable for the Strategy's measures with funding from RADP and EARDF;
- *Ineligible funding expenses from ERDF and ESF* listed in p. B and C below in accordance with DCR No. 119 of 20.05.2014 applicable for the Strategy's measures with funding from ICOP and HRDOP.

IMPORTANT:

The eligible and ineligible expenses for every measure of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG will be discussed in detail and explicitly accompanied with their applicable specific requirements in the call for proposals of the respective measure.

A. Eligible expenses and applicable state aid regime for RADP- (and EARDF-) funded measures

Eligible expenses

The following expenditures are eligible for funding within the frameworks of the RADP- and EARDF-funded measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG:[15]

1. Investment expenditures under Art. 45 of Regulation (EU) No. 1305/2013 as follows:

a) the construction, acquisition, including leasing, or improvement of real estate;

b) purchasing or leasing of new machinery and equipment up to the market price of the asset;

c) general expenditures, related with expenses under letters a) and b), such as fees of architects, engineers, and consultants, fees related to consulting with experts about ecological and economic sustainability, including tests for technical feasibility. Tests of the technical feasibility continue to be considered as expenses even after there are no more expenditures related to the letters a) and b) made on the grounds of the tests' results;

d) nonmaterial investments, acquisition or development of computer software and acquisition of patents, licenses, copyrights, and trademarks;

e) expenditures made in the process of preparation of management plans of forests or equivalent instruments;

2. Other eligible expenditures connected with the completion of operations under Regulation (EC) No. 1305/2015 and the priorities of the CLLD Strategy.

The following expenditures are eligible for funding under the so-called "soft measures":

a) expenditures for organizing events (festivals, holiday celebrations, meetings, and other such events), incl. renting a hall or some form of space, fees for lecturers, transportation of participants, catering, providing materials, etc.

b) expenditures for conducting research, preparing programmes, strategies, collections, albums, catalogues, etc.

c) expenditures for equipment delivery – no more than 20% of the total eligible project expenditures;

d) expenditures for information and publicity;

e) expenditures for the organization of the project management;

f) other expenditures, listed in detail in the call for offers of the respective measure of the CLLD Strategy;

3. Defined in Decree No. 119 of 2014 of the Council of Ministers for the adoption of national rules of eligible expenses for operational programmes, co-financed by the European Regional Development Fund, European Social Fund, Cohesion Fund, and the European Maritime and Fisheries Fund for the 2014-2020 financial framework (updated, SG, issue 44 of 2014, modified, issue 52, 76, and 101 of 2014) and the application guidelines for HRDOP and ICOP.

The following list contains information regarding the eligible expenditures for ICOP- and HRDOP-funded measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG.

Ineligible expenses

The following CLLD Strategy expenditures are not eligible for EARDF reimbursement:

1. for interest on debts;
2. for purchase of undeveloped and developed lands with a value higher than 10% of the

[15] In accordance with Order No. 22 of 14.12.2015

total eligible expenditures for the specific operation;

3. for tax on added value, except the non-refundable one;

4. for ordinary replacement and maintenance;

5. for interests and commissions, earnings of a leasing company, expenditures on refinancing interests, operational and insurance expenditures under a lease contract;

6. for leasing, except financial leasing under which the aid recipient becomes the owner of the respective asset no later than the date of submittal of the request for intermediate or final payment for said asset;

7. for overhead costs;

8. for insurances;

9.; for purchasing of second-hand equipment

10. for expenditures done before 01.01.2014;

11. in-kind contribution;

12. for investments in agriculture – purchasing of production rights and payment, purchase of livestock, purchase of annual plants;

13. for investments with a proven negative impact on the environment;

14. for expenditures that occurred prior to the submission of the request for financial aid, regardless of whether all related payments have happened, with the exception for expenditures on pre-project studies, taxes, payments to architects, engineers, and consultants, concluded after 01.01.2014;

15. for construction and installation activities and for the creation of perennial crops, completed prior the visit on sight of the LAG;

16. for funding requests which exceed the reference expenditure limits set by Art. 22, para. 4 of Ordinance No. 22 from 14.12.2015;

17. for expenditures defined in the measures of RADP 2014-2020 outside the expenditures listed in items 1-15.

In addition, ***expenditures for an ESIF-funded investment or activity*** are not eligible for funding under the CLLD Strategy. I.e., expenditures are not eligible for funding if they have are already being funded by another active or implemented project of the candidate with the financial help of ESIF.

State aid regime

Regulation (EU) No. 1407/2013 OF THE COMMISIONS from 18.12.2013 regarding the application of Articles 107 and 108 of the Treaty for the Functioning of the European Union to the de minimis aid which is regulating the provision of *de minimis* aid, applies for financial aid provided to enterprises of all sectors with the exception of:

a) aid given to enterprises which are conducting activities in the sector of fishing and aquacultures covered by Regulation (EC) No. 104/2000 of the Council;

b) aid given to enterprises which are conducting *activities in the field of primary production of agricultural products;*

c) aid given to enterprises which are conducting activities in the sector of *processing and trade of agricultural products* in the following cases:

i) when the size of the aid is determined on the basis of the price or quantity of this type of product when purchased by primary producers or offered to the market by the respective enterprises;

ii) when the aid is connected with the responsibility to be partially or fully transferred to primary producers;

d) aid given to activities connected with export to third party countries or member state, and in particular – aid which is directly influenced by the exported amounts, with the establishing and

functioning of a distribution network or other export-related current expenses;
e) aid which is subject to preferential use of national products in comparison to importants
The following definitions are applied for the purposes of the Regulation:
a) "agricultural products" – products, listed in Annex I to the Treaty, with the exception of fishing and aquaculture products included in the field of application of Regulation (EC) No. 104/2000;
b) "processing of agricultural products' – every activity performed with agricultural product which results in a different agricultural product, with the exception of activities conducted on the site of the farm or activities necessary for the preparation of an animal- or plant-based product for its first sale;
c) "trade of agricultural products" – ownership or display for the purpose of selling, offer to sell, deliver, or in any way release on the market, with the exception of the first sale done by the primary producer to a retailer or processor, as well as any type of activity involving the preparation of the product for its first sale; the sale of a product by the primary producer to the end consumers is considered trade only if it is conducted in designated independent facilities.
The state aid conditions for a certain RADP measure, listed in para. 5.2 below, apply to all measures of the CLLD Strategy which is included in RADP 2014-2020.

Eligible CURRENT EXPENDITURES AND EXPENDITURES FOR PROMOTION of the CLLD Strategy

According to *Ordinance No.1 of 22.01.2016 for the application of Sub-measure 19.4 "Current expenditures and promotion of the strategy for community-lead local development" of Measure 19 "Community-lead local development" of the Rural Area Development Programme for the 2014 – 2020 period*, the following two types of expenditures are eligible for funding as an addition to the expenditures for Strategy measures:

Current expenditures for managing the LAG Strategy – 80% of the total current expenditure budget:

1. expenditures for salaries as well as the normative act mandated expenditures on social and healthcare insurance for the staff, compensations for temporary incapacity to work and other expenditures owed by the employer;
2. expenditures on payments and insurances owed by the employer to experts responsible for the implementation of the Strategy (evaluators, consultants, external experts, and others);
3. expenditures for services connected with the implementation of the Strategy (legal, accounting, auditing, and other services);
4. expenditures on business travel expenditures of the staff and members of the collective higher authority of the LAG according to Ordinance for Domestic Business Trips, accepted with Decree No. 72 of the Council of Ministers from 1986 (SG, issue 11 from 1987) and the Ordinance for Business Trips and Specializations Abroad accepted with Decree No. 115 of the Council of Ministers from 2004 (SG, issue 50 from 2004);
5. expenditures for renting of an office unit;
6. expenditures on communication and external services (phone, internet, postal services, delivery services, heating and electricity, water, office security, electronic signature and other);
7. expenditures for purchasing of office equipment, incl. legal and accounting software and office furnishing
8. expenditures for purchasing of office supplies
9. expenditures for the purchasing of one automobile with less than 150 horsepower and a fitting capacity of at least 5+1 with a value no higher than 30 000 for LAGs who do not possess an automobile as per Ordinance No. 23 of 2009 regarding the conditions and order for providing grants under Measure "Implementation of strategies for local development" and Measure

"Management of local action groups, acquisition of skills, and achieving public activity within the respective territory of local action groups implementing strategies for local development" of the Rural Area Development Programme for the 2007 – 2013 period (SG, Issue 1 from 2010), referred to as "Ordinance No. 23 from 2009", and expenditure on technical servicing and annual vignette taxes for an automobile, purchased in compliance with the requirement of Regulation No.23 of 2009;

10. expenditures for renting of an automobile with less than 150 horsepower and a fitting capacity of at least 5+1 for LAGs who do not possess a purchased automobile as per this ordinance or Ordinance No. 23 of 2009;

11. expenditures for insurance of long term material assets purchased after the signing of the Strategy implementation contract as per this ordinance as well as for assets purchased as per Ordinance No.23 of 2009 before the deadline for mandatory insurance as per the same ordinance;

12. expenditures on car fuel spending;

13. expenditures on the training of the team and members of the collective higher authority on the implementation of the Strategy for local development;

14. expenditures connected to public relations, expenditures on the organization of LAG meetings, expenditures on networking, participation of the team and members of the collective higher authority in meetings with other LAGs and others;

15. expenditures on the participation of LAG in activities of the National and European Rural Network for the development of rural areas;

16. financial expenditures, incl. bank fees for account management, fees for the procurement of required documents;

17. expenditures for monitoring and evaluation of the CLLD Strategy for implementation of LAG duties as per Art. 34, para. 3, letter "g" of Regulation (EU) 1303/2013;

18. other unplanned operational expenditures necessary for the functioning of the office.

Expenditures on the promotion of the CLLD Strategy on the territory of its implementation – 20% of the total current expenditure budget:

1. expenditures on surveying and analyzing the specific territory (territorial, economic, social, and other types of surveying and analyzing);

2. expenditures on promoting and increasing awareness and publicity:

a) for creating and maintaining a webpage;

b) for publications in printed and electronic medias and broadcasts of invitations to organized events in radio- and television medias, and any additional activities related to the promotion of the LAG;

c) for printing of brochures, training materials, and any additional printed materials, production of advertising materials and any additional activities related to the promotion of the LAG;

d) for translations;

e) for manufacturing and installing signs and billboards promoting the LAG;

f) for expenditures related to the preparation of materials providing guidelines and assistance to potential recipients of financial aid with the development of activities and preparation of proposals;

g) for additional expenditures related to promoting and increasing awareness and publicity;

3. expenditures for the organization of training, seminars, and information meetings with local leaders, vulnerable groups, and poverty-stricken target groups, including Roma; expenditures related to project preparation, implementation, and reporting, as well as other activities related to the promotion of the CLLD Strategy and the implementation of the CLLD method.

B. Eligible expenditures and applicable state aid regime for ICOP-funded measures [16]

Eligible expenditures

Eligible expenditures under the ICOP-funded measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG are determined based on the requirements of:

- Chapter 5, Section I of LMFESIF;
- applicable sub-legal normative acts and national legislature;
- Regulation (EU) No. 1303/2013 on the definition of generally applicable orders for the European Regional Development Fund, European Social Fund, Cohesion Fund, European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, as well as the definition of general orders for the European Regional Development Fund, European Social Fund, Cohesion Fund, and European Maritime and Fisheries Fund, and for the repeal of Regulation (EC) No. 1083/2006 of the Council.

A list of eligible expenditures for every ICOP-funded measure of the CLLD Strategy can be found below in Section 5.2. of this document. Each measure will be modified and described additionally in the call for offers.

Ineligible expenditures

Ineligible expenditures are determined by the requirements of Chapter 5, Section I of LMFESIF, the applicable sub-legal normative acts and national legislature, and by Regulation (EU) No. 1303/2013 on the definition of generally applicable orders for the European Regional Development Fund, European Social Fund, Cohesion Fund, European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, as well as the definition of general orders for the European Regional Development Fund, European Social Fund, Cohesion Fund, and European Maritime and Fisheries Fund, and the repeal of Regulation (EC) No. 1083/2006 of the Council.

According to the requirements of Art. 27 of DCR No. 119 from 20.05.2014, the following expenditures **are not eligible for funding by the European Regional Development Fund (ERDF)** which is also funding ICOP:

1. expenditures, funded by another operation, programme, or any kind of financial mechanism originating from the national budget, from the European Community, or any other donor programme;
2. fines, financial sanctions, and expenditures for settling disputes;
3. commissions and losses incurred from rate differences when exchanging foreign currency;
4. tax on added value, unless when it is non-refundable;
5. purchase of long-term material assets – secondhand;
6. expenditures on warranties, provided by banks or another financial institution, with the exception of expenditures on financial instruments.

The following expenditures **are not eligible** for co-funding from ERDF:

1. interests on debts, with the exception of interests related to grants, presented in the form of interest subsidies, or subsidies for warranty taxes;
2. subsidizing an interest on approved mechanisms for state aid and the expenditures for financial transactions.

The following expenditures are also **not eligible** for co-funding from ERDF:

1. cease of exploitation or construction of nuclear power plants;
2. investments to achieve GHG emission reduction from activities listed in Annex I to

[16] In accordance with *"Guidelines of MA of ICOP 2014-2020 Regarding the Preparation of Strategies for Local Development under Multi-Fund Implementation of CLLD"*

Directive 2003/97/EC of the European Parliament and the Council from 13.10.2003 for establishing trade schemes of GHG emission quotas within the borders of the Community and for a modification of Directive 96/61/EC of the Council (OG L 275, 25.10.2003, p. 32);

3. production, processing, and trade of tobacco and tobacco-related products;

4. enterprises experiencing difficulties as per the rules of the European Union on state aid;

5. investments in airport infrastructure, unless related to envrionmental protection or accompanied by investments necessery for mitigating or reducing its negative impact on the environment

State aid regime

The ICOP-funded measures included in the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG must be implemented in accordance with ***the minimal aid rules (de minimis)*** as per Regulation (EU) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to the de minimis aid published in the Official Gazette of the EU L 352 from 24.12.2013.

The maximal size of the de minimis aid for which one must apply along with the other received minimal aids, cannot exceed the BGN equivalence of 200 000 Euro and, respectively, the BGN equivalence of 100 000 Euro in the case of a single enterprise which is conducting road freight transports at another entity's expenses for a period of three budget years. The maximal intensity of the aid is no higher than 90% of the total value of eligible expenditures.

C. Eligible expenditures and applicable state aid regime for HRDOP-funded measures [17]

Eligible expenditures

Eligible expenditures under the HRDOP-funded measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG

- Chapter 5, Section I of LMFESIF;
- applicable sublegal normative acts;
- orders of Regulation No. 1303/2013, Regulation No. 1304/2013, Regulation No. 966/2012 and the applicable national legislature for the 2014-2020 financial framework.

A list of eligible expenditures for every ICOP-funded measure of the CLLD Strategy can be found below in Section 5.2. of this document. Each measure will be modified and described additionally in the call for offers.

Ineligible expenditures

According to the requirements of Art. 27 of DCR No. 119 of 20.05.2014, the following expenditures **are not eligible for co-funding by the European Social Fund (ESF)** which is also funding HRDOP

1. expenditures, funded by a different operation, programme, or any kind of financial mechanism originating from the national budget, the budget of the Community, or any other donor programme;

2. fines, financial sanctions, and expenditures for settling disputes;

3. commissions and losses incurred from rate differences when exchanging foreign currency;

4. tax on added value, unless when it is non-refundable;

5. purchase of long-term material assets – secondhand;

[17] In accordance with *"Guidelines of MA of HRDOP 2014 – 2020 for the application of the CLLD method with resources from HRDOP 2014 – 2020"*

6. expenditures on warranties, provided by banks or another financial institution, with the exception of expenditures on financial instruments.

The following expenditures **are not eligible** for co-funding from ESF:

1. interests on debts, with the exception of interests related to grants, presented in the form of interest subsidies, or subsidies for warranty taxes;
2. subsidizing an interest on approved mechanisms for state aid and the expenditures for financial transactions.

Furthermore, the following expenditures **are not eligible** for funding under HRDOP:

- expenditures for the purchasing of instrastructure, land, and real estate;

State aid regime

Measures under HRDOP must be implemented in accordance with ***the rules for minimal aid (de minimis rule)*** as per Regulation (EU) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (TFEU) to de minimis aid published in the Official Gazette of the EU L 352 of 24.12.2013

ОПРЧР не може да осигури финансиране в полза на бенефициенти селскостопански производители за дейността им, поради ограничения на Министерството на земеделието и храните в предоставянето на средства по режим "de minimis", който ОПРЧР прилага. HRDOP cannot provide funding to agricultural producers for their activities due to the restrictions of the Ministry of Agriculture, Food, and Forestry for providing funds under the de minimis regime which the HRDOP is applying.

Other applicable conditions for measures

A. Types of project payments

Financial aid for projects within the frameworks of measures of the CLLD Strategy will be paid ***after completing the project's activities***. Advance and interim payments are eligible under the measures of the current CLLD Strategy but the conditions for their eligibility and the size of payments will be determined in the call for offers for each separate measure.

B. Assigning project activities

A recipient of financial aid for a project under the CLLD Strategy measures who is **the contracting authority as per the Public Procurement Act** must assign the implementation of project activities in compliance with the specific procedure.

Recipients of financial aid who **are not the contracting authority as per PPA** are subjects to particular conditions described in Ordinance No. 22 of 14.12.2015 as well as the DCR for coordination between MA in the case of CLLD implementation which will be described in detail in the application instructions for each measure of the Strategy.

C. Procedure for selection of projects to the CLLD Strategy

For each separate measure of the current CLLD Strategy there must be a nondiscriminatory and transparent **procedure and objective selection criteria for projects**, as per the requirements of Ordinance No. 22 of 14.12.2015 and the requirements of ICOP and HRDOP. In certain cases the measure will have to be approved by the managing authority of the specific programme that is funding the measure.

Each year the board of the LAG will approve and publish on the webpage of the LAG **an indicative schedule of the dates of calls for offer for the specific measures of the CLLD Strategy** for the upcoming calendar year as well as **an invitation for a call for offer** regarding the specific measure which must contain at least:

- name of the CLLD Strategy measure;
- programme providing the funding;
- eligible candidates;
- eligible activities;
- period and location for submitting projects;
- budget of the offer;
- minimal and maximal size of the financial aid provided for a project;
- criteria for project selection and their hierarchy;
- contact person and location for access to additional information;
- other specific conditions and requirements applicable to the respective measure.

CRITERIA FOR EVALUATION AND SELECTION OF PROJECTS

criteria are based on the following **main principles**:

1. Compliance of the projects with the characteristics of the territory, needs, and wants of the local community, municipal and sectoral development policies;

2. Administrative compliance and eligibility of project documentation as per the requirements;

3. Support for activities which are directly connected with achieving the goals of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG;

4. Support for local and typical for the territory agricultural products;

5. Support for innovative for the territory projects;

6. Support for projects with a positive impact on the social environment, natural environment, and employment;

7. Support for the small business and establishing competitive non-agricultural activities;

8. Consistency and complementarity between measures and projects.

Selection and approval of proposals by LAG will be carried out in the following two stages:

- *Stage 1 – Verification of administrative coherence and eligibility* (by LAG employees or external experts);

Projects who do not meet all criteria for administrative coherence and eligibility will not be passed on for further evaluation.

- *Stage 2 – Technical evaluation* based on the criteria set for every measure of the CLLD Strategy (by the Commission for Project Selection).

Administrative criteria apply to all project proposals under all measures:

No.	Administrative criteria	Criteria has been completed
1.	The application form has been received within the deadline said in the call for project offers	yes/ no
2.	The application form has been submitted by the candidate personally or by a legally authorized representative	yes/ no
3.	The application form has been submitted as per the guidelines/ conditions for application.	yes/ no
4.	The application form has been filled in and signed by the candidate.	yes/ no
5.	The application form contains all the required information.	yes/ no
6.	All required documents have been submitted with the project proposal as per the conditions and order for receiving a grant under the measure (*all*	yes/ no

	required documents for each measure must be filled in separately and in detail in the document packet).	

Table 9: Criteria for verification of administrative coherence of projects under all CLLD Strategy measures

After the results of the administrative evaluation are in it can be concluded whether the submitted application form complies with all the criteria requirements for administrative coherence or it does not comply with said criteria and must be **returned to the candidate for correction** or **rejected**.
The evaluation of administrative coherence is done through checklists. Each filled-in checklist must bear the name of the evaluator and present clear, understandable information about the completed procedure. Every checklist must be signed by the evaluator and stored in the file of the respective project.
All the information is typed in an electronic project register by the entity with access to do that.
Project proposals under all measures must meet the eligibility criteria for the candidate and the project proposal:

No.	ELIGIBILITY OF CANDIDATE AND PROJECT PROPOSAL	Criterion has been completed
1.	Eligibility of the candidate according to the guidelines/ conditions for applying for the specific CLLD Strategy measure	yes/ no
2.	The candidate has a permanent address – for physical entities, and a headquarters with a physical address – for sole traders and legal entities on the territory of the Gotse Delchev – Garmen – Hadzhidimovo LAG	yes/ no
3.	Compliance of the project's goals with the goals of the Strategy for local development	yes/ no
4.	Projects under Measure 6-7.2 correspond with the Municipal Development Plan of the municipality which is applying with a projects for the 2014 – 2020 period	yes/ no
5.	Project activities are planned for implementation of the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG	yes/ no
6.	The project proposal complies with the common and specific goals of the measure with a clearly and methodically described and structured tasks and goals of the project	yes/ no
7.	Project activities comply with the goals, range, and requirements of the specific measure of the CLLD Strategy	yes/ no
8.	Project activities are connected to the project goals and the expected results from the project's implementation	yes/ no
9.	Target groups of the project correspond with the target groups of the measure and are bound to the activities and the expected results from the project's implementation	yes/ no
10.	Времевият график на проекта попада в периода на изпълнение на стратегията за BOMP The project proposal is in compliance with the requirements regarding implementation period as per the guidelines, conditions for applying.	yes/ no
11.	The project proposal meets the eligibility requirements for expenditures listed for every measure of the CLLD Strategy, incl. percentage restriction for eligibility of some types of expenditures	yes/ no

	(information and publicity, equipment, and others).		
12.	Compliance with the minimal/maximal grant size for the measure under the CLLD Strategy	yes/ no	
13.	Has sustainability and/or project result replication mechanisms in place when applicable and required	yes/ no	
14.	The budget of the project is in accordance with the determined goals and activities	yes/ no	
15.	Applicable for measure 1-4.1, 2-4.2, 3-6.4, 4, and 5: The submitted business plan has been filled in in accordance with the sample applied to the application documents with detailed description of planned investments for a period no shorter than 5 years, and in the cases of perennial crops or construction/installation activities – a 10-year period. The business plan proves economic viability and demonstrates a significant improvement of the overall agricultural activity of the candidate.	yes/ no	

Table 9: Criteria for eligibility check of candidates and projects under all measures of the CLLD Strategy

The verification for administrative coherence and eligibility also includes:

1. verification for lack of double funding;

2. verification for the presence of artificially created conditions;

3. verification for minimal aid;

4. visit of the site of proposal if there are plans for expenditures on construction/installation activities or for establishing perennial crops (when applicable)

The verification of administrative coherence and eligibility is conducted by at least two individuals (LAG employees or external experts), designated by an order issued by the executive director. The individuals must present declarations for impartiality, confidentiality, and lack of conflict of interests. The results from the verification of administrative coherence and eligibility are then made into a report and presented to the executive director of the LAG by the auditors.

The following items must be annexed to the report:

1. list of registered projects;
2. individual control lists for administrative coherence and eligibility;
3. declarations for impartiality, confidentiality, and lack of conflict of interests;
4. lists for the check of administrative coherence and eligibility:

a) list of projects with meet the criteria for administrative coherence and eligibility;

b) list of projects which do not meet the criteria for administrative coherence and eligibility supported by clear argumentation;

c) correspondence with candidates/competent authorities/institutions (if any);

d) specific thoughts (if any);

LAG can add to (in the document application pack for every measure) the criteria for eligibility in order to meet all eligibility requirements within the separate measures. A statement will be made on the basic of the verification for eligibility whether the presented application form is in compliance with the eligibility requirements or it is not and must therefore be rejected.

Projects which do not meet all criteria for administrative coherence and eligibility will not be passed on for further evaluation – stage two.

Stage two: Technical evaluation of the project

Criteria for project evaluation are included in the CLLD Strategy for every measure.

Detailed information on all requirements for providing grants will be described in the invitation for call of offers for every measure of the current CLLD Strategy.

D. Other requirements

All requirements applicable to the measures of the current CLLD Strategy have been described in:

- Наредба № 22 от 14.12.2015 г.; Ordinance No. 22 of 14.12.2015;
- Указания от УО на ОПРЧР 2014 – 2020 за прилагането на подхода ВОМР с ресурси от ОПРЧР 2014 – 2020; Instruction of MA of HRDOP 2014 – 2020 Regarding the Application of the CLLD Method with Resources from HRDOP 2014 - 2020
- Instructions of MA of ICOP 2014 – 2020 Regarding the Preparation of Strategies for Local Development under Multi-Fund Implementation of CLLD
- Other documents created by the Managing Authorities of the RADP, ICOP, and HRDOP programmes, the Council of Ministers, or other authorities which regulate the implementation of the CLLD method.

If the requirements of the above-listed documents are modified, then the requirements applicable to a certain measure of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo must also be modified to reflect the changes.

IMPORTANT:

Specific requirements for eligibility of candidates, activities, certain expenditures, necessary application documents, and other conditions for each measure will be presented in detail and can be further modified, if needed[18], in THE INVITATIONS FOR CALL FOR PROPOSALS for each measure of the current CLLD Strategy.

The following types of measures have been included in the current CLLD Strategy for Gotse Delchev – Garmen – Hadzhidimovo LAG as per Ordinance No. 22 of 14.12.2015:

- *they have been selected in RADP 2014 – 2020;*
- *they are outside the range of Regulation (EU) No. 1305/2013 measures but comply with the goals of the Regulation;*
- *they have been defined within the programmes listed in Art. 2, para. 2 of the Ordinance – the ICOP and HRDOP Programmes*

The measures included in the CLLD Strategy are focused towards the utilization of available opportunities on the territory of the LAG and fulfilling the needs and wants of stakeholders, identified during the conducted surveys, meetings, and public discussion, after an evaluation of the potential for implementation of projects within each measure took place. All eligible measures of the Strategy have been discussed in detail with the stakeholders of the Gotse Delchev, Garmen, and Hadzhidimovo Municipalities after which we chose the ones that that best fit the socio-economic characteristics of the territory and the needs and wants of the local community.

Measures are chosen and included in the implementation process of the following **METHODOLOGY** developed for the purposes of the current CLLD Strategy:

1. Selection of measures to be included in the CLLD Strategy

[18] In the case that the applicable normative base and Instructions of the MA of the programmes funding the CLLD Strategy upon which the application requirements will be formulated are changed in the process of Strategy implementation.

1.1. Step 1: Identification of the eligible programmes and sectors in the frameworks of which CLLD Strategy measures can be established

In accordance with the information presented in Ordinance No. 22 of 14.12.2015 a list was prepared containing the details of the programmes which are providing funding for the CLLD method (incl. Science and Education for Smart Growth Operational Programme (SESGOP) and Maritime and Fisheries Programme (MFP) which are not eligible for a first invitation to a call for proposals under Sub-measure 19.2 of RADP for the purpose of identifying interest in these programmes in the event that said programmes were to participate in the implementation of the method by 31.05.2016), as well as other eligible measures of RADP and fields (priority axis and investment priorities) from other programmes within the frameworks of which CLLD Strategy measures can be introduced. The information is made available to stakeholders as an annex to the developed *questionnaire for identification of potential beneficiaries and interest in eligible measures*. The information has been presented in detail during all information meetings, conferences, and seminars with stakeholders in order to guarantee they have readily available information when preparing proposals.

1.2. Step 2: Summarized results of the survey and conducted information and consultative meetings with stakeholders

Summary of the results of the questionnaires on a programme, measure, and sub-measure level and defining the minimal percentage of answers required for a measure to be added to the Strategy. Detailed information regarding the results of the conducted poll is incuded in a *Report on the Analysis of the Needs of Stakeholders*. Based on the results of the survey it was decided to include measures from RADP, ICOP, HRDOP, and a new measure for the development of the territory coherent with the needs of Regulation (EU) No. 1305/2013.

The results and proposals from the conducted polls, meetings, public discussions and other events during the Strategy preparation process are detailed in the Report on the Conducted Surveys among Stakeholders. The main conclusions from the carried out surveys and proposals which were submitted during discussions of the CLLD project with potential beneficiaries and stakeholders can be summarized in the following way:

- **RADP**
  - The CLLD Strategy will include measures from RADP, ICOP, and HRDOP, as well as an additional measure for organizing events and festivals, preparing collections, catalogues and other promotional materials of the local heritage of the LAG territory (Measure 7)
  - RADP measures will be focused on providing help to agricultural producers and processing enterprises, diversification of the economy with nonagricultural activities, and renovation of the small-scale municipal infrastructure.
  - The Strategy will include three RADP measures focused on the development of farms and the development of productions and services in nonagricultural sectors for which large and small agricultural producers can apply as per the definitions of the RADP for the 2014 – 2020 programme period. Measures should not be targeting only small farmers and the latter should be listed as beneficiaries of the measures added from RADP.
  - Most of the public resource provided by RADP should be concentrated in the so-called private measures targeting farmers, microenterprises, and others with the budget for "agricultural" Measures (1-4.1 and 2-4.2) is to be bigger than the budget of the "nonagricultural" Measure (3-6.4) and the smaller part of the budget should be allocated to the public and nonagricultural sector represented by Measures 6-7.2 and the new Measure 7.
- **ICOP**
  - The Strategy will include two ICOP measures – one focused on the development of innovations in SME due to the fact that the LAG territory holds a large number of eligible

candidates with innovative ideas, and one focused on the technological renovation of SMEs, for which the potential beneficiaries are expressing high interest.

- An opportunity to include a measure for starting a business (support for entrepreneurship) under ICOP was discussed in detail but the opinions of stakeholders produced the conclusion that similar projects will be hard to implement on the territory of the LAG due to the fact that a startup enterprise should have more than 10 employed individuals and the necessary capital as per the definition of the Small Business Act

- **HRDOP**
  - The CLLD Strategy will include measures which cover the activities and target groups of IP 1,3, and 6 under PA 1 and IP 1, 2, and 3 under PA 2. Measures will be "consolidated", i.e. one measure will combine the activities and target groups of a few IP of the programme due to the fact that for a small territory such as the LAG's it is not reasonable to fragment target groups based on their age or any other criteria. For an example, there should be a measure has activities for the training of unemployed individuals of all age groups, but also of individuals with disabilities as their total indicative number from across the LAG territory which can potentially be included in future projects is not too high as to deem the necessity of measures targeting different age groups or groups of any other characteristics.
  - A measure for the support of entrepreneurial ideas (IP 5, PA 1), the eligibility of which became known after releasing the Instructions of MA of HRDOP, should also be included in the Strategy as there is high interest in training and other startup services, as well as specialized organizations which could implement qualitative projects.
  - The biggest part of the HRDOP-provided public resource is to be invested in the measure for training as employers, NGOs and other eligible beneficiaries from the LAG territory expressed the strongest interests towards that specific measure.
- **EOP**
  - Measures under EOP are not to be included in the CLLD Strategy as there is a lack of sufficient amount of interest by potential candidates in the activities which EOP is funding within the frameworks of the CLLD method.

1.3. Step 3: Needs identified from the analysis of the territory on the basis of statistical data and established strategic documents

From the conducted survey and analysis of the Gotse Delchev – Garmen – Hadzhidimovo LAG:

1. **priority economic sectors, incl.:**
   - subsectors **of agriculture**
   - **processing industry, processing of agricultural products** (food industry)
   - **processing of forest products**
   - **processing industry outside the agricultural sector** and processing of agricultural products - wearing apparel industry and others (from eligible sectors under ICOP)
   - **services sector, incl. tourism**
   - **construction sector**
   - **forestry sector**
2. sectors **and subsectors** with highest contribution to GDP
3. infrastructural needs and priorities (incl. road infrastructure, street network, etc.)
4. priorities and needs in other sectors – culture, social activities, healthcare, sport, education.
5. SWOT analysis

1.4. Step 4: Evaluation of the implementation potential of the planned measures of the CLLD Strategy through a review of the implemented projects on the territory of the Lag for the 2007-2013 Programme Period

We conducted a review of the publicly available information about competed projects on the territory of the LAG for the 2007-2013 Programme Period of the sectors on the basis of which the main measures of the CLLD Strategy were constructed with a focus on the evaluation of the implementation capacity of ICOP- and HRDOP-funded projects. Under the Development of the Competitiveness of the Bulgarian Economy Operational Programme 2007-2013, beneficiaries of the LAG territory have implemented 18 projects with budgets exceeding 12 000 000 BGN of which two were in the field of innovations, and the rest – in the field of technical renovation, introduction of standards, and others. In that manner of thinking it can be concluded that the potential for project implementation of ICOP-funded measures of the CLLD Strategy especially due to the fact during the previous programme period implemented projects had four times the value of the resources that ICOP is presenting to the CLLD Strategy. HRDOP has funded 13 projects across the LAG territory, of which 4 were focused on encouraging business startups.

1.5. Step 5: Proposal for measures of funding programmes which will be applied in the CLLD Strategy based on Chapters 1.2 and 1.3.

On the basis of the previous paragraphs (results from the survey carried out through polls, events, meetings with stakeholders; evaluation of the sectors with potential for growth on the territory of the completed analysis) we prepared a list of the measures proposed for implementation under the CLLD Strategy which was made available to the local community during the consultative meetings with project partners and stakeholders. *All proposed measures were discussed and approved by stakeholders with no proposals for new measures.*

2. Determining the budget of selected measures of the programmes participating in the CLLD approach under the current call for proposals (RADP, ICOP, HRDOP)

2.1. Review of **the relative shares of measures applied under the CLLD Strategy in the respective programmes at a national level (RADP, HRDOP, ICOP).**

2.2. Review of the respondent interest in the polls about selecting measures for the CLLD Strategy presented as percentage comparisons between the measures as well as the interest declared during the conducted meetings and discussions with stakeholders.

2.3. Review and sum of the indicative budgets of projects under the selected measures of the CLLD Strategy stated by the respondents in the questionnaire, when applicable;

2.4. Proposal for financial distribution of the resource for measures of the Strategy in accordance with the expressed interest in the measures and the realization potential for projects under said measures, as well as the finalization of the financial framework after receiving proposals from stakeholders during the conducted meetings and discussions.

2.5. Review of **the coherence of the CLLD Strategy budget with the priority and goal hierarchy** of the Strategy while maintaining the balance between the budget of the measures and the interest and implementation potential of the measures.

2.6. Proposals for maximal value gained from the implementation of a project in accordance with the orders of Ordinance No.22 from 14.12.2015 and with the mission of the CLLD Strategy to support as many candidates and to fund as many development projects on the LAG territory as possible.

The current section contains the following information about each measure as per the requirements of Ordinance No. 22 of 14.12.2015:

- description of the goals and range of the measure;
- eligible beneficiaries;
- eligible activities and expenditures;
- defined financial parameters of projects;

- intensity of the financial aid;
- size of the financial aid;
- criteria for evaluation of projects and their impact.

Measures and activities for each of the funds listed separately:

RADP (EARDF)

The CLLD Strategy includes **4 measures under RADP** focused on the development of the agricultural sector, diversification of nonagricultural activities, and ensuring better living conditions through renovation of small-scale infrastructure in the municipalities covered by the LAG. The measures have been included because of the expressed interest during the survey among potential beneficiaries and the conducted meetings and discussions with stakeholders, where representatives of local businesses expressed the wish to participate the implementation of agricultural and nonagricultural measures of the Strategy. The potential for implementation is strong due to the high number of farms (more than 8500 according to the last official census of farms performed by the Agrostatistics Directorate, MFAF in 2010 with more than 80% of farms being no larger than 10 hectares) and microenterprises (more than 2000 in 2014) across the territory of the three municipalities. When it comes to farms, it was determined during the conducted meetings and discussions with stakeholders that most of the farms on the territory of the LAG are small as per the definition of small farm established by RADP during the 2014-2020 period (*small enterprises are those that have an economic size measured in standard production volume (SPV) between 2 000 and 7 999 Euros and are registered as a* farm) and further supported by official statistical data provided by the Agrostatistics Directorate in MFAF. Most of the surveyed individuals with a farm have a standard production volume of less than 8 000 Euros and a size of arable land less than 10 hectares. It is for this reason that for measures 1-4.1, 2-4, and 3-6.4 of the CLLD Strategy (listed below), **the minimal size of the farm of the candidates is less than 8000 Euros, measured in SPV** as per the definitions of the RADP on the Thematic sub-programme for development of small farms – 6 000 Euros SPV for candidates of Measures 1-4.1, and 2-4.2, and a minimum of 2 000 Euros SPV for candidates of Measure 3-6.4 of the CLLD Strategy. Priority will be given to farms with potential for development as per the criteria for project evaluation and larger intensity of financial aid. *Stakeholders approved the method focused on stimulating small farms which have the necessary capacity and potential for project implementation.*

Measure 1-4.1 "Support for investments in farms"

The measure corresponds with Sub-measure 4.1 "Support for investments in farms" of RADP 2014-2020. As per Art. 15, para 3 of Ordinance No. 22 of 14.12.2015, certain conditions have been determined for the measure that are different than RADP but still meeting the requirements of Regulation (EU) No. 1305/2013.

Measure 1-4.1 "Support for investments in farms"	
Description of goals	➢ Increasing the competitiveness of farms on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG by: • introducing new technology to the production process; • modernization of the physical capital; • increasing labor productivity in farms; • achieving compliance with the newly-introduced EU standards. ➢ Environmental protection, incl. by employing new and energy-conserving technologies, investments for the reduction of pollution from farms, and

	constructing installations for the production of renewable energy. ➢ Providing support for the development of biological agriculture. ➢ Encouraging cooperation between farmers.
Scope of measure	Territorial scope of the measure – the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. The measure is focused on investments in *material and nonmaterial assets* of farms which will lead to the accomplishment of the measure's goals across the Gotse Delchev – Garmen – Hadzhidimovo LAG. Financial aid can be provided to: 1. farmers for investments in their farms which are directly connected to one or several activities of primary agricultural production and storage of own agricultural products, as well as preparation of the production for trade *(Investments must be related to the production of agricultural products included in Annex I of the Treaty on the Functioning of the European Union or cotton, with the exception of tobacco, fish, and fish-related products);* 2. known groups or producer organizations for investments which are beneficial to the entire group or producer organization and are related to the the primary agricultural activity and/or to the storage of agricultural products, produced by their members, as well as for the purpose of preparing the production for trade.
Eligible candidates	Entities may only apply for support if by the date of the application for aid they are: **1. <u>Farmers</u>**, who: • are **registered as farmers** as per Art. 7, para. 1 of the Agricultural Producers Support Act • have a **minimal standard production volume** of their farm no smaller than the equivalent of **6 000 Euros** in BGN; • **if they are legal entities** must: a) have received income from agricultural activities for the previous or current financial years or must have received aid under the mechanism for unitary land subsidy, including income from received public financial aid directly related to the completion of these activities, or income from processing of agricultural production, or services directly related to agricultural activities, or received public financial aid. Does not apply to candidates established no later than 1 year before the data of project proposal submittal in a rural area with investments entirely in the sectors of animal husbandry, fruit and vegetables, or essential oils and medicinal crops, including with investments covered by the range of two or more of these sectors; b) be registered under the Trade Act, Law on Cooperatives, Law on Religions, or established under the Law of the Agricultural Academy. **2. <u>Recognized groups of producers and recognized organizations of producers</u>** of agricultural products or other products eligible for financial aid under Measure 9 "Foundation of groups and organizations of the producers" of RADP 2014 - 2020 Legal entities may also apply for projects for collective investments if they are registered under the Trade Act and/or Law on Cooperatives, as long as they are at least 6 entities and are not one of the mentioned entities in Points 1 and 2.
Eligible activities	**1.** Introduction of new products, processes, and technologies and update of the available material and/or nonmaterial production assets; or

	2. Encouraging cooperation with producers and processors of agricultural products; or **3.** Preservation of environmental components, incl. by reducing harmful emissions and waste; or **4.** Increasing energy efficiency in farms; and/or **5.** Improving work conditions, improving hygienic, veterinarian, phytosanitary, ecological, and other production conditions; or **6.** Improving the quality of agricultural products; or **7.** Providing opportunities for the production of biological agricultural products.
Eligible expenditures	**1.** Construction, or building renovation, or renovation of other real estate used for agricultural production, including real estate used for the conservation of environmental components; **2.** Purchase, including through a financial lease, and/or installing new machinery, facilities, and equipment necessary for the improvement of the agricultural production process, including for the conservation of environmental components, producing heat and/or electric energy required for the agricultural activities of the farm and improving energy efficiency, storage and preparation for trade of agricultural production; **3.** Plantation and/or replantation of perennial crops, including dessert vineyards, honey-yielding trees, and other fast growing shrubs and tree species used for the production of bioenergy; **4.** Expenditures on achieving coherence with newly-introduced EU standards, including through a financial lease; **5.** Purchase of: facilities, attached beekeeping inventory and the specific equipment necessary for the production of honey and other bee-produced products, as well as for breeding queen bees, including through a financial lease; **6.** Expenditures on achieving coherence with existing EU standards – for young farmers who are receiving financial aid from Sub-measure 6 of RADP; **7.** Purchase of land necessary for the implementation of the project with respect to constructing and/or modernizing building, facilities, and other real estate assets, designed for agricultural production activities and/or for the plantation and/or replantation of perennial crops; **8.** Purchase of buildings, facilities, and other real estate necessary for the project implementation in terms of agricultural production activities in rural areas; **9.** Purchase, including through a financial lease, of specialized agricultural freight vehicles such as: trucks, milk tankers, refrigerated freight vehicles for the transportation of production, vehicles for transportation of live animals and birds; **10.** Expenditures on achieving compliance with international standards concerning the introduction of systems for maintaining the quality of farms, introducing good production practices, preparation for certification; **11.** Purchase of software, including through a financial lease; **12.** Expenditures for know-how, acquiring copyrights and licenses, for registering trademarks and processes necessary for the project's implementation; **13.** Expenditures related to the project, incl. expenditures on preliminary project research, taxes, fees for architects, engineers, and consultants, consultations regarding the ecological and economic sustainability of projects, evaluation of the technological feasibility of the projects, conducted in the preparation process

	of the project before the submittal of the aid application form, as well as during the implementation of the project.
Financial parameters	**Minimal value** of the total eligible expenditures on one project – the BGN equivalent of 5,000 EUR. **Maximal size** of the total eligible expenditures on one project – the BGN equivalence of: • **25,000 EUR** – for candidates with a farm size between 6,000 and 7,999 EUR SPV • **80,000 EUR** – for candidates with a farm size over 8,000 EUR SPV
Intensity of financial support	Financial aid amounts to **50 %** of the total eligible expenditures for candidate farmers who have a minimal farm size of more than 8,000 EUR measured in SPV, as well as for all the other eligible candidates. 1. The financial aid amount <u>is increased by 10 %</u> for: • projects implemented by young farmers: • integrated projects, including projects related to the merge of producers organizations; • projects for collective investments implemented by legal entities which include between 6 and 10 farmers; • projects with activities supported by the European Innovation Partnership for Agricultural Productivity and Sustainability; • projects which are integrating horizontal innovation priorities, conservation and restoration of the environment, including bioproduction, resource efficiency, and adaptation to climate changes. 2. The financial aid <u>is increased by 15 %</u> for investments related entirely to the candidate's implementation of activities under Measure 11 "Biological agriculture" of RADP 2014 – 2020 or similar activities under measure 214 "Agroecological payments", "Biological agriculture" section of RADP 2007 – 2013. 3. The financial aid <u>is increased by 20 %</u> for projects of collective investments implemented by legal entities which include more than 10 farms and/or producers groups/organizations. 4. Financial aid <u>is increased by 10 %</u> for projects implemented by farmers with a farm size between 6 000 and 7 999 Euros measured in SPV. Maximal size of the financial aid for a project which is meeting more than one of the requirements from Point 1 and/or Point 2 <u>cannot exceed 70 %</u> of the total size of expenditures eligible for financial support. Maximal size of the financial aid for a project which is meeting more than one of the requirements from Point 1 and Point 2 and Point 4 <u>cannot exceed 80 %</u> of the total size of the expenditures eligible for financial support. Maximal size of the financial aid for a project of collective investments submitted by one candidate/recipient of financial aid which is meeting more than one of the requirements of Points 1, 2, and 3 <u>cannot exceed 90 %</u> of the ttotal size of expenditures eligible for financial support.
Project evaluation criteria	***Stage 1 – Administrative compliance and project eligibility*** (requirements are the same for all measures and can be found in Chapter 5.1.6 "Other applicable measure requirements" of the Strategy) ***Stage 2 – Technical evaluation of the projects under the current measure*** – criteria:

	Criterion	Maximal number of points
1.	Support for vulnerable agricultural sectors: projects with investments and activities (more than 50 % of the eligible investment expenditures) in sectors "Fruit and vegetables", and/or "Animal husbandry" and/or "Essential oils and medicinal crops" (in one of the sectors or a combination of more than 1 sector)	15
2.	Farm of the candidate has a size between 6,000 and 7,999 EUR SPV	15
3.	Projects with investments and activities (more than 50 % of the eligible investment expenditures) by farms producing bio-products and/or farms transitioning to the production of bio-goods	15
4.	The project is creating new jobs in the agricultural sector	10
5.	Support for projects implemented by young farmers *(farmers younger than 40, approved for financial aid under Measures 112 or 141 of RADP 2007 – 2013 and Sub-measures 6.1 and 6.3 of RADP 2014 – 2020, and have not received support under Measure 121 "Modernization of farms" and Sub-measure 4.1 "Investments in farms" of RADP 2014 – 2020)*	10
6.	Support for projects with investments in energy efficient production with a minimum of 5 % per farm	5
7.	Project innovativeness – the project is focused on the introduction of a product/ method/ technology new to the farm and/or the introduction of a product or service new to the LAG territory	5
8.	The project includes investments in environmental conservation (incl. technologies leading to emission reduction) and/or meeting the EU standards	5
9.	Projects of tobacco producers registered under the Law on Support of Farmers for investments in activities not related to tobacco production	5
10.	The owner and the candidate's representative have not received support from RADP 2007 – 2013 and/or 2014 – 2020 regardless if it's through the candidate or a different legal entity which they are a part of	5
11.	Projects of female farmers	3
12.	Support for projects in undeveloped areas with natural or another specific form of restriction	2
	TOTAL number of points	**95**

In the case of two or more project proposals having the same number of points as per the evaluation criteria and there is not enough financial resource to implement all of them, these projects will be further rated in a top-to-bottom

	ranking using the following criteria: 1. Points awarded under the "Project is creating new jobs in the agricultural sector" criterion; 2. Points awarded under the "Project innovativeness – the project is focused on the introduction of a product/ method/ technology new to the farm and/or the introduction of a product or service new to the LAG territory" criterion 3. Points awarded under the "The project includes investments in environmental conservation (incl. technologies leading to emission reduction) and/or meeting the EU standards" criterion; 4. Points awarded under the "Support for projects implemented by young farmers (farmers younger than 40, approved for financial aid under Measures 112 or 141 of RADP 2007 – 2013 and Sub-measures 6.1 and 6.3 of RADP 2014 – 2020, and have not received support under Measure 121 "Modernization of farms" and Sub-measure 4.1 "Investments in farms" of RADP 2014 – 2020)" criterion. Additional points will not be awarded for the above-mentioned criteria. The same will only be applied for additional ranking in the case of an equal number of points for two or more project proposals and an insufficient amount of financial resource. Each consecutive criterion after the first will be applied if the projects continue to have an equal number of points as per the previously applied criterion.
State aid	In accordance with the conditions for state aid under Measure 4.1 "Support for investments in farms" of RADP 2014 – 2020.

Measure 2-4.2 "Support for investments in the processing, market supply and/or development of agricultural products"

The measure corresponds to Sub-measure 4.2 "Support for investments in processing, market supply, and/or development of agricultural products" of RADP 2014-2020. As per Art. 15, para. 3 of Ordinance No.22 of 14.12.2015, certain conditions have been determined for the measure that are different than RADP but still meeting the requirements of Regulation (EU) No. 1305/2013.

Measure 2-4.2 "Support for investments in the processing, market supply and/or development of agricultural products "	
Description of goals	The measure aims to improve the overall activity, economic effectiveness, and competitiveness of enterprises of the food processing industry on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG through: ➢ better use of the production factors; ➢ introduction of new products, processes, and technologies, including short-range supply chains; ➢ improvement of food quality and safety and their traceability; ➢ achieving coherence with the European Union (EU) standards; ➢ improved environmental conservation.
Scope of measure	Territorial scope of the measure – the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. The measure provides support for investing in the following selected production sectors connected with the processing/marketing of agricultural products: ➢ milk and dairy, including eggs from poultry, with the exception of the production, processing, and/or marketing of products imitating/replacing milk and dairy;

	➢ meat and meat products; ➢ fruit and vegetables, including mushrooms; ➢ honey and bee products, with the exception of production, procesing, and/or marketing of the products imitating/replacing honey and bee products; ➢ grain and starch products, with the exception of the production, processing, and/or marketing of bread and pastry ➢ plant and animal oils and fats with the exception of the production, processing, and/or marketing of olive oil; ➢ technical and medicinal crops, including oil-bearing roses, herbs and cotton, with the exception of the production, processing, and/or marketing of tobacco and tobacco products, sugar, and sweets; ➢ ready-made food for livestock (fodder) ➢ grape must, wine, and vinegar. Coherence of the projects with sectors is determine on the basis of the agricultural products, the processing and/or marketing of which is what the candidate is applying for, the technology of production, and the end products.
Eligible candidates	Entities can apply for aid if by the date of submittal of the aid application they are: **1. <u>Farmers</u>** who: • are registered as farmers as per Ordinance No. 3 of 1999 for the preparation and maintenance of the register of farmers (SG, Issue 10 of 1999); • have a **minimal standard production volume** of their farm no smaller than the BGN equivalent of **6,000 EUR**; **2. <u>Recognized groups of the producers or recognized organizations of the producers</u>** or entities approved for financial aid under Measure 9 "Foundation of groups and organizations of the producers" of RADP 2014 - 2020 **3. <u>Sole traders and legal entities</u>** different than the candidates described in Points 1 and 2. *Candidates must be registered under the Trade Act or the Law on Cooperatives.*
Eligible activities	Investments in material and nonmaterial assets which lead to the improvement of the overall activity of the enterprise through: **1.** Introduction of new and/or modernization of the available capacities and improvement of their utilization, and/or **2.** Introduction of new products, processes, and technologies, and/or **3.** Reduction of the cost of the produced production, and/or **4.** Coherence with newly-introduced EU standards, and/or **5.** Improvement of the partnership with raw materials producers, and/or **6.** Environmental conservation, including the reduction of harmful emissions and waste, and/or 7. Improvement of the energy effectiveness in enterprises, and/or **8.** Improvement of the safety and hygiene of production and labor, and/or **9.** Improvement of the quality and safety of food and their traceability, and/or **10.** Improvement of the opportunities for production of bio-foods through the processing of primary agricultural biological products.

	Investments originating from financial aid must be related to: • Processing and/or marketing of products within the range of Annex I to the Treaty on the Functioning of the European Union or of cotton, with the exception of fish products; • Development of new products, processes, and technologies regarding products within the range of Annex I to the Treaty on the Functioning of the European Union or cotton, with the exception of fish products.
Eligible expenditures	1. Construction, acquisition, and modernization of building and other real estate assets connected to the production and/or marketing including assets for the protection of environmental factors; 2. Purchase, including through a financial lease, and/or installation of new machines, facilities, and equipment necessary for the improvement of the processing production system and marketing, and additionally for: a) processing, packaging, including cooling, freezing, drying, storing, etc. of raw materials or production; b) production of new products, introduction of new technologies and processes; c) protection of environmental components; d) production of energy from renewable energy sources for the personal needs of the enterprise, including by processing primary and secondary plant and animal biomass; e) improvement of energy efficiency and quality and safety control of raw materials and food; 3. Purchase of land necessary for the implementation of the project in terms of construction and/or modernization of buildings, facilities, and other real estate assets with a production purpose; 4. Purchase of buildings, facilities, and other real estate necessary for the implementation of the project in terms of production activities on the territory of the Gotse Delchev – Garmen – Hadzhidimovo LAG 5. Purchase, including through a financial lease, of specialized freight vehicles, including refrigerated, for the purpose of transporting raw materials or production used or manufactured by the enterprise; 6. Construction/modernization, including procuring lab equipment, of real estate assets that are owned by the candidate, are located on the territory of the enterprise, and are directly connected to the production process (this can be done through a financial lease as well); 7. Material investments in achieving coherence with the newly-accepted standards of the Union as per Annex No. 1 to Section 8.2, Measure 4 "Investments in material assets" of RADP 2014 – 2020, including through a financial lease; 8. Expenditures on achieving coherence with internationally-recognized standards on management systems, expenditures on the introduction of good production practices, quality management systems, and preparation for certification in the enterprises, only when these expenditures are a part of an overall project of the candidate; 9. Purchase of software, including through a financial lease; 10. For know-how, acquiring copyrights and licenses, for registration of trademarks, and processes necessary for the preparation and implementation

<table>
<tr><td></td><td></td><td>of the project;
11. Expenditures related to the project, incl. expenditures on preliminary project research, taxes, fees for architects, engineers, and consultants, consultations regarding the ecological and economic sustainability of projects, evaluation of the technological feasibility of the projects, conducted in the preparation process of the project before the submittal of the aid application form, as well as during the implementation of the project.</td></tr>
<tr><td></td><td>Financial parameters</td><td>Minimal value of the total eligible expenditures on one project – the BGN equivalent of 5,000 EUR.
Maximal value of the total eligible expenditures on one project – the BGN equivalent of:
• 25,000 EUR – for candidates with a farm size between 6000 and 7999 EUR SPV
• 100,000 EUR – for candidates with a farm size over 8000 EUR SPV</td></tr>
<tr><td></td><td>Intensity of financial support</td><td>The financial aid has a size of:
➢ 50 % of the total eligible expenditures for projects implemented by micro-, small, or medium enterprises,
➢ 50 % of the total eligible expenditures for projects implemented by farmers with a minimal farm size of more than 8 000 EUR, measured in SPV.
The financial aid is increased by 10 % for projects implemented by farmers with a farm size between 6 000 and 7 999 EUR, measured in SPV.</td></tr>
<tr><td></td><td>Project evaluation criteria</td><td>Stage 1 – Administrative compliance and project eligibility (requirements are the same for all measures and can be found in Chapter 5.1.6 “Other applicable measure requirements” of the Strategy)
Stage 2 – Technical evaluation of the projects under the current measure – criteria:

<table>
<tr><th></th><th>Criterion</th><th>Maximal number of points</th></tr>
<tr><td>1.</td><td>Farm of the candidate has a size between 6 000 and 7 999 EUR SPV</td><td>15</td></tr>
<tr><td>2.</td><td>Projects for investments in raw materials processing from vulnerable sectors – over 75 % of the volume of processed raw materials are plant- or animal-based, they fall in the range of vulnerable sectors.</td><td>15</td></tr>
<tr><td>3.</td><td>Project is creating new jobs</td><td>10</td></tr>
<tr><td>4.</td><td>Project is introducing innovations in the processing industry, incl. by offering a new type of production to the LAG territory and/or creating a new product for the LAG territory</td><td>10</td></tr>
<tr><td>5.</td><td>Project investments lead to an improvement of the energy efficiency of the enterprise by at least 10 %</td><td>10</td></tr>
<tr><td>6.</td><td>Projects for processing of biological raw materials and production of biological products</td><td>10</td></tr>
</table>
</td></tr>
</table>

7.	The project includes processing of specific for LAG territory agricultural products and/or contributes for the promotion of local trademarks.	5
8.	Projects introducing new processes and technologies focused on environmental protection or effective technologies for reducing emissions, in particular – dust particles from processing biomass	5
9.	Projects with investments for achieving compliance with the EU standards supported by the measures, including investments for reducing emissions during production of energy from biomass	5
10.	Support for projects in undeveloped areas with natural or another specific form of restriction	5
11.	The owner and the candidate's representative have not received support from RADP 2007 – 2013 and/or 2014 – 2020 regardless if it's through the candidate or a different legal entity which they are a part of	5
12.	Projects of farmers younger than 40	3
13.	Projects of female farmers	2
	Total number of points	**100**

In the case of two or more project proposals having the same number of points as per the evaluation criteria and there is not enough financial resource to implement all of them, these projects will be further rated in a top-to-bottom ranking using the following criteria:

1. Points awarded under the "Project is creating new jobs " criterion;
2. Points awarded under the "Projects introducing new processes and technologies focused on environmental protection or effective technologies for reducing emissions, in particular – dust particles from processing biomass" criterion;
3. Points awarded under the "Project is introducing innovations in the processing industry, incl. by offering a new type of production to the LAG territory and/or creating a new product for the LAG territory" criterion.

Additional points will not be awarded for the above-mentioned criteria. The same will only be applied for additional ranking in the case of an equal number of points for two or more project proposals and an insufficient amount of financial resource. Each consecutive criterion after the first will be applied if the projects continue to have an equal number of points as per the previously applied criterion.

State aid	In accordance with the requirements for state aid under Measure 4.2 "Support for investments in processing, market offering, and/or development of agricultural products" of RADP 2014 – 2020.

Measure 3-6.4 "Investments in support of non-agricultural activities"

This measure corresponds to sub-measure 6.4.1 – "Investments in support of non-agricultural activities" from RADP 2014-2020 and, according to Art. 15, para. 3 from Order No.22 from 14.12.2015, it has some conditions differing from RADP but answering the requirements of Regulation (EC) No. 1305/2013.

Measure 3-6.4 "Investments in support of non-agricultural activities"	
Description of goals	The main goal of the measure is oriented towards the development of entrepreneurship on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG through: ➢ Diversification of economy and opening of new jobs for the population outside agriculture; ➢ Utilization of the high tourist potential of the area and development of tourist products based on local resources; ➢ Provision of access for population to poorly developed services on the territory of LAG, incl. distant places.
Scope of measure	Territorial scope of the measure – the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. The measure aims at the development of non-agricultural activities in the field of: ➢ Tourism; ➢ Services in all sectors ➢ Crafts; ➢ Production or sale of products outside agriculture; ➢ Technologies in the field of "green economy", incl. from RES. The following fields have been excluded from the measure: ➢ Gambling; ➢ Financial services; ➢ Golf; ➢ Sectors and activities defined as ineligible in Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013; ➢ Production of energy from RES for sale.
Eligible candidates	**Farmers or micro-enterprises,** registered as ET or legal entities under the Trade Act, Cooperatives Act or the Law on Religions, as well as **physical entities,** registered under the Crafts Act. When defining an enterprise as a micro-enterprise, one should follow the definition of Recommendation 2003/362/EO of the Commission. The farm of candidate **farmers** should have a standard production volume of over **2000 EUR.**
Eligible activities	Support is provided for non-agricultural activities aimed at: - Tourism development (construction and renovation of tourist sites and development of tourist services) - Production or sale of items which are not listed in Annex 1 of the Contract for the European Union (regardless of the invested products and materials) - Development of services in all sectors (e.g.: tourism, child care, care for the elderly or disabled people, health services, accounting and audit services, veterinary activities and IT-based services, etc.) - Production of energy from RES for personal use - Development of crafts (including the provision of services related to participation of visitors in crafts activities) and other non-agricultural

<table>
<tr><td></td><td></td><td>activities.
Within the measure, activities leading to agricultural actions or whose product is listed in Annex I of CEU are not eligible for funding.
Funding is also not available for gambling, financial services, golf, sectors and activities defined as ineligible by Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013, and the production of energy from RES for sale.</td></tr>
<tr><td></td><td>Eligible expenditure</td><td>Financial support for material and non-material investments, for establishment and development of non-agricultural activities in rural areas, including:
Construction, purchase or improvements of own properties
Purchase, incl. through leasing, of new machines and equipment up to the market value of assets
General expenses related to the above ones, e.g. payments to architects, engineers and consultants; remunerations for consultations regarding the environmental and economic sustainability, incl. studies of technical feasibility
Non-material investments: acquiring and development of computer software, acquiring of patents, licenses, copyrights and brands.</td></tr>
<tr><td></td><td>Financial parameters</td><td>Minimal value of total eligible costs per project – the BGN equivalence of 5000 EUR.
Maximal value of total eligible costs per project – the BGN equivalence of:
65000 EUR – for micro-enterprises, physical entities and farmers with volume of farms above 8000 EUR SPV (standard production volume)
40000 EUR – for farmers with volume of farms between 2 000 and 7 999 EUR SPV</td></tr>
<tr><td></td><td>Intensity of financial support</td><td>The financial support equals:
75% of total eligible costs for micro-enterprises and physical entities;
75% of total eligible costs for farmers with volume of farm above 8000 EUR SPV;
85% of total eligible costs for farmers with volume of farms between 2 000 and 7 999 EUR SPV.</td></tr>
<tr><td></td><td>Project evaluation criteria</td><td>Stage 1 – Administrative compliance and eligibility of projects (requirements are one and the same for all measures and are listed in p. 5.1.6 „Other applicable conditions to the measures“ from the Strategy)
Stage 2 –Technical evaluation of projects under the current measure – criteria:
<table>
<tr><th></th><th>Criterion</th><th>Maximal points</th></tr>
<tr><td>1.</td><td>The project includes innovations</td><td>15</td></tr>
<tr><td>2.</td><td>The project includes activities for development of social or health services</td><td>15</td></tr>
<tr><td>3.</td><td>The project includes investments in the sectors listed in p. „Measures for development of new enterprises and stimulation of entrepreneurship“ from the National SME Enhancement Strategy (computers, optics and electronics; automobiles and other vehicles; metal products; printing industry; information technologies and others) and/or</td><td>15</td></tr>
</table></td></tr>
</table>

	investments in other production sectors: - The project includes investments in the sectors listed in p. „Measures for development of new enterprises and stimulation of entrepreneurship“ from the National SME Enhancement Strategy (computers, optics and electronics; automobiles and other vehicles; metal products; printing industry; information technologies and others) – 15 points; - The project includes investments in investments in other production sectors (outside the sectors listed in p. „Measures for development of new enterprises and stimulation of entrepreneurship“ from the National SME Enhancement Strategy) – 10 points	
4.	The project creates new jobs	10
5.	The project includes investments for development of “green economy”, incl. technologies leading to emissions limitation	10
6.	The project is oriented towards the development of rural, ecological and cultural tourism, and other forms of alternative tourism and/or crafts (promotes them directly or indirectly or uses local products, crafts, cultural events), incl. through partnership	10
7.	Projects of candidates aged up to 40	5
8.	Projects of female candidates	3
9.	Projects of tobacco-producers	2
10.	Projects submitted by candidates having experience or education in the sector they apply for	5
11.	The farm of the candidate farmer has a volume between 2000 and 7 999 EUR SPV and/or size of utilized land up to 10 ha	5
12.	The owner and the representative of the candidate have not received support from the RADP 2007-2013 and/or 2014-2020, regardless of whether it has been received via the candidate itself or another legal entity they are a part of	5
	TOTAL number of points	**100**

In case two or more project proposals have one and the same total number of points under the evaluation criteria and the financial resource is not sufficient to fund all, these projects will be prioritized/ranked additionally top to bottom using the following criteria:

1. Points for criterion “The project creates new jobs”

2. Points for criterion “The project includes investments in the sectors listed in p. „Measures for development of new enterprises and stimulation of entrepreneurship“ from the National SME Enhancement Strategy (computers, optics and electronics; automobiles and other vehicles; metal products; printing industry; information technologies and others) and/or investments in other production sectors”

	3. Points for the criterion "The project includes activities for development of social or health services" 4. Points for the criterion "The project is oriented towards the development of rural, ecological and cultural tourism, and other forms of alternative tourism and/or crafts (promotes them directly or indirectly or uses local products, crafts, cultural events), incl. through partnership" Additional points under the above criteria will not be awarded. These are applicable only for additional ranking in case of equal total number of points during evaluation and insufficient financial resource. Every next criterion after the first one will be applied if the two or more projects continue to have equal number of points.
State aid	According to the conditions for state aid under measure 6.4.1 "Investments in support of non-agricultural activities" in RADP 2014-2020

Measure 6-7.2 „Investments in the creation, improvement or expansion of all types small-scale infrastructure"

The measure corresponds to sub-measure 7.2 „Investments in the creation, improvement or expansion of all types small-scale infrastructure" from the RADP 2014-2020 and, as per Art. 15, para. 3 of Order No. 22 from 14.12.2015, certain conditions have been set for the measure that differ from RADP but still answer the requirements of Regulation (EC) no. 1305/2013.

Measure 6-7.2 „Investments in the creation, improvement or expansion of all types small-scale infrastructure"	
Description of goals	The main goal of the measure is the enhancement of social inclusion, reduction of poverty and economic development on the territory of Gitse Delchev – Garmen – Hadzhidimovo LAG through: ▪ Improvement of the environment and quality of life in settlements; ▪ Provision of basic services for the population of the municipalities of Gitse Delchev, Garmen and Hadzhidimovo and access to such services in the field of education, social care, culture, urbanization, physical culture, sport and recreation, and others; ▪ Increase in the attractiveness of the LAG territory through renovation of infrastructure.
Scope of measure	Territorial scope of the measure: the territory of Gitse Delchev – Garmen – Hadzhidimovo LAG. Scope of the measure application – it will fund the construction, improvement and expansion of all types of small-scale infrastructure within the municipalities. **Limitations in measure application** • Investments in health care infrastructure are not eligible under this measure • Activities for construction, reconstruction and/or rehabilitation of water-supply systems and installations are only eligible in settlements with a population of under 2000 equivalent-inhabitants in rural areas.
Eligible candidates	Those who can apply for support under this measure include: ➢ Municipalities of Gotse Delchev, Garmen and Hadzhidimovo – for all activities; ➢ WaS (Water and Sewerage) operators – for activities under p.2, only for settlements under 2000 equivalent-inhabitants; ➢ Legal entities with non-profit purpose, registered under the Law on Legal Entities with Non-Profit Purpose – for activities under p. 4, 6 and 7;

	➢ Community Centers (Chitalishta), registered under the Law on Community centers – for activities under p.7.
Eligible activities	1. Construction, reconstruction and/or rehabilitation of existing municipal roads, streets and sidewalks, plus adjacent installations; 2. Construction, reconstruction and/or rehabilitation of water-supply systems and installations in settlements under 2000 equivalent-inhabitants; 3. Construction and/or renovation of areas for broad public use, intended for lasting answering of public needs of municipal importance; 4. Construction, reconstruction, repair, equipment and/or furbishing of social infrastructure for provision of services which are not part of the process of de-instutionalization of children and adults, incl. transport vehicles; 5. Reconstruction and/or repair of municipal buildings where public services are offered, with the purpose of improving their energy efficiency; 6. Construction, reconstruction, repair, equipment and/or furbishing of sports infrastructure; 7. Construction, reconstruction, repair, restoration, purchase of equipment and/or furniture for sites related to cultural life, incl. mobile ones, incl. activities for vertical design and improvement of adjacent spaces; 8. Reconstruction, repair, equipment and/or furbishing of municipal educational infrastructure of local importance in rural areas.
Eligible expenditure	1. Construction, reconstruction, rehabilitation, building, renovation, repair and/or restoration of buildings and/or premises and/or other property, in accordance with the activities which are eligible for support: а) expenditure related to the direct implementation of construction activities; б) unexpected expenditure up to 25% of the value of approved expenditures under (a). 2. Purchase of new transport vehicles, equipment and furniture up to their market value, incl. through financial leasing, as per the eligible activities; 3. Acquisition of computer software, patent and copyright, licenses, registration of brands – up to their market value; 4. Expenses related to the project, incl. for remuneration of architects, engineers and consultants for economic and ecological sustainability of the project, made both during the process of project proposal preparation and during its implementation.
Financial parameters	**Minimal value** of total eligible expenditure per project – BGN equivalent of **20000 EUR**. **Maximal value** of total eligible expenditure per project – BGN equivalent of **200000 EUR**.
Intensity of financial support	**1.** Financial support equals **100 %** of total eligible expenditure for projects which after the accompishment of investment **do not generate net income**. **2.** Financial support equals **100 %** of ttal eligible expenditure for projects which will generate net inccome after the accomplishment of investment but the value of grant does not exceed the **BGN equivalence of 50000 EUR.** **3.** The value of financial support for projects which will generate net income after the accompishment of the investment is deterimed on the basis if a cost-benefit analysis. **4.** The difference between the full amlount of eligible expenses and the value of financial support determined on the basis of a cost-benefit analysis under p.3

<table>
<tr><td></td><td>should be provided by the candidate and it can only come in the form of cash.</td></tr>
<tr><td>Project evaluation criteria</td><td>Stage 1 – Administrative compliance and eligibility of projects (requirements are one and the same for all measures and are listed in p. 5.1.6 „Other applicable conditions to the measures“ from the Strategy)
Stage 2 –Technical evaluation of projects under the current measure – criteria:
<table>
<tr><th></th><th>Criterion</th><th>Maximal number of points</th></tr>
<tr><td>1.</td><td>Above-municipal impact of project – improved basic services and territorial impact of the project cover the whole LAG territory</td><td>15</td></tr>
<tr><td>2.</td><td>Number of population who will benefit from the improved basic services and the scope of territorial impact</td><td>15</td></tr>
<tr><td>3.</td><td>The project includes a site which services more than one settlement</td><td>10</td></tr>
<tr><td>4.</td><td>The project is implemented in settlements or territories outside the municipal center</td><td>10</td></tr>
<tr><td>5.</td><td>The project includes improvement of infrastructure for social or cultural activity</td><td>10</td></tr>
<tr><td>6.</td><td>The project builds on another already implemented project</td><td>10</td></tr>
<tr><td>7.</td><td>The project creates new jobs during the implementation of the eligible activities</td><td>5</td></tr>
<tr><td>8.</td><td>The project envisages additional infrastructure for people with disabilities outside the legally required ones for this type of construction</td><td>5</td></tr>
<tr><td colspan="2">TOTAL number of points</td><td>80</td></tr>
</table>
In case two or more project proposals have one and the same total number of points under the evaluation criteria and the financial resource is not sufficient to fund all, these projects will be prioritized/ranked additionally top to bottom from larger to smaller population which will benefit from the improved basic services and the scope and territorial impact.</td></tr>
<tr><td>State aid</td><td>According to the conditions for state aid under measure 7.2 “Investments in the creation, improvement or expansion of all types small-scale infrastructure” in RADP 2014-2020</td></tr>
</table>

Measures outside the scope of RADP or Regulation (EC) No.1305/2013 but answering the goals of the regulation (funded by the EAFRD)

Measure 7 „Preservation and promotion of local identity, cultural, historical and natural heritage“

The measure is included in the present Strategy as per Art.15, para. 1, p. 3 and para. 5 from Order No. 22 from 14.12.2015.

- *Measures outside the scope of Regulation (EC) No, 1305/2013 but answering the aims of the regulation.*

The measure contributes to the achievement of:

- **The goals of Regulation (EC) No. 1305/2013:**
  - *c) Achieving balanced territorial development of economies and communities in*

rural areas, including the establishment and maintenance of employment.

- **Priorities of RADP 2014 - 2020:**
  - Priority area 6B, group 6B-4, which aims to:
    - *Enhance activities for enlivening the LAG territory;*
    - *Establish a capacity for rural development on the LAG territory;*
    - *Activate local communities;*
    - *Overcome social exclusion of vulnerable groups.*
- **CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG:**
  - Priority 2 – Improve living standards through investments in the renovation of small-scale infrastructure, preservation of local identity, cultural, historical and natural heritage
    - *Specific goal 2.2 – Strengthening and preservation of local identity through the promotion of the cultural, historical and natural heritage on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG.*

The present measure is included in the CLLD Strategy by the proposal of the non-profit sector on the LAG territory, submitted during the organized meetings and discussions with the stakeholders. The LAG territory has huge potential for tourism development and many cultural, historical and natural heritage sites which are not utilized enough and is necessary to be promoted much beyond the municipalities of the LAG, incl. for the purpose of attracting tourists and visitors who will enliven the territory. Priority under this measure will be given to candidates who have not implemented projects before, in order to enhance the capacity of new organizations through funding of interesting project ideas,, partnership initiatives, etc.

Measure 7 „Preservation and promotion of local identity, cultural, historical and natural heritage“	
Description of goals	• Enliven the LAG territory through the implementation of activities for promoting local identity and development of the cultural historical and natural heritage; • Raise the capacity for sustainable development on the LAG territory through active involvement of local communities and especially young people in joint initiatives for the promotion of the common identity of the municipalities of Gotse Delchev, Garmen and Hadzhidimovo; • Raise public awareness and attract interest of visitors towards the richness of the cultural, historical and natural heritage on the LAG territory; • Turn the LAG territory into an attractive living and recreation space through initiatives and innovative projects for environment protection.
Scope of measure	Territorial scope of the measure: the territory of Gitse Delchev – Garmen – Hadzhidimovo LAG. The measure is aimed at the implementation of soft activities through the organization of events and/or supply of equipment and furniture for preservation and promotion of local customs, identity, mode of life and culture, gastronomy, history, traditions incl. in music, sculpture, painting and others; traditional crafts, rituals, local persons of national significance, natural elements and protected biological species, plus other elements of the **intangible cultural, historical and natural heritage on the LAG territory,** as well as initiatives for **environment protection.** Unification is enhances aong the population of the municipalities of Gotse Delchev, Garmen and Hadzhidimovo for joint events which will include citizens of different social, age and ethnic groups, gender, etc.

	Each project should include obligatory mechanisms for sustainability of results after the finalization of activities and/or their multiplication.
Eligible candidates	The following may apply for financial support: 1. **Legal entities with non-profit purposes** (LENPP) registered in public benefit under the Law on Legal Entities with Non-Profit Purpose; 2. **Community Centers**, registered under the Law on Community Centers; 3. **School Boards**, registered under the Education Act; 4. **Cultural organizations**, registered under the Law on Protection and Development of Culture. Partnership is eligible under this measure and the partners should answer the same requirements as the eligible candidates.
Eligible activities	The following activities are eligible, aiming at the preservation and promotion of the local customs, identity, cultural, historical and natural heritage in Gotse Delchev – Garmen – Hadzhidimovo LAG: **1. Organization of events:** a) Thematic festivals, related to local folklore and promoting traditional local resources and products; celebration of local holidays, re-enacting of customs, organization of fairs, festivals, thematic exhibitions, contests, concerts, literature presentations and other events or preservation and promotion of local heritage; b) Seminars, clubs, interest groups, artistic shops, schools, information days, open doors, round tables, debates and others for identification of specific local features, raising public awareness and drawing interest towards the preservation and promotion of local cultural, historical and natural heritage, environment protection, conservation of natural elements and protected biological species, plants, trees and animals, typical for the LAG territory; transfer of knowledge and good practices; c) Raising public awareness and promotion of the deeds of local persons of national significance and important historical moments from the development of the three municipalities; d) Organization of events for attracting interest of children and youngsters towards history, culture and nature on the LAG territory, as well as their active involvement; e) Common initiatives, campaigns and innovation projects for environment protection and improvement of the ecological status of the LAG territory such as collection and utilization of waste, placing dust bins and signs with information about environment protection, collection of rain waters, soil cleansing, cleaning of parks and other public spaces, organization of events for raising public awareness about environment protection, organization of open lessons and events for children and youngsters, eco-vacations, etc. **2. Holding of studies and research** f) Holding of studies necessary for the organization of events and/or preparation of materials – poll surveys, document studies, interviews, field research, etc., related to local customs, identity, local cultural, historical and natural heritage; g) Holding of studies about the feasibility of using RES and other instruments for environment protection. **3. Development and dissemination of documents and materials about**

	local cultural, historical and natural heritage and environment protection h) Models, restoration of elements of traditional costumes or objects of everyday life; i) Collections, albums, catalogues and others of elements of local culture, mode of life, customs, etc. j) Brochures, booklets, posters, manuals, thematic stickers and others related to the theme of the project; k) Information boards about natural elements and protected biological species, plants, trees and animals, typical for the LAG territory (with photos and information about the corresponding species) and installation at special places in parks and public areas; l) Arrow signs for environment protection; m) Other materials necessary for the implementation of project activities. n) Digitalization of cultural and natural heritage. **4. Filming and dissemination of films** o) Filming movies, clips, short videos or other multi-media shows of local traditions and customs p) Filming movies and short videos, and preparation of radio broadcasts for stimulating environment protection.
Eligible expenditure	The eligible expenditure necessary for project activities implementation include[19]: **1. External services**: a) Expenses for studies and research; b) Expenses for development and printing of promotional materials – collections, albums, catalogues, brochures, posters, signs, web-pages, etc.; c) Expenses for seminars, meetings and other events – rent of premises, equipment (costumes, sound equipment, computers, video equipment, etc.), transport for participants, catering, materials and consumables for events, lecturers/moderators, etc.; d) Expenses for translation and interpretation, in case those are needed for activities implementation; e) Other external services expenses necessary for activities implementation – bank charges, mail expenses and others.; **2. Supply of equipment**, necessary for activities implementation (costumes, sound equipment, computers, video and photo equipment, etc.) **3. Visualization and publicity** **4. Preparation and management of the project** f) Costs of external services for the preparation and /or management of the project g) Costs of business travel related to the project: travel costs, daily allowances, accommodation (as per current legislation). h) Overheads. **5. Other expenses**, defined in the call for project proposals.

[19] As per Art.20, para.1, p.2 „Other eligible expenses, related to the implementation of operations under Regulation (EC) No. 1305/2013 and the priorities of CLLD Strategy“ of Order No. 22 from 14.12.2015

<table>
<tr><td>Financial parameters</td><td>Minimal value of total eligible costs per project – BGN equivalent of 5000 EUR.
Maximal value of total eligible project costs per project – BGN equivalent of 15000 EUR.</td></tr>
<tr><td>Intensity of financial support</td><td>1. Financial support equals up to 100 % of the total eligible costs for projects in public benefit which do not generate net income after the accomplishment of the investment, as per the requirements of the MA of RADP.
2. The size of financial support for projects which will generate net income after the accomplishment of investments is determined in the basis of cost-benefit analysis.</td></tr>
<tr><td>Project evaluation criteria</td><td>Stage 1 – Administrative compliance and eligibility of projects (requirements are one and the same for all measures and are listed in p. 5.1.6 „Other applicable conditions to the measures“ from the Strategy)
Stage 2 –Technical evaluation of projects under the current measure – criteria:
<table>
<tr><th></th><th>Criterion</th><th>Maximal number of points</th></tr>
<tr><td>1.</td><td>The project contributes to tourism development on the LAG territory</td><td>15</td></tr>
<tr><td>2.</td><td>The project is implemented in partnership</td><td>15</td></tr>
<tr><td>3.</td><td>The owner and representative of the candidate have not yet received project support from EC funds or other donor programmes, be it via the candidate itself or another legal entity they are a part of</td><td>15</td></tr>
<tr><td>4.</td><td>The project envisages activities/measures offering opportunities for new forms of utilization of natural heritage and/or cultural and historical resources – new for the LAG territory or the settlement where the project is centered</td><td>10</td></tr>
<tr><td>5.</td><td>The project includes the involvement of people from vulnerable or marginalized groups, incl. Roma minority and/or children and youths up to 29 years of age and/or people with disabilities</td><td>10</td></tr>
<tr><td>6.</td><td>The project is of over-municipal significance</td><td>5</td></tr>
<tr><td>7.</td><td>The project is oriented towards and/or includes activities for environment protection</td><td>3</td></tr>
<tr><td>8.</td><td>The project includes the participation of individuals from outside the LAG territory and/or the territory of the country</td><td>2</td></tr>
<tr><td colspan="2">TOTAL number of points</td><td>75</td></tr>
</table>
In case two or more project proposals have one and the same total number of points under the evaluation criteria and the financial resource is not sufficient to fund all, these projects will be prioritized/ranked additionally top to bottom by applying consecutively the following criteria
1. Points for criterion „The project envisages activities/measures offering opportunities for new forms of utilization of natural heritage and/or cultural and</td></tr>
</table>

	historical resources – new for the LAG territory or the settlement where the project is centered"; 2. Points for criterion „The project is of over-municipal significance"; 3. Points for criterion „The project is oriented towards and/or includes activities for environment protection"; Additional points under the above criteria will not be awarded. These are applicable only for additional ranking in case of equal total number of points during evaluation and insufficient financial resource. Every next criterion after the first one will be applied if the two or more projects continue to have equal number of points.
State aid	• According to the conditions for state aid defined in Regulation (EC) No.1407/2013 of the Commission from 18.12.2013 about the application of Articles 107 and 108 of the CEU towards the state or de minimis aid (OB, L 352/1 from 24.12.2013). • For projects including only non-profit activities and implemented by legal entities under registered the Law on Legal Entities with Non-Profit Purpose or the Law on Community Centers, Articles 107 and 108 from the CEU are not applicable.

Human Resources Development Operational Programme (HRDOP, ESF)

The CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG includes 4 measures which envisage finding from the HRDOP through the ESF:

- **2 measures** under Priority Axis *1 „Improvement of access to employment and quality of jobs"* and
- **2 measures** under Priority Axis *2 „Reduction of poverty and stimulation of social inclusion".*

The measures have been included on the basis of the interest shown by stakeholders during the opinion poll and meetings held, and after assessment of the potential for implementation of the latter from the point of view of numbers and types of potential beneficiaries from the LAG territory. Additional meetings were held with representatives of the Labour Bureau and Social Support Directorate in Gotse Delchev, as well as enterprises in their capacity of employers. At these meetings, they discussed the necessity and opportunities for inclusion of measures for training individuals under Priority Axis 1 and poverty-reduction measures under Priority Axis 2. The participants agreed on the following conclusions:

- Under Priority Axis 1, include *one measure for training of unemployed and employed individuals,* aiming at target groups of all age categories, incl. people with disabilities; to include also some elements from Axis 2. Employers expressed interest towards activities for training of unemployed youngsters aged up to 29 and for employees of various enterprises in order to raise their qualification; the Labour Bureau defined the target group as people aged between 30 and 54.
- Under Priority Axis 2, include *2 measures aiming at the integration of marginalized communities and provision of sustainable access to social services for people with disabilities and people living alone,* as these are the groups at greater risk and with greatest needs on the LAG territory.

The target groups supported under the eligible priority axes of HRDOP are the same as those identified as marginalized and vulnerable on the territory of the LAG and their needs have been described in p.3.4 – Needs of the vulnerable and minority groups – in the current Strategy.

During the meetings held with the stakeholders, they also discussed the need of providing support to the entrepreneurs in the three municipalities and the strong interest for the procedure

BG051PO001-1.2.03 „Enhancing the start of projects for development of personal economic activities“ under HRDOP 2007-2013 and – correspondingly – the possibilities of including measures in the Strategy aiming at the starting of new economic activities on the LAG territory. After the publishing of *HRDOP 2014-2020 MA Guidelines for the application of the CLLD approach with resources from HRDOP 2014-2020* and the inclusion of *Investment Priority 5 „Independent employment, entrepreneurship and establishment of enterprises, including innovative micro, small and medium ones“* in the eligible priorities of the CLLD approach, it has been decided that the Strategy of Gotse Delechev – Garmen – Hadzhidimovo LAG will include a special measure oriented towards the goals of the priority, and that approach was approved by the stakeholders at the final public hearing of the Strategy draft.

For all measures listed below, we have included all eligible beneficiaries of the corresponding investment priority, so that the circle of potential candidates from the LAG territory is not decreased.

Measure 8 „Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business“

The measure is oriented towards the implementation of **Priority Axis 1 „Improving the access to employment and the quality of jobs“** of HRDOP 2014-2020 and the following investment priorities:

- **Investment priority 1** „Access to employment for those seeking jobs and non-active persons, including permanently unemployed and those alienated from the labour market, as well as through local employment initiatives and support for the mobility of work power ”
- **Investment priority 3** „Sustainable integration on the labour market of young people, especially those who are not involved with jobs, education or training, incl. young people at risk of social exclusion and young people from marginalized communities, incl. through application of guarantees for youth“ (with funding from ESF)
- **Investment priority 6** „Improving the equal access to life-long learning opportunities for all age groups in a formal, non-forma and unofficial form; updating of knowledge, skills and competencies of work power; as well as enhancing flexible learning processes, incl. through professional orientation and validation of acquired competencies“.

The measure includes also elements of **Priority Axis 2 – investment priority 2** „Active inclusion, including in view of promoting equal opportunities and active learning, and the better adaptability for employment ”.

Measure 8 „Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business“	
Description of goals	**Main goal of component 1**: Improving access to employment and the quality of jobs through provision of training for the unemployed. **Main goal of component 2**: Adaptation of employed people to the needs of the business through the provision of life-long learning opportunities for the employees. **Main goal of component 3**: Raising the quality of life of people with disabilities and their families through the provision of training and improvement of their access to employment. Specific goals: **<u>Under COMPONENT 1 – Training of unemployed people (PA1)</u>** **SG 1**: Increase the number of unemployed or non-active individuals aged above 30 who have found a job, incl. such with low levels of education.

	SG 2: Increase the number of economically inactive young people out of education and training and aged below 29, who have received a job offer, internship or training during work (as apprentices), or have been directed to continue education with accomplished secondary or high education and such with primary or lower education. **Under COMPONENT 2 – Training of employed people (PA1)** **SG 3**: Increase the number of employees who have acquired new knowledge and skills **Under COMPONENT 3 – Training of vulnerable groups and measures for integration on the labour market (PA1 and PA2)** **SG 4**: Enhance equal opportunities for employment and integration on the labour market for the people caring for dependent members of the family or the people with disabilities through provision of trainings and employment **(PA1)** **SG 5**: Ease access to employment for people with disabilities and members of families with children, incl. through the provision of social and health services **(PA2)**
Scope of measure	Territorial scope of the measure: the territory of Gitse Delchev – Garmen – Hadzhidimovo LAG. The measure is aimed at implementation of activities under the following components: **COMPONENT 1 – Training of economically inactive and unemployed individuals (PA1, IP 1 and 3)** **Major target group**: economically inactive and unemployed individuals. **Specific target groups**: • Target group 1: from 30 to 54 years of age, incl. economically inactive people out of education and training, incl. discouraged individuals and such with low education (below secondary); unemployed seeking jobs and disadvantaged groups incl. such with low education (below secondary) (PA1, IP1) • Target group 2: over 54 years of age – economically inactive people out of education and training incl. discouraged individuals; unemployed seeking jobs and disadvantaged groups on the labour market (PA1, IP1). • Target group 3: from 15 to 29 years of age – economically inactive youths who are not in education or training; youths seeking jobs from every level of education: high, secondary, primary or lower (PA1, IP3). **COMPONENT 2 – Training of employed people (PA1, IP 6)** **Target groups:** **Major target group**: employed individuals working for both themselves and another entity (PA1, IP6). **Specific target groups**: • Target group 5: aged above 54; • Target group 6: with secondary and lower education; • Target group 7: working in sectors based on knowledge, high technologies and IT, environmentally-friendly economy, the "white" sector and the sector of personal services, processing industries with higher added value of labour, creative and cultural sectors, who have acquired their knowledge and skills with the help of the HRDOP. **COMPONENT 3 – Training of vulnerable groups and measures for**

		integration on the labour market (PA1 and PA2, IP2) **Major target group**: people from vulnerable groups (PA2, IP2) **Specific target groups**: • Target group 8: Families with children, incl. with disabilities; children with disabilities; children at risk; • Target group 9: People with disabilities (above 18 years of age) and their families; adults at risk; • Additional target groups: employees of suppliers of social and health services; people caring for dependent family members. **Important**: ➢ Calls for proposals may be opened under this measure under one component only or under several in parallel; this is to be decided by the LAG. ➢ One candidate may apply for activities under one component and one specific goal only or for combination of activities under several components and goals, if it is eligible under all of them (this will be specified in the call itself, at the decision of the LAG). Conditions for the implementation of the measure: ➢ *The provision of funds for improving professional qualifications is to be connected to the provision of subsequent sustainable employment of the trainees.* ➢ *The provision of trainings for professional qualification is to be done only by Centers for Professional Training certified by the National Agency for Professional Education and Training.* ➢ *Funding is not available for agricultural producers within their activities due to limitations posed by the Ministry of Agriculture and Food within the de minimis regime applied by the HRDOP*.
	Eligible candidates	**For COMPONENT 1** • Organizations providing intermediary services at the labour market; • Employers; • Social partners; • Municipalities; • Centers for information and professional orientation; • Non-governmental organizations; • Training organizations. **For COMPONENT 2** • Employers; • Associations of employers (clusters); • Self-employed individuals; • Training organizations; • Structures of social partners; • Non-governmental organizations. **For COMPONENT 3** • Non-governmental organizations; • Organizations providing intermediary services at the labour market; • Educational and training institutions and organizations; • Suppliers of social services;

	• Employers; • Municipalities; • Centers for information and professional orientation.
Eligible activities	**<u>COMPONENT 1 – Training of economically inactive and unemployed individuals</u>** **For SG 1 (aiming at unemployed below 30 years of age):** • Provision of intermediary services at the labour market, activation of inactive persons, organization of and participation in labour fairs and other employment support measures; • Professional informing and consulting, incl. on issues of exercising labour and social security rights; • Psychological support; • Provision of motivational training; • Provision of training for increasing the professional qualification or acquiring a new one; • Provision of training for acquiring of key competencies; • Provision of employment after supply of intermediary services and/or training; • Provision of training during work (apprentices) and internships; • Provision of stimuli for enhancing mobility among job seekers from the disadvantaged groups at the labour market. • Provision of stimuli for employers to appoint unemployed people from disadvantaged groups at the labour market. • Work with employers for overcoming any discriminative attitudes towards the employment of people from disadvantaged groups at the labour market, together with supply of intermediary services for employers. **For SG 2 (aiming at unemployed up to 29 years of age):** • Provision of intermediary services at the labour market, organization of labour fairs and other employment support measures; • Activities for activation of economically inactive youths who are not in education or training, for their inclusion in the labour market, incl. information campaigns and events, labour fairs, job seeking shops, etc.; • Professional informing and consulting; psychological support; • Provision of training after registration as an unemployed person – motivational trainings; trainings for acquiring professional qualification and strengthening of key competencies; trainings in entrepreneurships, etc.; • Provision of employment opportunities incl. training at work (apprentices) and internships, after registration as an unemployed person; • Provision of stimuli for enhancing geographical mobility for work; • Provision of stimuli for employers to appoint unemployed youths; • Promotion and enhancement of the starting and development of independent economic activities and entrepreneurship; • Provision of trainings for acquiring entrepreneurship, management and business skills;

- Support for the development of business ideas and guidance to funding programmes for starting entrepreneurs, incl. under HRDOP.

COMPONENT 2 – Training of employed individuals

- Provision of training for the improvement of professional qualification and/or for acquiring a new one;
- Provision of training for acquiring of key competencies;
- Provision of access to life-long learning with the aim of a better professional realization and higher professional preparedness of employees;
- Provision of access to innovative forms of lifelong learning;
- Development and introduction of systems for training of employees which are made to answer the needs of employers and high quality standards;
- Support for practices oriented towards adapting the knowledge and skills of employees to the real needs of the labour market and at the enterprise level, incl. the introducing of new "green" and more efficient technologies;
- Introduction of training methods and programmes based on practice for the improvement of knowledge, skills and competencies of the employees in regard to the needs of the labour market;
- Support for the implementation of lifelong learning strategies for the labour force in cooperation with social partners, incl. trainings and skills development, building on mobile competences such as foreign languages or digital competencies, entrepreneurship and others.

COMPONENT 3 – Trainings of vulnerable groups and measures for their integration on the labour market

For SG 1 (PA1):

- Provision of intermediary services on the labour market and other employment support services;
- Professional informing and consulting, incl. on issues regarding the exercising of labour and social security rights of people caring for disabled family members or people with disabilities themselves;
- Improving access to services for carrier development, stimulation of participation on the labour market and restoration of labour activity of the members of families with children (including such with disabilities);
- Provision of training for improvement of professional qualification or acquiring a new one;
- Provision of training for acquiring of key competencies;
- Provision of jobs for people caring for dependent family members or for disabled people after the provision of intermediary services and/or training for a period of up to 6 months;
- Adaptation and equipment of work spaces for people with disabilities;
- Work with employers for overcoming discriminatory attitudes towards employing representatives of disadvantaged groups at the labour market, together with the provision of intermediary services for the employers.

For SG2 (PA2):

- Implementation of integrated approaches for motivation and

	enhancement of labour market participation of individuals caring for dependent family members / children, incl. with disabilities, elderly people in need of care, adults with disabilities; • Support for employment and improvement of access to employment for disabled people incl. through integrated complex measures and provision of innovative support services in the community; • Improvement of the access to health care and promotion of health incl. through innovative inter-sectoral services in the community and at home, according to the individual needs of the disabled person and through information, educational and consultative services; • Trainings for the vulnerable groups and family members who care for dependents. • Motivational and/or psychological and other type of support for the target groups, according to their individual needs; • Initiatives for informing and presenting of opportunities to the people with disabilities about their positive role in the society with the aim to break stereotypes and change public and employers' attitudes through better information about disabled people's abilities.
Eligible expenditure	Categories of eligible expenditures: **I. STAFF COSTS** **1.** Costs of labour contracts and remunerations under the Civil Servants Act for physical entities, plus social security taxes payable by the employer – for all individuals involved in project implementation. **2.** Costs of business travel – daily allowances, accommodations and travel expenses – for those getting remunerations. **3.** Costs of internships for the trainees. **II. COSTS OF MATERIALS** **4.** Costs of materials and consumables needed for the implementation of project activities. **5.** Costs for the purchase of equipment and furniture needed for the implementation of project activities. **III. COSTS OF SERVICES** **6.** Costs of insurances for the purchased equipment and furniture. **7.** Expenditure for rent of: halls, equipment and others directly related and necessary for the implementation of project activities. **8.** Expenses for activities related to publicity. **9.** Expenses for event organization incl. transport, catering, lecturers, etc. **10.** Provision of trainings for unemployed and/or employed people in the fields specified in the Call for Proposals. **11.** Expenses deriving from contracts for production / service or contracts for procurement under the Law on Obligations and Contracts, which have not been listed elsewhere and are necessary for project implementation. **IV. NON-RECOVERABE VAT** **V. INDIRECT COSTS** **12.** Expenditures for organization and management of the project – costs of administrative personnel salaries – project leader, technical assistant, accountant and other technical staff, plus administrative expenses

<table>
<tr><td></td><td>related to management (overheads, consumables and materials, rent, travel costs).
13. Non-recoverable VAT over expenses from Chapter V.
VI. Other costs necessary for the implementation of the project and specified in the Call for Proposals.</td></tr>
<tr><td>Financial parameters</td><td>Maximal value of total eligible costs per project – BGN equivalent of 50000 EUR.</td></tr>
<tr><td>Intensity of financial support</td><td>Maximal intensity of support equals up to 100 % of the total amount of eligible costs depending on the applicability of the state aid regime (de minimis) fir the specific candidate.</td></tr>
<tr><td>Project evaluation criteria</td><td>„The technical and financial evaluation under this measure will be done on the basis of the general criteria of HRDOP 2014 – 2020, as per the Guidelines of the Programme under Art. 37, para. 1 of the Council of Ministers Decree 161/08.07.2016, as well as the following specific criteria:
<table>
<tr><th>№</th><th>Component 1 – Training of unemployed people</th><th>Maximal number of points</th></tr>
<tr><td></td><td>Additional specific criteria</td><td></td></tr>
<tr><td>1.</td><td>The project is innovative for the LAG territory – it includes the provision of new for the territory or the municipality forms of enhancing access to employment for the target groups</td><td>13</td></tr>
<tr><td>2.</td><td>The project includes provision of permanent employment after the provision of intermediary services and/or training</td><td>9</td></tr>
<tr><td>3.</td><td>The candidate employer is active in some of the priority sectors for the LAG territory</td><td>4</td></tr>
<tr><td>4</td><td>The project includes target groups from the three LAG municipalities and/or the activities will be carried our within all three municipalities</td><td>4</td></tr>
<tr><td></td><td>TOTAL number of points for the specific criteria</td><td>30</td></tr>
<tr><th>№</th><th>Component 2 – Training of employed people</th><th>Maximal number of points</th></tr>
<tr><td></td><td>Additional specific criteria</td><td></td></tr>
<tr><td>1.</td><td>Provided professional trainings have the aim of diversifying the economic activities of the candidate</td><td>10</td></tr>
<tr><td>2.</td><td>The candidate employer is active in some of the priority sectors for the LAG territory</td><td>10</td></tr>
<tr><td>3.</td><td>The project includes target groups from the three LAG municipalities and/or the activities will be carried our within all three municipalities</td><td>10</td></tr>
<tr><td></td><td>TOTAL number of points for the specific criteria</td><td>30</td></tr>
<tr><th>№</th><th>Component 3 – Training of vulnerable groups</th><th>Maximal</th></tr>
</table></td></tr>
</table>

		and measures for integration on the labour market	**number of points**
		Additional specific criteria	
	1.	The project includes complex actions for enhancing access to employment of vulnerable groups – through trainings / professional support and through provision of integrated social and/or health care services	13
	2.	The project is innovative for the LAG territory – it includes the provision of new for the territory or the municipality health or social services and/or innovative forms of enhancing target groups' access to employment	13
	3.	The project includes target groups from the three LAG municipalities and/or the activities will be carried our within all three municipalities	4
		TOTAL number of points for the specific criteria	**30**
State aid	The measure will be implemented in accordance with the de minimis aid as per Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the CEU to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013.		

Measure 9 „Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG"

The measure is directed towards the implementation of Priority Axis 1 „Improving the access to employment and the quality of jobs", **Investment priority 5 „Self-employment, entrepreneurship and establishment of enterprises, including micro, small and medium-sized ones"** under HRDOP 2014-2020

Measure 9 „Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG"	
Description of goals	• Diversification of Gotse Delchev – Garmen – Hadzhidimovo LAG economy through support for development of entrepreneurship ideas and skills in various innovative areas. • Increasing the number of unemployed, inactive and employed people on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG who become self-employed.
Scope of measure	Territorial scope of the measure: the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. **Target groups:** Unemployed or employed people from the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG willing to start independent economic activities. *The support under the current measure for starting entrepreneurs **does not include** the provision of grants for starting new enterprises.*
Eligible candidates	• Centers for development of entrepreneurship; • Training organizations; • Social partners;

	• Non-governmental organizations.
Eligible activities	• **Promotion** of the starting and development of independent economic activity and entrepreneurship – organization of seminars, forums and other events; • Provision of **trainings** for acquiring entrepreneurship, management and business skills; • Delivery of **entrepreneurship lectures**, organization of **games and simulations** at schools, incl. professional high schools on the territory of the LAG. • Provision of **specialized consulting services** to the self-employed on issues related to business development – accounting services, human resource management services and other services in support of starting businesses such as access to networks stimulating entrepreneurship, in line with the specific needs of the business.
Eligible expenditure	Categories of eligible expenditures: **I. STAFF COSTS** **1.** Costs of labour contracts and remunerations under the Civil Servants Act for physical entities, plus social security taxes payable by the employer – for all individuals involved in project implementation. **2.** Costs of business travel – daily allowances, accommodations and travel expenses – for those getting remunerations. **3.** Costs of internships for the trainees. **II. COSTS OF MATERIALS** **4.** Costs of materials and consumables needed for the implementation of project activities. **5.** Costs for the purchase of equipment and furniture needed for the implementation of project activities. **III. COSTS OF SERVICES** **6.** Costs of insurances for the purchased equipment and furniture. **7.** Expenditure for rent of: halls, equipment and others directly related and necessary for the implementation of project activities. **8.** Expenses for activities related to publicity. **9.** Expenses for event organization incl. transport, catering, lecturers, etc. **10.** Provision of trainings for unemployed and/or employed people in the fields specified in the Call for Proposals. **11.** Expenses deriving from contracts for production / service or contracts for procurement under the Law on Obligations and Contracts, which have not been listed elsewhere and are necessary for project implementation. **IV. NON-RECOVERABE VAT** **V. INDIRECT COSTS** **12.** Expenditures for organization and management of the project – costs of administrative personnel salaries – project leader, technical assistant, accountant and other technical staff, plus administrative expenses related to management (overheads,

<table>
<tr><td></td><td>consumables and materials, rent, travel costs).
13. Non-recoverable VAT over expenses from Chapter V.
VI. Other costs necessary for the implementation of the project and specified in the Call for Proposals.</td></tr>
<tr><td>Financial parameters</td><td>Maximal value of total eligible costs per project – BGN equivalent of 25000 EUR.</td></tr>
<tr><td>Intensity of financial support</td><td>Maximal intensity of financial support equals up to 100 % of the total value of eligible costs, depending on the applicability of the state aid regime (de minimis) for every individual candidate.</td></tr>
<tr><td>Project evaluation criteria</td><td>The technical and financial evaluation under this measure will be done on the basis of the general criteria of HRDOP 2014 – 2020, as per the Guidelines of the Programme under Art. 37, para. 1 of the Council of Ministers Decree 161/08.07.2016, as well as the following specific criteria:
<table>
<tr><th>№</th><th>Criterion</th><th>Maximal number of points</th></tr>
<tr><td colspan="3">Specific criteria for the LAG territory</td></tr>
<tr><td>1.</td><td>The project aims at people with disabilities (people with limited workability) or people from marginalized communities</td><td>10</td></tr>
<tr><td>2.</td><td>The project aims at one of the following groups of entrepreneurs: women or people under 29 years of age / over 50 years of age</td><td>8</td></tr>
<tr><td>3.</td><td>The project includes social innovations</td><td>8</td></tr>
<tr><td>4.</td><td>The project includes target groups from all three LAG municipalities or project activities will be implemented on the territory of all three municipalities</td><td>4</td></tr>
<tr><td colspan="2">Total number of points on the specific criteria</td><td>30</td></tr>
</table></td></tr>
<tr><td>State aid</td><td>The measure will be implemented in accordance with the de minimis aid as per Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the CEU to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013.</td></tr>
</table>

Measure 10 „Integration of marginalized communities“

The measure aims at the implementation of Priority Axis 2 „Reduction of poverty and enhancement of social inclusion“, **Investment priority 1 „Social and economic integration of marginalized communities such as Roma people“** of HRDOP 2014-2020.

On the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG we have registered a serious problem with the representatives of the Roma community who are out of education, training and employment and have limited access social and health services. The problem is most acute in the Garmen Municipality where by 01.02.2011 the number of Roma people (those answering freely the Census) have been about 1600, followed by Gotse Delchev Municipality (318) and Hadzhidimovo municipality (263) – there, the representatives of the Roma group are less in number but the

problem with their isolation from the life of the community is also serious. The attempts of the three municipal administrations and especially that of Garmen for integration of the Roma people have been consistent but still insufficient to achieve lasting results, and better measures are needed on behalf of all who provide social and health services, incl. the non-governmental sector and other organizations.

Measure 10 „Integration of marginalized communities“	
Description of goals	Full participation of **people from vulnerable ethnic groups with focus on Roma people** in public life on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG, by stimulating their involvement in: • employment; • education; • training; • social and health services.
Scope of measure	Territorial scope of measure application – the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. **Target groups:** • representatives of the Roma community; • people at risk and/or victims of discrimination based on other principles than ethnic origin; • people living in territories with low population density, rural and isolated areas, parts of settlements with concentration of problems creating risk of poverty, social exclusion and marginalization (high unemployment, low income, restricted access to public services, territorial segregation, special isolation and other). *Activities are encouraged which lead directly or indirectly to improving children's welfare, children rights protection and equality of genders.* **Important**: When planning the opening of new services, sustainability of the service after the project must be secured.
Eligible candidates	• Suppliers of social and health services; • Employers; • Municipalities; • Organizations offering intermediary services; • Training organizations; • Centers for information and professional orientation; • Community centers; • Non-governmental organizations; • Social enterprises and cooperatives for disabled people; • Registered religious branches
Eligible activities	**Axis „Improving access to employment”**: • Activation of economically inactive persons; • Mediation for job finding; professional informing and consulting; • Psychological support; • Motivational training; • Provision of training; • Inclusion in apprenticeships, internships and employment incl. in the sphere of social economy;

		• Enhancing self-employment and other. **Axis „Improving access to education"**: • Prevention of early school drop-out; • Integration of children and youths in the educational system; • Improving access to educational services for early child development; • Literation of adults. **Axis „Improving access to social and health services"**: • Improving access to and provision of quality social and health services incl. integrated inter-sectoral services according to the specific needs of the target group; • Provision of individual consultations and social and health medicine for the representatives of the target groups; • Raising awareness about their social and health rights; • Stimulating family planning and responsible parenthood; • Raising health awareness and culture. **Axis „Developing local communities and overcoming of negative stereotypes":** • Planning, management, monitoring and evaluation of initiatives for social and economic integration of socially excluded people, groups and marginalized communities for community development; • Community actions for change of practices having a negative impact on social inclusion; • Support for the inclusion of target groups in the processes of formation and implementation of national and local policies; • Initiatives for overcoming stereotypes; • Initiatives for promotion of the cultural identity of ethnic communities, incl. in the sphere of traditional activities and talents (crafts and arts).
	Eligible expenditure	Categories of eligible expenditures: **I. STAFF COSTS** **1.** Costs of labour contracts and remunerations under the Civil Servants Act for physical entities, plus social security taxes payable by the employer – for all individuals involved in project implementation. **2.** Costs of business travel – daily allowances, accommodations and travel expenses – for those getting remunerations. **3.** Costs of internships for the trainees. **II. COSTS OF MATERIALS** **4.** Costs of materials and consumables needed for the implementation of project activities. **5.** Costs for the purchase of equipment and furniture needed for the implementation of project activities. **III. COSTS OF SERVICES** **6.** Costs of insurances for the purchased equipment and furniture. **7.** Expenditure for rent of: halls, equipment and others directly related and necessary for the implementation of project activities. **8.** Expenses for activities related to publicity. **9.** Expenses for event organization incl. transport, catering, lecturers, etc. **10.** Expenses deriving from contracts for production / service or contracts for procurement under the Law on Obligations and Contracts, which have not been listed elsewhere and are necessary for project implementation.

<table>
<tr><td></td><td>IV. NON-RECOVERABE VAT
V. INDIRECT COSTS
11. Expenditures for organization and management of the project – costs of administrative personnel salaries – project leader, technical assistant, accountant and other expert or technical staff, plus administrative expenses related to management (overheads, consumables and materials, rent, travel costs).
12. Non-recoverable VAT over expenses from Chapter V.
VI. Other expenses necessary for the implementation of the project, shown in the Call for submission of applications.</td></tr>
<tr><td>Financial parameters</td><td>Maximal value of total eligible costs per project – BGN equivalent of 50000 EUR.</td></tr>
<tr><td>Intensity of financial support</td><td>Maximal intensity of support is up to 100 % of the total amount of eligible expenditures, in accordance with the applicabilitiy of the state aid regime (de minimis) for the particular candidate.</td></tr>
<tr><td>Project evaluation criteria</td><td>The technical and financial evaluation under this measure will be done on the basis of the general criteria of HRDOP 2014 – 2020, as per the Guidelines of the Programme under Art. 37, para. 1 of the Council of Ministers Decree 161/08.07.2016, as well as the following specific criteria:
<table>
<tr><th></th><th>Criterion</th><th>Maximal number of points</th></tr>
<tr><td></td><td>Additional specific criteria</td><td></td></tr>
<tr><td>1.</td><td>The project includes activities of various axes, more than 2</td><td>6</td></tr>
<tr><td>2.</td><td>The project secures permanent employment</td><td>6</td></tr>
<tr><td>3.</td><td>The project aims at representatives of the Roma community incl. children and youths of up to 29 years of age</td><td>6</td></tr>
<tr><td>4.</td><td>The project aims at activities for improvement of children’s welfare and children rights protection</td><td>3</td></tr>
<tr><td>5.</td><td>The project includes social innovations</td><td>3</td></tr>
<tr><td>6.</td><td>The project includes target groups from all three LAG municipalities or project activities will be implemented on the territory of all three municipalities</td><td>3</td></tr>
<tr><td>7.</td><td>Project activities correspond to the planned new services or expansion of existing social services as per the District Strategy of Development of Social Services in Blagoevgrad District until 2020</td><td>3</td></tr>
<tr><td></td><td>Total number of points on the specific criteria</td><td>30</td></tr>
</table></td></tr>
<tr><td>State aid</td><td>The measure will be implemented in accordance with the de minimis aid as per Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the CEU to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013.</td></tr>
</table>

Measure 11 „Better access to sustainable services for social inclusion of disabled people and people living alone“

The measure aims at the implementation of Priority Axis 2 „Reduction of poverty and enhancement of social inclusion“, **Investment priority 3 „Improving access to services which are at an affordable price, sustainable and of high-quality, including health and social services of common interest“** from HRDOP 2014-2020.

Measure 11 „Better access to sustainable services for social inclusion of disabled people and people living alone“	
Description of goals	Improving quality of life, enhancement of social inclusion and integration into society of the disadvantaged groups and groups with special needs on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG through: • Sustainable access to services for social inclusion and health care in accordance with the needs of the groups at risk; • Decrease the number of children and youths, elderly people and people with disabilities accommodated in various institutions, through the provision of additional social and health services in the community incl. such for long-term care.
Scope of measure	Territorial scope of measure application – the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. **Target groups from the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG:** • People with disabilities; • People above 65 years, not able to take care of themselves; • Elderly people at risk; • Elderly people incl, with disabilities, accommodated in specialized institutions and their families; • Families with children incl. with disabilities; • Children at risk; • Children and youths incl. with disabilities, accommodated in specialized institutions, plus their families; **Additional target groups:** • People employed in the specialized institutions on the LAG territory; • Officers and suppliers of social and health services on the territory of LAG; • Officers in organizations and institutions on the LAG territory involved with issues of de-institutionalization. *Within this measure, activities are directed at the improvement of quality of life, enhancement of social inclusion and integration of disadvantaged groups and groups with special needs / other vulnerable groups into society. Joint and coordinated measures will be supported that prevent and alleviate causes of poverty and social exclusion.* *The measure aims at the building of an adequate network of services in the community and in households, incl. the provision of hourly services in support of social inclusion of elderly with the purpose of* ***preventing institutionalization.*** *Support will be directed also at the development of inter-sectoral services for people with disabilities, incl. rehabilitation, labour therapy, as well as social and health services in the community,* ***in support of their social inclusion.*** *The support for developing forms of long-term care will have a preventive role for the* ***non-accommodation in specialized institutions*** *and needless hospitalization, at the same time contributing to the change of current institutional and still medically-oriented model of caring for elderly people and people with disabilities.*

	Implementation of projects must aim at the building of an adequate network of quality and sustainable social services offered in the community, which would answer the individual and specific needs of elderly people and people with disabilities accommodated in specialized institutions, in order to secure an independent and dignified life for them. *The measure also aims at the* ***prevention of accommodating children and youths in specialized institutions,*** *at the same time taking out those already accommodated, through the provision of alternative social services in the community, close to the family environment.* **Important**: When planning the opening of new services, one must envisage the sustainability of service supply after the project end.
Eligible candidates	• Non-governmental organizations; • Organizations, offering intermediary services on the labour market; • Training organizations; • Suppliers of social services; • Suppliers of health services; • Registered branches of religious institutions; • Municipalities; • Employers.
Eligible activities	• **Provision of support** services, incl. integrated inter-sectoral services in the community or at home; services for early children's development; services for prevention and early intervention for children, services for the elderly (incl. those living alone and over 65 years of age who cannot take care of themselves); for people with disabilities and other vulnerable groups of population; • Provision of the necessary resources and services, including for prevention of **the institutional model of caring for children and youths** by creating networks of social services and inter-sectoral community services, in environments that are as close as possible to the family one; • Provision of the necessary resources and services, including for prevention of **the institutional model of caring for the elderly people and people with disabilities** by creating networks of social services and inter-sectoral community services; • **Development of foster care** and other preventive and alternative forms of care and services; • **Improving access to health care and promotion of health** incl. through targeted action aimed at children, youths and vulnerable groups; • Local social **actions for social inclusion**.
Eligible expenditures	Categories of eligible expenditures: **I. STAFF COSTS** **1.** Costs of labour contracts and remunerations under the Civil Servants Act for physical entities, plus social security taxes payable by the employer – for all individuals involved in project implementation. **2.** Costs of business travel – daily allowances, accommodations and travel expenses – for those getting remunerations. **II. COSTS OF MATERIALS** **3.** Costs of materials and consumables needed for the implementation of

project activities.

4. Costs for the purchase of equipment and furniture needed for the implementation of project activities.

III. COSTS OF SERVICES

5. Costs of insurances for the purchased equipment and furniture.
6. Expenditure for rent of: halls, equipment and others directly related and necessary for the implementation of project activities.
7. Expenses for activities related to publicity.
8. Expenses for event organization incl. transport, catering, lecturers, etc.
9. Expenses deriving from contracts for production / service or contracts for procurement under the Law on Obligations and Contracts, which have not been listed elsewhere and are necessary for project implementation.

IV. NON-RECOVERABE VAT

V. INDIRECT COSTS

10. Expenditures for organization and management of the project – costs of administrative personnel salaries – project leader, technical assistant, accountant and other expert or technical staff, plus administrative expenses related to management (overheads, consumables and materials, rent, travel costs).
11. Non-recoverable VAT over expenses from Chapter V.

VI. Other expenses necessary for the implementation of the project, shown in the Call for submission of applications.

Financial parameters	**Maximal value** of total eligible costs per project – BGN equivalent of **50000 EUR**.
Intensity of financial support	Maximal intensity of support is **up to 100 %** of the total amount of eligible expenditures, in accordance with the applicabilitiy of the state aid regime *(de minimis)* for the particular candidate.
Project evaluation criteria	***Stage 1 – Administrative compliance and eligibility of candidates*** (requirements are identical for all measures and are listed in p. 5.1.6 „Other applicable conditions“ of the Strategy) ***Stage 2 –Technical evaluation of projects under the current measure –*** will be done on the basis of the general criteria of HRDOP 2014 – 2020, as per the Guidelines of the Programme under Art. 37, para. 1 of the Council of Ministers Decree 161/08.07.2016, as well as the following specific criteria:

	Criterion	**Maximal number of points**
	Additional specific criteria	
1.	The project is directed towards people with disabilities	6
2.	The project includes social innovations	6
3.	The project includes target groups from all three LAG municipalities or project activities will be implemented on the territory of all three municipalities	6
4.	The project combines the provision of social and health services	5
5.	The project creates permanent jobs	5

	6.	Project activities correspond to the planned new services or expansion of existing social services as per the District Strategy of Development of Social Services in Blagoevgrad District until 2020.	2
		Total number of points on specific criteria	**30**
State aid	The measure will be implemented in accordance with the de minimis aid as per Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the CEU to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013.		

ICOP (Innovations and Competitiveness Operational Programme, ERDF)

The CLLD Strategy of the Gotse Delchev – Garmen – Hadzhidimovo LAG includes **two measures** which envisage funding from the ICOP through the ERDF as there has been serious interest on behalf of the small and medium enterprises from the LAG territory eligible for funding, expressed during the opinion polls and meetings with stakeholders. Apart from the general opinion poll among stakeholders, a *poll among business on LAG territory* was also conducted in order to identify a justified interest and capacity for the implementation of the measures from CLLD Strategy with funding from ICOP. The poll covered 15 SMEs from the municipalities of Gotse Delchev, Garmen and Hadzhidimovo, eligible beneficiaries under both priority axes of ICOP who shortly presented their project ideas and their wishes for inclusion of measures under the following two investment priorities of ICOP:

- IP 1.1 „Technological development and innovations“ from Priority Axis 1;
- IP 2.2 „SME growth capacity ” from Priority Axis 2.

The potential for implementing projects under those measures has been assessed as high as in the period 2007-2013, over 15 projects were accomplished on the territory of Gotse Delchev - Garmen – Hadzhidimovo LAG within the Operational Programme called Development of the Competitiveness of the Bulgarian Economy, amounting over 10,000,000 BGN within both measures (for development of innovations and for technological modernization). ***129 small and 23 medium enterprises*** work on the territory of the LAG and they and they are all eligible beneficiaries under Priority Axis 1 of ICOP. During the opinion poll among business, interest has been shown towards development of innovations, as well as during the conducted meetings and discussions; that is the reason for the inclusion of Measure 4 below. In 2014, there have been ***347 enterprises*** on the LAG territory who are **active in the eligible for funding sectors under Priority Axis 2 of ICOP** most of which have a Main Economic Activity code in the sector: *„Production of textiles and garments; leather processing; production of shoes and other items of processed leathers“* from CEA-2008 and are potential beneficiaries. Most of interviewed representatives of the business have expressed interest for technological renewal and introduction of standards in their enterprises, for which we have also included Measure 5 (below) in the current Strategy. The *Association of Entrepreneurs of Gotse Delchev* has expressed serious interest for the inclusion of ICOP measures into the CLLD Strategy, especially such oriented towards innovation development. They provided information on the existence of a large number enterprises on the LAG territory which answer the requirements for ICOP beneficiaries and have ideas in the innovation sectors eligible for funding. The Association has more than 50 members from the LAG territory, many of which have declared interest for the competitiveness programme and are active in the CEA-2008 sectors eligible under ICOP, for which reason they are assessed as potential beneficiaries under Priority Axis 2.

Measure 4 „Support for the development and introduction of innovations in SMEs“

The measure is directed towards the implementation of Priority Axis 1 „Technological development and innovations“, Investment Priority 1.1 „Technological development and innovations“ of ICOP 2014-2020

Measure 4 „Support for the development and introduction of innovations in SMEs“	
Description of goals	Raising the competitiveness of economy on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG by stimulating the development and innovations and their introduction into practice.
Scope of measure	Territorial scope if the measure - the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG. **Sectoral scope of the measure:** Support is envisaged only for the introduction or development of *innovations falling within the thematic areas of the Innovation Strategy for Intelligent Specialization:* *- Information and communication technologies and informatics;* *- Mechatronics and clean technologies;* *- Industry for healthy life and biotechnologies;* *- New technologies in the creative and recreative industries.* The thematic areas are described in detail in p. 5.1.3 „Scope of the measures and limitations“, A. „Scope of the measures funded by ICOP“ of the current CLLD Strategy. **Target group** of the measure: enterprises from the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG developing/introducing innovations incl. existing companies. **Expected contribution** from the measure is mainly seen in the increase of the share of enterprises on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG which independently develop, introduce and disseminate innovations resulting in their raised innovation capacities and competitiveness.
Eligible candidates	• **Small enterprises** • **Medium enterprises** The category of the enterprise is set by the Law on SMEs and Annex I of Regulation (EC) No. 651/2014.
Eligible activities	Support for innovations in enterprises including: • **Development** of new products, processes and business models; • **Introduction** of new products, processes and business modules in the enterprises. Within the measure, it is envisaged to provide investment support, consultancy and other support services for the development and introduction of innovations in enterprises.
Eligible expenditures	**Component 1: Investment support** **1.** Expenses for acquiring machines, **equipment and appliances,** presenting long-term material assets (LMA) – necessary for the implementation of project activities; **2.** Expenses for acquiring long-term non-material assets (LNA) incl. for software development which is necessary for project activities implementation. **Component 2: Consultancy and support services for development and introduction of innovations in the enterprises**

3. **Expenses for consultancy services in support of innovations:**
   - Expenses for consulting, support and training in the field of knowledge transfer;
   - Expenses for consulting, support and training in the field of acquisition, preservation and exploitation of non-material assets;
   - Expenses for consulting, support and training in the field of the use of standards and the rules that guide them.
4. **Expenses for support services for helping innovations:**
   - Expenses for provision of databases with the purpose of developing more effective products, processes or services;
   - Expenses for provision of libraries with the purpose of developing more effective products, processes or services;
   - Expenses for provision of market surveys with the purpose of developing more effective products, processes or services;
   - Expenses for the use of certain services offered by laboratories with the purpose of developing more effective products, processes or services;
   - Expenses for provision of quality labels with the purpose of developing more effective products, processes or services;
   - Expenses for testing and certification with the purpose of developing more effective products, processes or services.

Expenses under Component 2 may include:

- Expenses for external services (service contracts)
- Expenses for external services for conducting research, measuring, testing, etc.
- Expenses for participation in trainings (incl. training fees, travel costs with daily allowances and accommodation, etc.)
- Expenses for service fees, access fees for databases or libraries
- Expenses for subscription access to databases and libraries
- Fees and expenses for external services for acquiring quality labels for the innovations being developed by the projects
- Fees and expenses for external services for testing or certification of the innovative product (good, service) or process, respectively for gaining product compliance for the innovative product in regard with applicable standards.

<u>General expenses</u>:

5. **Expenses for information and communication (incl. visualization)**
6. **Expenses for management and implementation of the project, including:**
   - Remunerations for physical entities and health and social security taxes payable by the employer;
   - Expenses for business travel (travel costs, daily allowances and overnights) of the enterprise's staff who are developing the innovation, when the business travel is necessary for project implementation.
7. **Other expenses necessary for project implementation and stated in the conditions for submitting applications under the measure.**

<table>
<tr><td>Financial parameters</td><td>Maximal value of total eligible expenditure per project – BGN equivalent of 200000 EUR.</td></tr>
<tr><td>Intensity of financial support</td><td>Maximal intensity of support is up to 90 % of total value of eligible costs for all categories of eligible enterprises.</td></tr>
<tr><td>Project evaluation criteria</td><td>Stage 1 – Administrative compliance and eligibility of candidates (requirements are identical for all measures and are listed in p. 5.1.6 „Other applicable conditions“ of the Strategy)
Stage 2 –Technical evaluation of projects under the current measure – will be done on the basis of the general criteria of ICOP 2014 – 2020, as per the Guidelines of the Programme under Art. 37, para. 1 of the Council of Ministers Decree 161/08.07.2016, as well as the following specific criteria:
<table>
<tr><th>Criteria in case of developing a product and/or industrial innovation</th><th>Maximal number of points</th></tr>
<tr><td>Additional specific criteria</td><td>40</td></tr>
<tr><td>1. Potential of the developed innovation for introduction to the local economy</td><td>17</td></tr>
<tr><td>2. Participation of candidate’s team members in the Framework Programmes of EC</td><td>6</td></tr>
<tr><td>3. Environmental positive impact of the developed innovation</td><td>17</td></tr>
<tr><th>Criteria in case of introduction of a product and/or industrial innovation</th><th>Maximal number of points</th></tr>
<tr><td>Additional specific criteria</td><td>40</td></tr>
<tr><td>1. Positive impact of developed innovation on the activity of the candidate</td><td>15</td></tr>
<tr><td>2. Environmental positive impact of the developed innovation</td><td>15</td></tr>
<tr><td>3. Social positive impact of the developed innovation</td><td>10</td></tr>
</table></td></tr>
<tr><td>State aid</td><td>The measure will be implemented in accordance with the de minimis aid as per Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the CEU to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013.</td></tr>
</table>

Measure 5 „Technological renewal and introduction of standards in SMEs“

The measure aims at the implementation of Priority Axis 2 „Technological development and

innovations“, Investment priority 2.2 „Growth capacity of SMEs“ of ICOP 2014-2020	
Measure 5 „Technological renewal and introduction of standards in SMEs“	
Description of goals	Diversification of local economy and development of competitiveness of small and medium enterprises on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG by raising their productive capacity and strengthening the export potential.
Scope of measure	Territorial scope of the measure – the territory Gotse Delchev – Garmen – Hadzhidimovo LAG. **Sectoral scope of measure** Support is envisaged for the sectors defined as priority according to the ***National Strategy for Enhancing Small and Medium Enterprises 2014-2020*** (NSESME). Priority support is given to projects *falling within the thematic areas of the Innovation Strategy for Intelligent Specialization:* *- Information and communication technologies and informatics;* *- Mechatronics and clean technologies;* *- Industry for healthy life and biotechnologies;* *- New technologies in the creative and recreative industries.* The thematic areas are described in detail in p. 5.1.3 „Scope of the measures and limitations“, A. „Scope of the measures funded by ICOP“ of the current CLLD Strategy. **Target group** of the measure: enterprises from the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG according to the NSESME. **Expected contribution** from the measure is mainly seen in the increase of the capacities of enterprises on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG to make a competitive and sustainable at modern dynamic markets business, as well as to have a faster and easier access to foreign markets by using more and better ICT services, and optimizing business management processes.
Eligible candidates	• **Small enterprises** • **Medium enterprises** The category of the enterprise is set by the Law on SMEs and Annex I of Regulation (EC) No. 651/2014. Candidates should have a **Code of main economic activity** under CEA-2008 in one of the following groups of sectors according to their technological intensity: • *High-technology and medium-technology industries* (codes of Sector C „Processing Industry“); • *Knowledge-intensive services* (codes of Sector J „Creation and dissemination of information and artistic products; telecommunications“ and M72 „Scientific, research and development activity“); • *Low-technology and medium-low-technology industries* (codes of Sector C „Processing Industry“). The precise codes of main economic activity in the quoted sectors have been described in detail in 5.1.3 „Scope of the measures and limitations“, A. „Scope of the measures funded by ICOP“ of the current CLLD Strategy.
Eligible activities	***1. General industrial investments for improvement of the production growth capacity through efficient and effective use of production factors and the building of opportunities for adopting European and international knowledge and technologies***

	This includes increase of productivity; effective and efficient use of production factors (human capital, natural resources and technologies); improvement of production processes through investments in long-term material and non-material assets; introduction of leading technological solutions and/or re-engineering of processes; expansion of production through the adding of new characteristics or improvement of existing products and services and diversification of activities through better portfolio of enterprises and greater access to markets. Improvement of enterprises' effectiveness and their competitiveness through the introduction of new technologies/methods/systems for better resource efficiency in the production process; application of good practices / technological methods / technologies / systems for reducing the consumption of natural resources; waste-less technologies; utilization of secondary resources and production waste; regeneration, etc. ***2. Support for specialized services for SMEs for the development and strengthening of managerial capacity*** Support is aimed at the management of production factors with accent on the building of opportunities for adoption of European and international knowledge and good practices. In order to raise competitiveness and consequently the export potential of Bulgarian SMEs, the investments will enhance the following: development, introduction and certification of quality management systems, environment protection, eco-labelling, information security and others, in accordance with international, European and national standards; development, transfer, introduction and certification of good production practices; services for processes re-engineering in the enterprises; transfer and adaptation of new models for change management and fast adaptation to change; development of strategies for market realization; research and transfer of instruments for entering new markets and answering the national market demand and diversification of supply. ***3. Support for enterprise growth through quality improvement and enhancing the use of ICT and services*** Support is aimed at the improvement of the quality of existing processes, products and services through development and introduction of ICT-based systems and applications, incl. virtualized, cloud and mobile ones: for business management, integration of various departments and locations of companies, systems for automatized programming, engineering activities and production; for business transformation and operational processes leading to productivity raise and better competitiveness; electronic business platforms easing the access to foreign markets.
Eligible expenditure	Specific expenses for project activities implementation: **I. Costs of services** **1.** Expenses for services for introduction and certification of management systems answering the requirements of national/European/international standards. **2.** Expenses for services for acquiring compatibility and compatibility assessment of products **3.** Expenses for services related to the introduction and certification of good production practices **4.** Expenses for use of specialized consultancy services for re-engineering of processes in enterprises **5.** Expenses related to re-certification of management systems **6.** Expenses for services for development and introduction of ICT-based software

		for business process management in enterprises **7.** Expenses for services for using management systems software as a service **8.** Expenses for the service of 'colocation' of servers necessary for the introduction of ICT-based software for business process management in the enterprises **9.** Other expenses for services necessary for activities implementation **II. Investment costs** **10.** Expenses for purchase of machines, appliances and equipment which are classified as **LMA** and are necessary for project implementation; **11.** Expenses for purchase of **LNA** which are necessary for project implementation **12.** Expenses for **organization of trainings and events** under activity 4 (rent of premises, transport, lecturers, catering, materials for participants, organization of visits, etc.). **General expenses:** **13. Expenses for information and communication (incl. visualization)** **14. Expenses for management and implementation of the project, including:** ➢ Remunerations for physical entities and health and social security taxes payable by the employer; ➢ Expenses for business travel (travel costs, daily allowances and overnights) of the enterprise's staff who are developing the innovation, when the business travel is necessary for project implementation. **Other expenses necessary for project implementation and stated in the conditions for submitting applications under the measure**
	Financial parameters	**Maximal value** of total eligible expenditure per project – BGN equivalent of **200000 EUR**.
	Intensity of financial support	Maximal intensity of support is **up to 90 %** of total value of eligible costs for all categories of eligible enterprises.
	Project evaluation criteria	***Stage 1 – Administrative compliance and eligibility of candidates*** (requirements are identical for all measures and are listed in p. 5.1.6 „Other applicable conditions" of the Strategy) ***Stage 2 –Technical evaluation of projects under the current measure –*** will be done on the basis of the general criteria of ICOP 2014 – 2020, as per the Guidelines of the Programme under Art. 37, para. 1 of the Council of Ministers Decree 161/08.07.2016, as well as the following specific criteria:

Criteria	Maximal number of points
Specific criteria of CLLDS, defined by the LAG	**40**
1. The project proposal includes more than one of the eligible groups of activities	10
2. Project implementation contributes to the overall resource and energy efficiency of the enterprise and the reduction of negative impacts on the environment	15

	3. Project implementation contributes to the improvement of management processes and the organization of the activity: - process/es of planning and decision-making - process/es of resources organization; - process/es of organization of the production process / the process of service supply; - process/es of realization of the product/service; - process/es of internationalization of the product/service.	15
State aid	The measure will be implemented in accordance with the de minimis aid as per Regulation (EC) No. 1407/2013 of the Commission from 18.12.2013 regarding the application of Articles 107 and 108 of the CEU to the de minimis aid, published in the Official Gazette of the EU L 352 from 24.12.2013.	

EOP (ERDF) **SEIGOP (ESF)** **SFP (ESFPF)**	No measures have been selected under EOP, SEIGOP and SFP as the stakeholders have not identified such during the analysis of stakeholders and the interest of potential beneficiaries towards all eligible funding measures. In addition, measures of SEIGOP and SFP are not eligible for inclusion in CLLD Strategies under the current call for proposals within sub-measure 19.2 of the RADP.

6. Financial plan:

6.1. Indicative division of funds by programmes and measures

Measure code	Measure name	Total public contribution[20] for the period of the Strategy		
		EUR	BGN[21]	%
Measures funded by RADP 2014 – 2020 (EARDF)		**1 400 000**	**2 738 162**	**37%**
M1–4.1	„Support for investments in farms"	310 000	606 307	8%
M2–4.2	„Support for investments in the processing, market supply and/or development of agricultural products"	120 000	234 700	3%
M3–6.4	„Investments in support of non-agricultural activities"	370 000	723 657	10%
M6–7.2	„Investments in the creation, improvement or expansion of all types small-scale infrastructure"	600 000	1 173 498	16%
Measures outside the scope of the measures from Regulation (EC) No. 1305/2013 but answering the goals of the Regulation (funded by EARDF)		**100 000**	**195 583**	**3%**
M 7	„Preservation and promotion of local identity, cultural, historical and natural heritage"	100 000	195 583	3%
Total for measures funded by EARDF		**1 500 000**	**2 933 745**	**40%**
Measures funded by HRDOP (ESF)		**760 000**	**1 486 431**	**20%**
M 8	„Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business "	410 000	801 890	11%
M 9	„Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG"	50 000	97 792	1%
M 10	„Integration of marginalized communities"	150 000	293 375	4%

[20] From the EARDF, ERDF or ESF
[21] As per the fixed rate of BNB 1 EUR = 1.95583 BGN

M 11	„Better access to sustainable services for social inclusion of disabled people and people living alone”	150 000	293 375	4%
Measures funded by ICOP (ERDF)		**1 500 000**	**2 933 745**	**40%**
M 4	"Support for the development and introduction of innovations in SMEs"	180 000	352 049	5%
M 5	" Technological renewal and introduction of standards in SMEs"	1 320 000	2 581 696	35%
TOTAL FOR THE WHOLE STRATEGY		**3 760 000**	**7 353 921**	**100%**
Current expenses and promotion of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG		**500 000**	**977 915**	**-**
Current expenses for LAG Strategy management		400 000	782 332	80%
Expenses for the promotion of the CLLD Strategy for the LAG territory		100 000	195 583	20%
TOTAL FOR THE WHOLE STRATEGY incl. CURRENT EXPENSES		**4 260 000**	**8 331 836**	**-**

Table 10: Indicative distribution of funds by programmes and measures

The distribution of public funds for the Strategy by measures from all programmes and the expected number of projects under each measure on the basis of the envisaged maximal budget (for the whole measure and per project) is illustrated in the following figures:

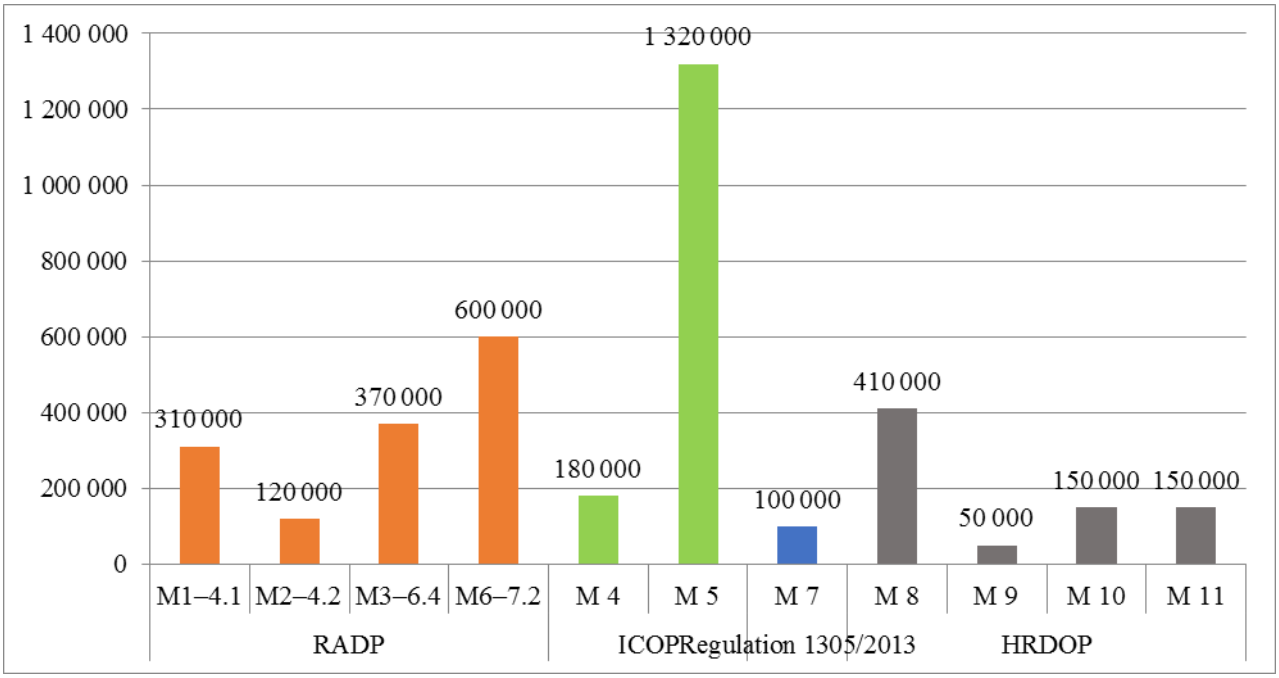


Figure 7: Distribution of CLLD Strategy resources by measures from all programmes

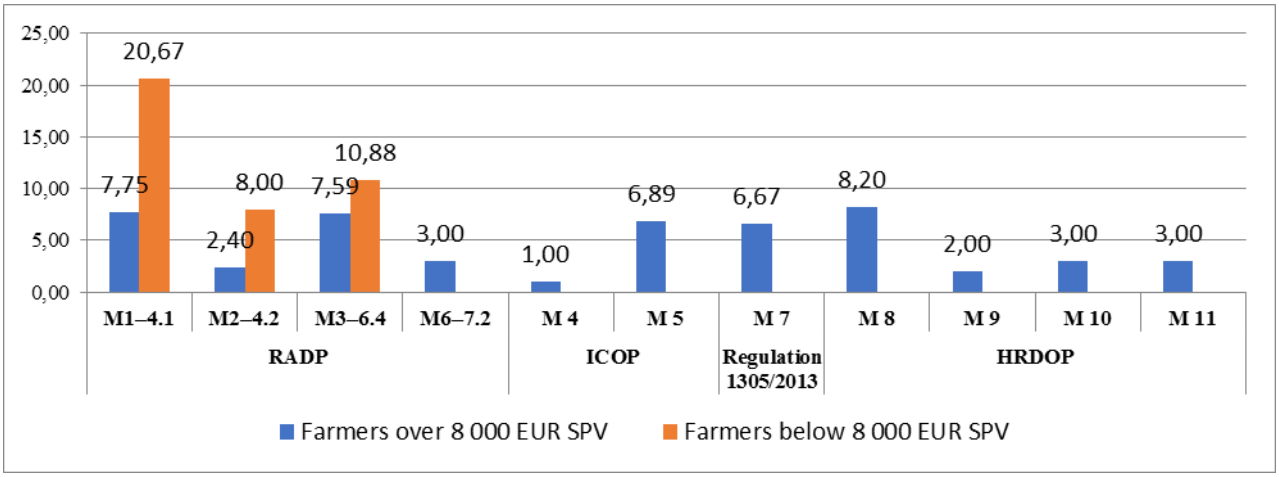


Figure 8: Expected number of projects under the CLLD Strategy by measures from all programmes

Speaking of the types of measures, the bigger part of the public resource of the Strategy has been assigned to infrastructural and investment measures while only less than 25% are for soft measures aimed at trainings, forums, organization of festivals, events and other activities not including construction or renovation of sites or purchase of expensive machines and equipment.

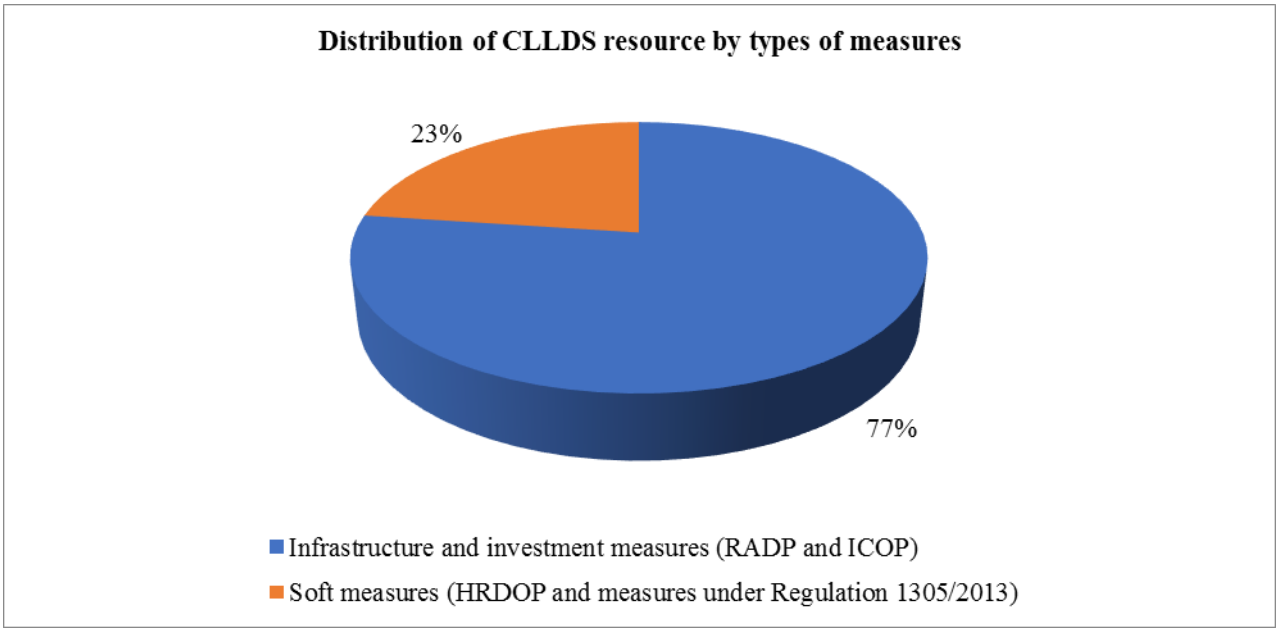


Figure 9: Distribution of the CLLD Strategy resources by types of measures

Time schedule of contracting public financial support

The deadline for grant contracting for projects under all measures included in the CLLDS is 31.12.2020. in that respect, the time schedule of the total financial resource for Strategy implementation covers the period 2016-2020 which is the period of contracting for approved projects within the LAG CLLDS. After the deadline for grant contracting, the beneficiaries may implement their project until 30.06.2023.

6.2. Financial justification of budget and funds distribution by programmes and measures

DISTRIBUTION OF FUNDS BY PROGRAMME

The budget of CLLDS of Gotse Delchev – Garmen – Hadzhidimovo LAG has been developed in accordance with the maximal amount of public contribution which every programme listed in this Strategy can provide as per Art. 7 of Order No. 22 from 14.12.2015, as follows:

Programme	Fund	Maximal value of total public contribution in EUR
Rural Areas Development Programme 2014-2020	**EARDF**	**1,500,000 EUR**, when the LAG covers a territory with population higher than 15,000 people
Human Resources Development Operational Programme 2014-2020	**ESF**	**760,000 EUR**
Innovations and Competitiveness Operational Programme 2014-2020	**ERDF**	**1,500,000 EUR**, when the LAG covers a territory with population higher than 45,000 people

Population on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG was 55,046 people on 31.12.2014; therefore the maximal values of RADP and ICOP may be applied.

Regarding **current expenses** for the promotion of CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG, we have applied a formula compliant with the following rule of Art.4, para.2 of Order No. 1 from 22.01.2016: „*the maximal grant amount of eligible costs for current expenses and promotion of the CLLD strategy may not exceed 25% of the total public contribution from EARDF within the CLLDS, including the total approved expenditure under sub-measure 19.2 and sub-measure 19.4".*

Current expenses are envisaged for the following activities:

1. Provision of LAG with the necessary financial resource for effective implementation of the CLLD Strategy and its promotion (80% of the total resource);
2. Raising public awareness about the CLLD approach and stimulating its active participation in the process of CLLD strategies implementation (20% of the total resource).

DISTRIBUTION OF FUNDS BY MEASURES

Rural Areas development Programme 2014-2020

The distribution of funds from RADP by measures has been done on the basis of expressed interest towards the measures on behalf of the potential beneficiaries during the conducted meetings and a general opinion poll among stakeholders; the potential for project implementation within each measure and the goals of this Strategy.

The interest on behalf of the interviewed towards the two sub-measures of Measure 4 of RADP is almost equal to the interest towards Sub-measure 6.4 of the same Programme but the first specific goal of this CLLD Strategy and its mission are oriented towards *stimulating agriculture development on the LAG territory* which has been approved by the stakeholders; and the goal that comes second aims at the diversification of sectors outside agriculture. That is why the resource for the Strategy measures for agriculture (1-4.2 and 2-4.2) is generally a bit higher than the resource for diversifying LAG's economy (3-6.4). The correlation between measures 1-4.1 and 2-4.2 is 72% to 28% which equals the interest expressed towards measures 4.1 and 4.2 of RADP on behalf of the interviewed potential beneficiaries.

Budget distribution of measures has been approved by the stakeholders according to whom the potential for project implementation under measure 1-4.1 is higher in the LAG territory than the potential under measure 2-4.2 from the point of view of eligible candidates and interest for the activities. For measure 6-7.2, we have included public resources equaling 600,000 EUR because of the fact that the LAG covers three municipalities with a total of 43 settlements and the scope of the measure regarding eligible activities is quite broad and the project implementation potential for renovation of public infrastructure in various spheres is also high, incl. those of culture and sports.

During the meetings with stakeholders, they suggested that we also include a measure aimed at the preservation and promotion of local identity and heritage on the LAG territory. We have allocated a budget of 100,000 EUR for that which equals 6% of the overall budget of the Strategy coming from EARDF. The potential for project implementation here has been assessed as high since the territory of the LAG is rich in elements if the cultural, historical and natural heritage and there are a lot of organizations in all three municipalities which are active and work in the mentioned sphere. The goal of this measure is to fund more and smaller projects, so that the measure would have a sustainable and lasting effect. That is why we have allocated 100,000 EUR with the intention of having at least 6 projects funded during the period of the Strategy.

The following figure shows the distribution of resources from EARDF by measures within the CLLD Strategy, in %.

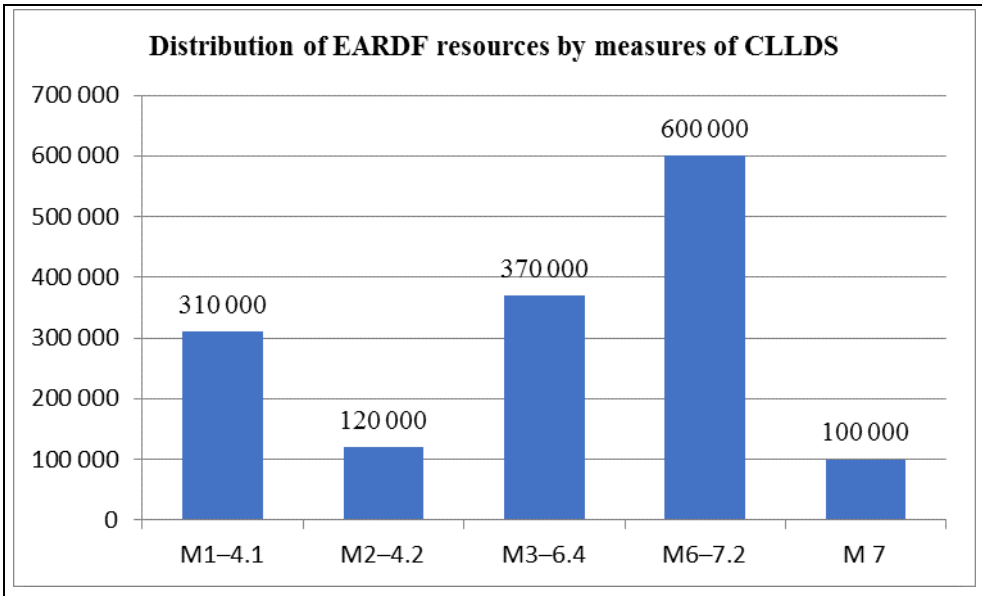


Figure 10: Distribution of resources from EARDF by measures within the CLLD Strategy

Human Resources Development Operational Programme 2014-2020

The largest resource from HRDOP has been allocated to Measure 8 from the Strategy dedicated to the training of unemployed and employed people on the territory of the LAG, as we have identified greatest interest towards training activities and – correspondingly – greatest potential for project implementation incl. on behalf of employers from the three municipalities. This is also the measure seen to have the most tangible and lasting effect after project implementation as it is expected that the participants (trainees) will find jobs easier and faster after they have been trained. This, on its part, is expected to have a positive effect on the levels of unemployment on the LAG territory in the following years since those levels have been higher than the average for the country in May 2016.

For measures 10 and 11 aiming at the identified vulnerable and marginalized groups in the three municipalities we have allocated an equal resource – 150,000 EUR, expecting to fund at least 3 projects at maximal budget under each of the measures which will then have a tangible and lasting effect among target groups – Roma communities and people with disabilities, incl. elderly who live alone – for the long-term overcoming of their limitations and answering their needs. Measure 9 has the smallest resource as it is expected to fund no more than 2 projects at maximum budget; the organization of a smaller number of highly effective trainings in entrepreneurship (one of the eligible activities) is assessed as sufficient for the needs of the target groups on the LAG territory.

The following figure presents the distribution of HRDOP resources by measures within the CLLD Strategy, in %:

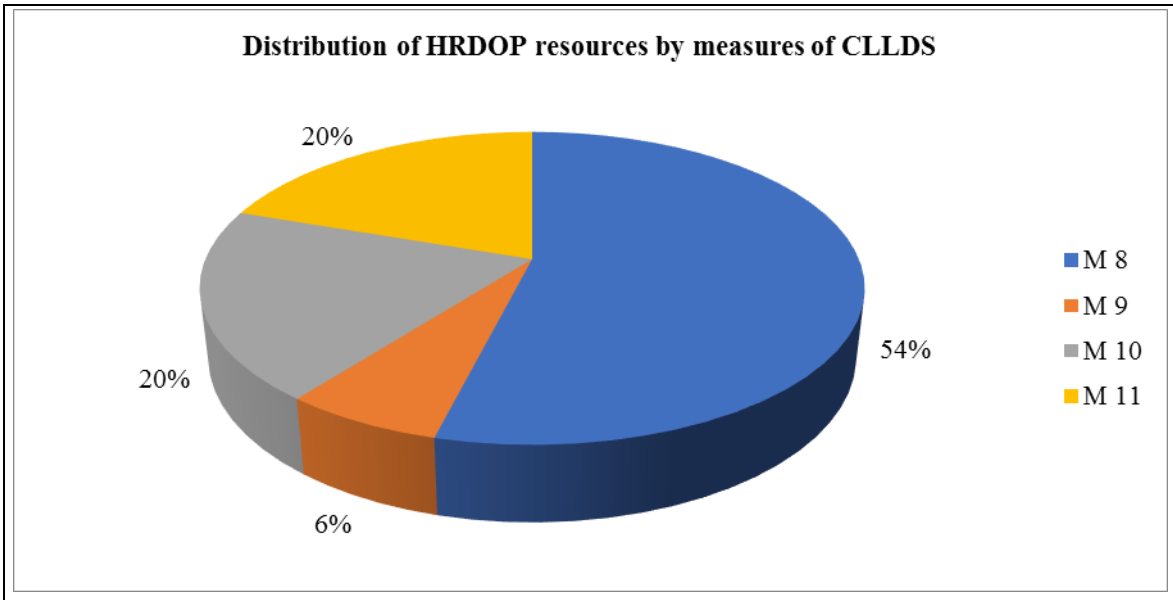


Figure 11: distribution of HRDOP resources by measures within the CLLD Strategy

Innovations and Competitiveness Operational Programme 2014-2020

The distribution of public resources from ERDF among the two measures included in this CLLD Strategy and answering the goals of ICOP has been done on the basis of the interest shown by business representatives during the opinion poll, as well as the potential for implementation of the corresponding measures. Over 85% of the public resource from ICOP has been allocated for Measure 5 as a *much higher interest is expected towards the activities for technological renovation of the small and medium enterprises* than towards innovations which are a more difficult, more specific and not so popular a theme. For Measure 4 – development and introduction of innovations – we have allocated 180,000 EUR for two or more projects below the maximal eligible budget or one bigger project on the maximum.

The following figure shows the distribution of ICOP resource by measures within the CLLD Strategy, in %:

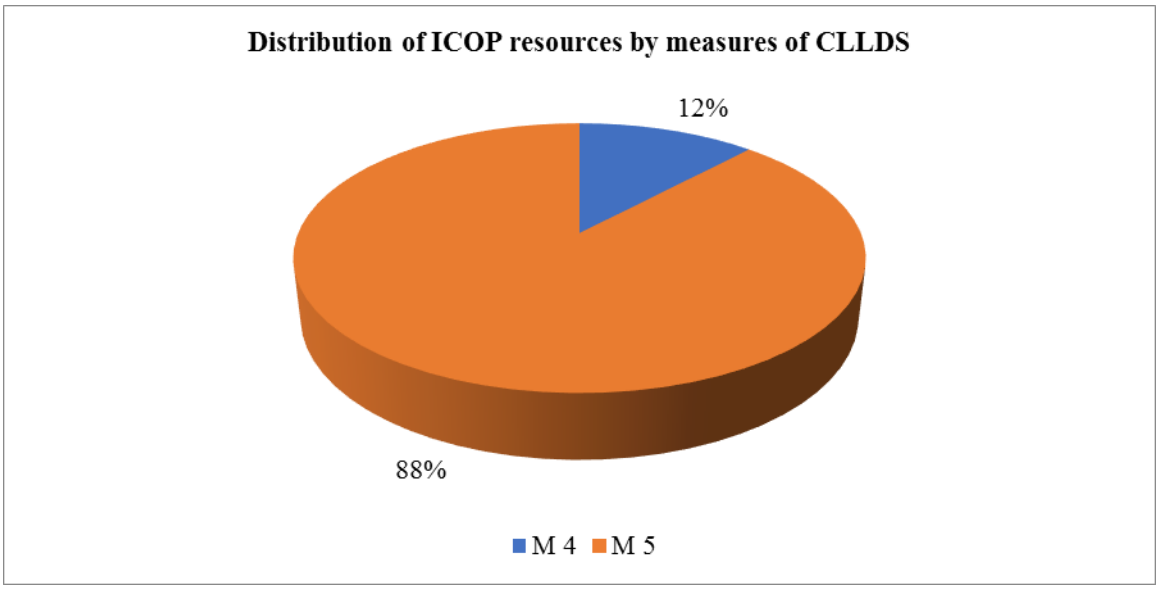


Figure 12: distribution of ICOP resources by measures within the CLLD Strategy

INDICATIVE NUMBER OF PROJECTS UNDER EACH MEASURE

On the basis if the allocated maximal public resources and maximal intensity of support under each measure, if all project proposals submitted use the maximal possible budget, we have calculated an indicative number of projects to be implemented during the period of the Strategy,

given the following assumptions are at place:

- Option 1 – under the measures eligible for farmers (1-4.1, 2-4.2 and 3-6.4), there are project proposals only from farmers with volume of farms over 8,000 EUR (SPV) and other eligible candidates;
- Option 2 – under the measures eligible for farmers (1-4.1, 2-4.2 and 3-6.4), there are project proposals only from farmers with volume of farms below 8,000 EUR (SPV).
- For the measures funded by HRDOP and the measure answering Regulation (EC) No. 1305/2013, which envisage up to 100% intensity of funding, for the purposes of this table we have calculated indicatively that the intensity is actually 100%
- The expected number of projects has been calculated up to the second sign after the decimal point.

Expected indicative number of projects under the measures of CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG					
MEASURE		**Maximal public resource for the measure**	**Intensity of financial support**	**Maximum project budget**	**Expected number of projects**
Measures funded by RADP and EARDF					
	Option 1				**27,41**
	Option 2				**49,22**
Measures funded by RADP 2014-2020 (EARDF)		**1 400 000**			
	Option 1				**20,74**
	Option 2				**42,55**
M1–4.1	**„Support for investments in farms”**	**310 000**			
	Option 1 – candidates with volume of farms over 8,000 EUR (SPV) and other eligible candidates		*50%*	*80 000*	*7,75*
	Option 2 – candidates with volume of farms between 6,000 and 7,999 EUR (SPV)		*60%*	*25 000*	*20,67*
M2–4.2	**„Support for investments in the processing, market supply and/or development of agricultural products ”**	**120 000**			
	Option 1 – candidates with volume of farms over 8,000 EUR (SPV) and other eligible candidates		*50%*	*100 000*	*2,40*
	Option 2 – candidates with volume of farms between 6,000 and 7,999 EUR (SPV)		*60%*	*25 000*	*8,00*
M3–6.4	**„Investments in support on non-agricultural activities“**	**370 000**			
	Option 1 – candidates with volume of farms over 8,000 EUR (SPV) and other eligible candidates		*75%*	*65 000*	*7,59*
	Option 2 – candidates with volume of farms between 6,000 and 7,999 EUR (SPV)		*85%*	*40 000*	*10,88*

M6–7.2	**„Investments in the creation, improvement or expansion of all types small-scale infrastructure“**	**600 000**	100%	200 000	3,00	
Measures outside the scope of the measures of Regulation (EC) No. 1305/2013 but answering the goals of the Regulation (funded by EARDF)		**100 000**			**6,67**	
M 7	„Preservation and promotion of local identity, cultural, historical and natural heritage“	**100 000**	100%	15 000	6,67	
Measures funded by HRDOP (ESF)		**760 000**			**16,20**	
M 8	„Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business”	**410 000**	100%	50 000	8,20	
M 9	„Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG“	**50 000**	100%	25 000	2,00	
M 10	„Integration of marginalized communities”	**150 000**	100%	50 000	3,00	
M 11	„Better access to sustainable services for social inclusion of disabled people and people living alone”	**150 000**	100%	50 000	3,00	
Measures funded by ICOP (ERDF)		**1 500 000**			**8,33**	
M 4	" Support for the development and introduction of innovations in SMEs"	**260 000**	90%	200 000	1,00	
M 5	" Technological renewal and introduction of standards in SMEs"	**1 240 000**	90%	200 000	7,33	
TOTAL NUMBER of projects funded by the Strategy						
					Option 1	**51,94**
					Option 2	**73,75**

Table 11: Expected indicative number of projects under the measures of CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG

For the purposes of the present table, it is not possible to make an assumption about the number of candidates with farms below and above 8,000 EUR SPV will be approved for funding (measures 1-4.1, 2-4.2 and 3-6.4), due to which various combinations are possible with the numbers of candidates of each type and different final results from the implementation of the Strategy.
The expected indicative number of projects within the two options depending on the volume of the farms of the candidates and the above measures, has been illustrated below:

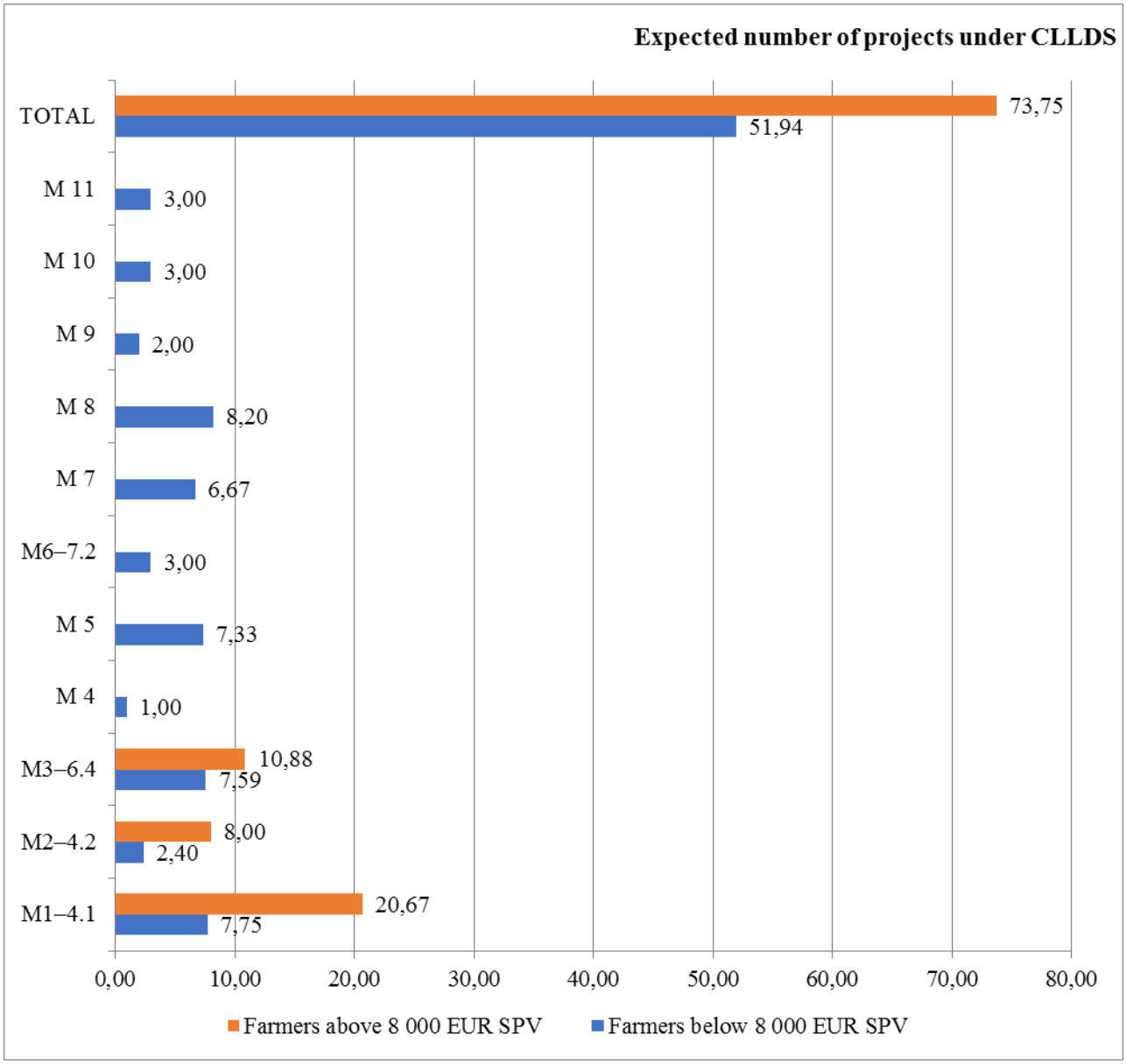


Figure 13: Expected indicative number of projects within the measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG

The calculations in the table and figure have been made on the basis of the assumption that all projects will be funded on the maximal eligible budget per project. In case **projects with lower budgets** are submitted and approved for funding, the number of projects implemented under the Strategy will be higher than the indicative number shown above.
The following figure shows the distribution and correlation of the budget of each measure to the total budget (public resource) of the CLLD Strategy and the proportion of the expected number of projects under each measure of the total expected number of projects (again in accordance with the volume of farms under some of the measures). The graph makes it clear that some of the measures (1-4.1, 2-4.2 и 3-6.4) will have a *much bigger effect if the projects are implemented by small farmers* (the candidate farmers have a volume of farms of 8,000 EUR in SPV), correspondingly a smaller budget.

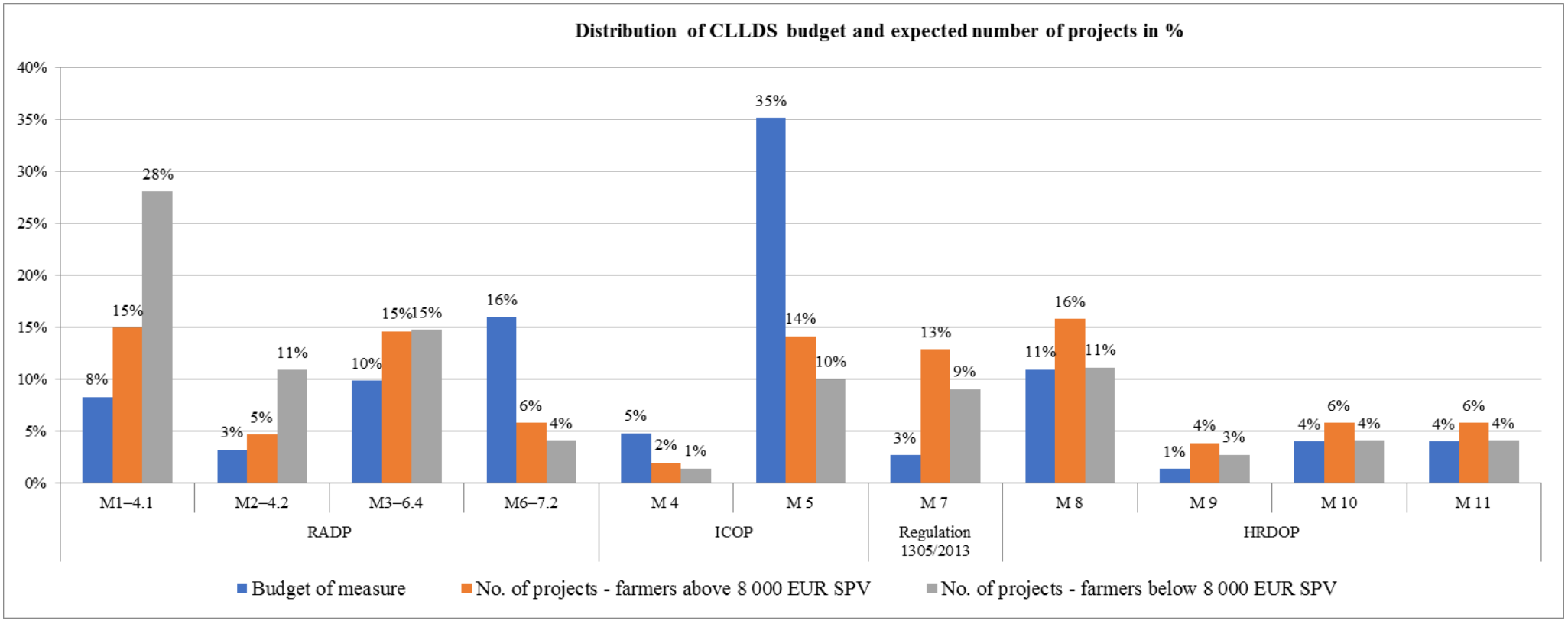


Figure 14: Correlation between CLLD Strategy budget and the expected number of projects under each measure

7. Action Plan showing how the goals have been translated into actions

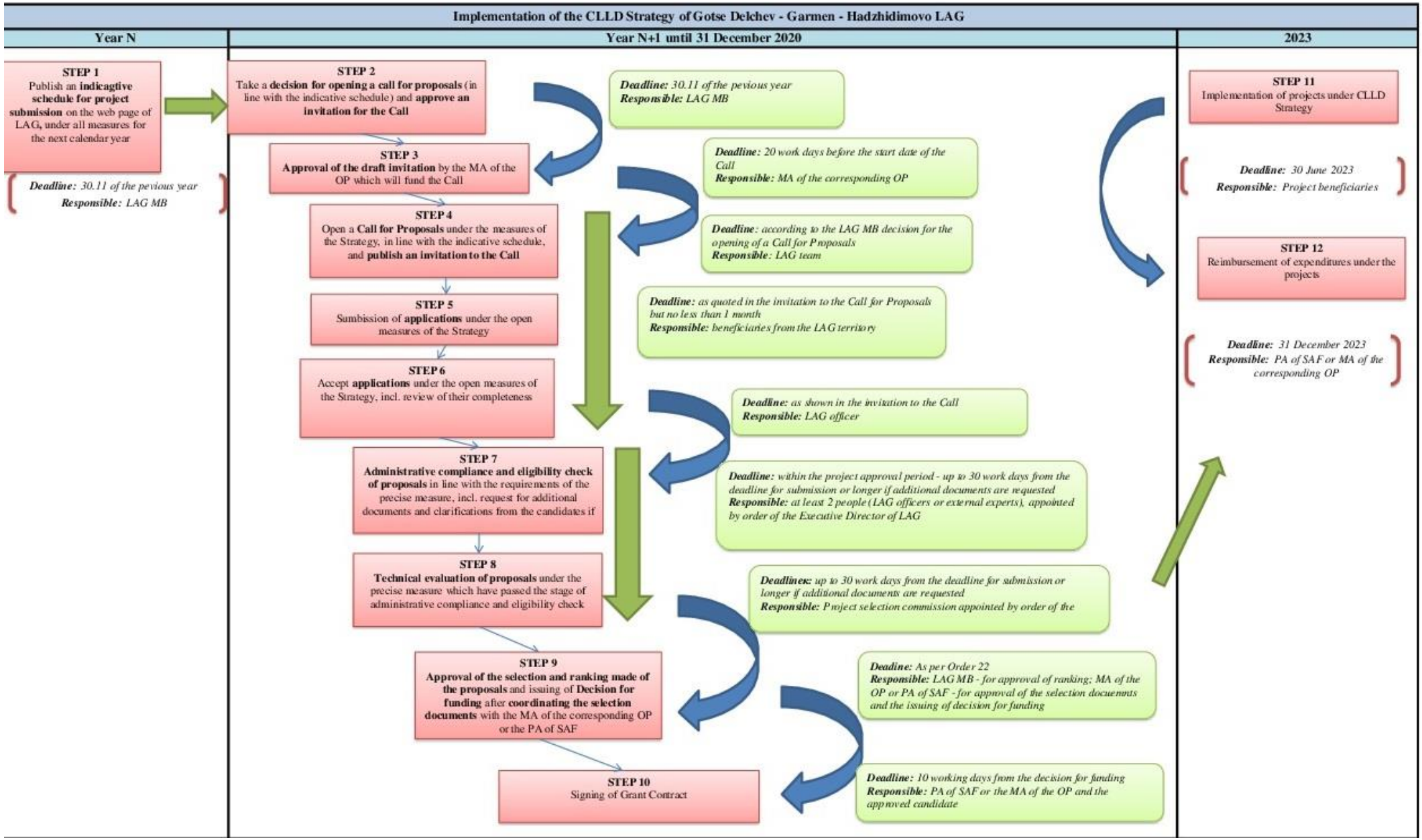
All measures included in the CLLD Strategy correspond to the identified needs and wants of the stakeholders in the municipalities of Gotse Delchev, Garmen and Hadzhidimovo and the conclusions from the social and economic analysis made for the territory of the LAG. The measures have been formulated in such a way as to *lead to the achievement of the identified priorities and specific goals* of the CLLDS, each specific goal being achieved by one or more measures.

When planning the budget of the CLLD Strategy for the period 2016-2020, as well as the distribution of sums by measures and years, the declared interest of beneficiaries from the Gotse Delchev - Garmen – Hadzhidimovo LAG should be taken into account, together with the requirement that all grant contracts with approved beneficiaries must be signed by the end of 2020 according to Order No. 22 from 14.12.2015. The projects contracted in 2020 will be implemented in the next years, the deadline for finalizing the activities and reporting being 30.06.2023.

The calls for proposals will cover all measures from the Strategy until the resource of each measure is exhausted. The calls will have a fixed maximal value of the public contribution from the Strategy, the budget of each call being calculated as the difference between the measure's budget and the amount of financial support for the approved by MA or SAF projects, and the financial support for proposals approved by LAG which have not yet received a decision for funding at the time of opening of the call. In the last year of contracting, it is expected that only measures with unexhausted budget up to that moment will be opened.

For the implementation of the CLLD Strategy of Gotse Delchev - Garmen – Hadzhidimovo LAG, we have prepared an Action Plan with precise steps, deadlines and responsible entities, as long as it is applicable at the current moment. This has been presented on the figure below.

Figure 15: Action Plan for the implementation of the CLLD Strategy of Gotse Delchev - Garmen – Hadzhidimovo LAG
(next page)


Implementation of the CLLD Strategy of Gotse Delchev - Garmen - Hadzhidimovo LAG
Year N
Year N+1 until 31 December 2020
2023
STEP 1
Publish an indicagtive schedule for project submission on the web page of LAG, under all measures for the next calendar year
Deadline: 30.11 of the pevious year
Responsible: LAG MB
STEP 2
Take a decision for opening a call for proposals (in line with the indicative schedule) and approve an invitation for the Call
Deadline: 30.11 of the pevious year
Responsible: LAG MB
STEP 3
Approval of the draft invitation by the MA of the OP which will fund the Call
Deadline: 20 work days before the start date of the Call
Responsible: MA of the corresponding OP
STEP 4
Open a Call for Proposals under the measures of the Strategy, in line with the indicative schedule, and publish an invitation to the Call
Deadline: according to the LAG MB decision for the opening of a Call for Proposals
Responsible: LAG team
STEP 5
Sumbission of applications under the open measures of the Strategy
Deadline: as quoted in the invitation to the Call for Proposals but no less than 1 month
Responsible: beneficiaries from the LAG territory
STEP 6
Accept applications under the open measures of the Strategy, incl. review of their completeness
Deadline: as shown in the invitation to the Call
Responsible: LAG officer
STEP 7
Administrative compliance and eligibility check of proposals in line with the requirements of the precise measure, incl. request for additional documents and clarifications from the candidates if
Deadline: within the project approval period - up to 30 work days from the deadline for submission or longer if additional documents are requested
Responsible: at least 2 people (LAG officers or external experts), appointed by order of the Executive Director of LAG
STEP 8
Technical evaluation of proposals under the precise measure which have passed the stage of administrative compliance and eligibility check
Deadlines: up to 30 work days from the deadline for submission or longer if additional documents are requested
Responsible: Project selection commission appointed by order of the
STEP 9
Approval of the selection and ranking made of the proposals and issuing of Decision for funding after coordinating the selection documents with the MA of the corresponding OP or the PA of SAF
Deadine: As per Order 22
Responsible: LAG MB - for approval of ranking; MA of the OP or PA of SAF - for approval of the selection documents and the issuing of decision for funding
STEP 10
Signing of Grant Contract
Deadline: 10 working days from the decision for funding
Responsible: PA of SAF or the MA of the OP and the approved candidate
STEP 11
Implementation of projects under CLLD Strategy
Deadline: 30 June 2023
Responsible: Project beneficiaries
STEP 12
Reimbursement of expenditures under the projects
Deadline: 31 December 2023
Responsible: PA of SAF or MA of the corresponding OP

8. Description of the organization of management and monitoring of the Strategy showing the capacity of the LAG to implement it, and specific arrangements for evaluation

8.1. Organizational structure of LAG:

The Local Action Group (LAG) of Gotse Delchev – Garmen – Hadzhidimovo is a legal entity with non-profit purpose including representatives of the commercial, non-commercial and public sectors from the municipalities of Gotse Delchev, Garmen and Hadzhidimovo. The beneficiary of sub-measure 19.1 stated above, where the current CLLD Strategy is being developed, is **Association with non-profit purpose „Local Action Group – Gotse Delchev“**, established by Decision 132 from 20.05.2010 under Company Case 48/2010 of the Blagoevgrad Regional Court, lot No. 48, registry 5, vol. 3, page 20, as a non-governmental organization - „association“ under the Law on Legal Entities with Non-Profit Purposes.

Partners of LAG – Gotse Delchev in the implementation of the contract are the following organizations:

- **Local Action Group – Hadzhidimovo Foundation**, established by Decision 75 from 31.03.2010 under Company case 31/2010 of Blagoevgrad Regional Court, lot No. 31, registry 5, vol. 2, page 150, as a non-governmental organization - „foundation“ under the Law on Legal Entities with Non-Profit Purposes. On 12.02.2016, the management body of the Foundation decided that the **Local Action Group – Hadzhidimovo Foundation** would be re-established as an non-profit association named "Local Action Group – Hadzhidimovo 2016". The changes have been listed by the Blagoevgrad Regional Court on 21.03.2016 by Decision No. 1563;
- **Local Partnership Garmen** – a non-formal union of the following bodies:
  - Municipality of Garmen;
  - ET "Suzana Sarieva";
  - Nevrokop Association.

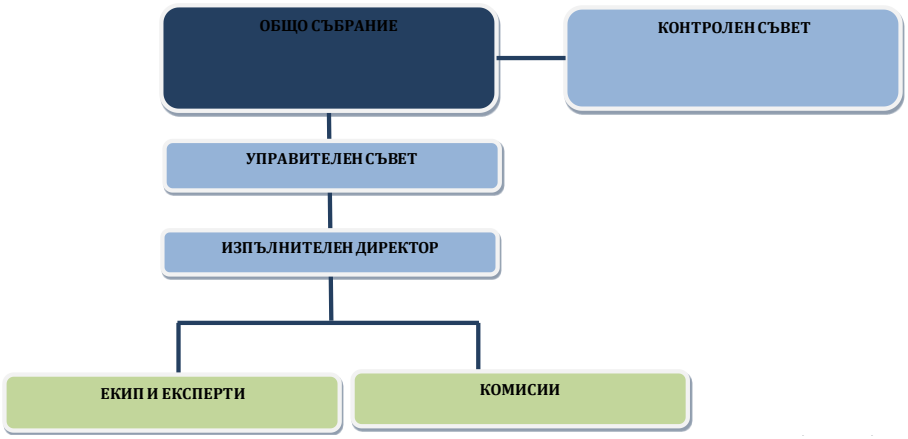
On 28.03.2016, the General Assembly of the Local Action Group – Hadzhidimovo 2016 Association had a session where they decided to accomplish a procedure of merging the Local Action Group – Hadzhidimovo 2016 Association with the Local Action Group – Gotse Delchev Association. The same decision was taken by the General Assembly of the Local Action Group – Gotse Delchev Association on 12.04.2016, changing the name of the new body to **Association with non-profit purpose „Local Action Group - Gotse Delchev - Garmen – Hadzhidimovo”.** What was not to be changed included:

- The ID (BULSTAT) of LAG: 175886629.
- Headquarters and management address of LAG – 1, Peyo Yavorov Str., town of Gotse Delchev, Municipality of Gotse Delchev, Blagoevgrad District.

The General Assembly of the new Association with non-profit purpose named Local Action Group - Gotse Delchev - Garmen – Hadzhidimovo accepted as members the participants in the Local Partnership – Garmen (Municipality of Garmen, ET “Suzana Sarieva” and Nevrokop Association). Changes made on the meeting of the General Assembly on 12.04.2016 were registered by the Blagoevgrad Regional Court on 20.05.2016, and thus the local action group acquired its new name and expanded territorial range, including members of the commercial, non-commercial and public sectors in the three municipalities.

Organizational structure / scheme	The Local Action Group of Gotse Delchev - Garmen – Hadzhidimovo is a public-private partnership established and registered under LLENPP for work in public benefit and the aim to develop, provide capacity for and implement a

	Strategy for CLLD on the territory of the municipalities of Gotse Delchev - Garmen – Hadzhidimovo where the share of public sector representatives, non-governmental sector and commercial sector in the collective management body does not exceed 49% of the voting members. The association is voluntary, independent, non-political and non-governmental union of physical and legal entities, representatives of local authorities, of the commercial and non-commercial sector on the territory of the municipalities of Gotse Delchev, Garmen and Hadzhidimovo. The priorities of the association are the activities directed towards the rural areas in the fields of: competitiveness of agriculture, environment protection, improving the quality of life and diversification of economic activities in the rural areas through the development of services and businesses outside agriculture, provision of employment opportunities and overall harmonic development of people, especially in the small settlements. The association is built on the basis of the following principles: • Equality of the representatives of the public, commercial and non-commercial sectors; • Equality and cooperation between the representatives of the municipalities included in the association; • Equality between the representatives of the agricultural and non-agricultural business; • Equality, mutual respect between the members regardless of gender, race, religion and political affiliation, voting rights of each member, participation in the management of the association and a right to be informed about its activities. The public-private partnership includes: • Local Action Group Gotse Delchev Association • Local Action Group Hadzhidimovo 2016 Association • Members of Local Partnership Garmen: Municipality of Garmen, ET "Suzana Sarieva" and Nevrokop Association • Physical and legal entities who have expressed willingness for membership. After the accomplished legal procedures, transformations and changes, Local Action Group Gotse Delchev Association has expanded its territory, changed its membership and its name to Local Action Group Gotse Delchev – Garmen - Hadzhidimovo Association, with BULSTAT 175886629, listed in the Registry of Blagoevgrad Regional Court under Company Case 48/2010 with headquarters and management address at 1. Peyo Yavorov Str., Gotse Delchev town, Municipality of Gotse Delchev, District of Blagoevgrad. After the changes, the General Assembly of the Local Action Group Gotse Delchev – Garmen - Hadzhidimovo Association equals 55 members. As a result of the active work of experts involved with the implementation of the project under sub-measure 19.1 and the secured broad public visibility, the General Assembly of the Association represents 24 settlements or over 55% of

	al settlements on the territory of the three municipalities which are 43 in total. All 6 types of identified stakeholders are also represented, i.e. they have secured the presenting if interests of 100% of the stakeholders on the territory. The General Assembly includes representatives of the public, commercial and non-commercial sectors in the following proportions: • Public sector – 5.5% • Commercial sector – 47.3% • Non-commercial sector – 47.3% The Management Board of the Association represents the three sectors equally, 33% of each. ***Organizational structure***  *Figure 16: Organizational structure of Local Action Group Gotse Delchev – Garmen - Hadzhidimovo Association*
8.2. LAG management:	
Management and control bodies	The Association has the following bodies: • **General Assembly** • **Management Board** • **Control Board**

***General Assembly*:**

The General Assembly is the collective supreme body of the Association and has the right to take decisions on all aspects of its activity. It comprises all members of the Association. Each member has the right of one vote expressed in person or via an official representative. A member of the General Assembly does not have a right to vote on issues concerning persons connected to him/her as per § 1 of the Additional Clauses of the Trade Act.

The main rights of the General Assembly include:

The General Assembly:

- Alters and adds the Statutes;
- Accepts other internal acts;
- Elects and replaces the members of the Management Board and the Control Board;
- Alleviates members of the Management Board from responsibility;
- Accepts members in case of refusal on part of the Management Board;
- Takes decisions for opening and closing of branches;

- Takes decisions for transformations and ceasing of the Association;
- Takes decisions for participation in other organizations;
- Accepts an annual activity report an annual financial report for the Association in line with the requirements of Art. 40, para. 2 of LLENPP for the previous year and presents those to the Central Registry of LENPP in public benefit kept by the Ministry of Justice in the deadlines envisaged by Law;
- Accepts the activity report of the Management and Control Boards;
- Accepts main guidelines and action programme for the Association incl. the CLLD Strategy;
- Accepts an annual budget of the Association, incl. the budget of the CLLD Strategy;
- Takes decisions about the amount and terms of the membership fee or the property fees, as well as the ways of payment;
- Cancels decisions of the other bodies of the Association if they contradict the Law, the Statutes or internal acts regulating the activity of the Association;
- Elects and replaces the members of the Control Board and its Chairperson;
- Accepts the rules and methods of accomplishing activity in public benefit;
- Takes other decisions envisaged by the Statutes.

The Management Board consists of 9 persons – members of the Association. They are elected for a period of 5 years.
The MB is the main body with specific obligations in regard to the operational management in the process of CLLDS implementation, including:

- Guides the process of preparation and consequent management of the CLLDS;
- Develops and accepts internal rules for the functioning of the Commissions for selection of project proposals.
- Accepts the long-term strategy for the organizational development of the Association.
- Elects and replaces the executive and operational bodies of the Association, including the Executive Director.
- Appoints expert councils and/or commissions to evaluate project proposals.
- Approves of cancels decisions for funding of projects under CLLDS or other funding programmes.
- Others.

The Chairperson of the Management Board is elected among its members with a mandate equal to that of the MB itself. The Chairperson has rights in relation to the implementation of the decisions of the General Assembly and the Management Board. S/he takes decisions on all questions which are not of the exclusive competence of the General Assembly and the Management Board. The Executive Director is directly responsible for the managing, monitoring and control for quality implementation of contracts, projects and other obligations of the Association.

The Control Board of the Association:

- Controls the implementation of the decisions of the management bodies of the Association;
- Controls the accomplishment of the budget and the expenses of the Association;
- Performs general, thematic, periodical and extreme checks and revisions in the system of the Local Action Group Gotse Delchev – Garmen - Hadzhidimovo Association, as well as checks of complaints and signals about the legality of financial, accounting, economic, commercial, contractual and other activities;

- Performs checks on the management of the property of the Association and the contracts for LMA;
- Controls the keeping of recommendations given by competent bodies during checks, revisions and audits made by them;
- Prepares periodical information about the results of control activities and the registered characteristic violations of financial and other discipline, by analyzing the reasons and conditions for those violations and proposes measures for their alleviation.

The Executive Director performs the functions that have been bestowed upon him/her by the Management Board and secures the implementation of its decisions. S/he participates in the meetings of the MB with the right of an advisory vote. S/he reports his/her activity before the Management Board and the General Assembly.

Description of the positions and requirements to the Executive Director and the staff.	Local Action Group Gotse Delchev – Garmen - Hadzhidimovo Association intends to maintain the following staff in the beginning: • **Executive Director** • **Expert for CLLDS implementation – 2 people** • **Accountant**

Requirements for the Executive Director:
Minimal requirements for the position:
- Accomplished high education, at least a Bachelor degree;
- Professional experience at least 5 years;
- Managerial experience of at least 2 years;
- Experience in the implementation of a project, programme or strategy of over 100,000 BGN funded by the EC or other international donors.

Requirements giving candidates an advantage:
- Managerial experience of over 5 years;
- Managerial experience of 2 to 5 years;
- At least 1 year experience in the implementation of the LEADER approach.

Additional requirements which are answered during the interview:
- Work with MS Office, Word, Excel, email and Internet;
- The candidate knows the municipal development plans within the territory;
- The candidate can have a flexible work time;
- The candidate may participate in trainings and work meetings outside the fixed working hours on the territory of Hadzhidimovo Municipality and out of it;
- The candidate must know well the requirements of RADP 2014-2020, the CLLD approach and other operational programmes at the national level, EC regulations, practices and procedures of the ASF and its Payment Agency;
- Driving license;
- Ability to plan and organize his/her activity and the accomplishment of priority tasks.
- Experience in the field of public procurement.

Requirements to the experts for CLLDS implementation:
Minimal requirements for the position:
- Accomplished high education, at least a Bachelor degree;
- Professional experience at least 2 years;

Requirements giving candidates an advantage:

- Experience in the implementation of a project, programme or strategy of over 100,000 BGN funded by the EC or other international donors;
- At least 1 year experience in the implementation of the LEADER approach

Additional requirements which are answered during the interview:

- Work with MS Office, Word, Excel, email and Internet;
- The candidate must know well the requirements of RADP 2014-2020, the CLLD approach and other operational programmes at the national level, EC regulations, practices and procedures of the ASF and its Payment Agency
- The candidate can have a flexible work time
- The candidate may participate in trainings and work meetings outside the fixed working hours on the territory of Hadzhidimovo Municipality and out of it he candidate knows the municipal development plans within the territory;
- Ability to analyze information, synthesize it and present the results;
- A driving license is an advantage.

Requirements to the accountant:

- Accomplished high accounting / economic education and experience in the field of accounting, external or internal audit and financial inspection, tax revisions or as a lecturer in accounting and controls, as follows:

а) master degree – 2 years;
б) bachelor degree – 3 years;
в) specialist degree – 4 years;

- Another high economic education and 5 years of experience in the fields of accounting, external or internal audit and financial inspection, tax revisions or as a lecturer in accounting and controls;
- Secondary economic education and 8 years of experience as an accountant.
- Not to have been convicted for crimes of general character under Chapter V and sub-division I of Chapter VI of the Special Part of the Penal Code.

Additional requirements which are answered during the interview:

- Good knowledge of legislation in the field of accounting, tax and social security regulations and the LLENPP;
- Work with MS Office, Word, Excel, email and Internet;
- Ability to lead business correspondence and team work;
- Ability to analyze information, synthesize it and present the results;
- A driving license is an advantage.

8.3. Capacity of the LAG to implement the CLLD Strategy:

The LAG has the necessary capacity to implement the CLLDS which has been proven in time through the many successfully implemented projects under RADP and other donor programmes.
The LAG has an office in the town of Gotse Delchev, the necessary office equipment, incl. printer, equipped work spaces with computers for the 4 members of the Implementation Ream of the CLLDS. In addition, the LAG has a meeting room, archive premise, and is accessible for people with disabilities.

The experience of the LAG will be a guarantee for the successful implementation of the CLLD Strategy for the period 2016-2020. Written agreement has been signed with people to be

consequently appointed under labour contracts in case the proposal for financial support under measure 19.2 is approved. Those people have the necessary experience as per Order No. 22 from 14.12.2015. In that relation, their experience in EC funded projects creates the necessary administrative capacity for the management and successful accomplishment of the current CLLDS. The LAG has more than 3% of the necessary financial resource for the strategy management.
On the basis of the experience of LAG team, we expect that the application of the CLLD approach via the current strategy will have a significant positive impact on the development of the territory.

8.4. Description of the monitoring and evaluation scheme:

For the monitoring of progress in the implementation of activities and the results of CLLD Strategy accomplishment, the LAG will apply a system of running monitoring and evaluation. This system includes all activities for monitoring and evaluation:

- Running data collection on monitoring indicators and their updating.
- Summarization and analysis of the collected data on monitoring indicators – at least once a year;
- Internal operative evaluation related to operational or strategic issues of CLLDS implementation as a whole or of individual measures if necessary.
- External evaluation when needed;
- Consequent evaluation in the last year of CLLDS implementation - 2023.

The main purpose of the system for current monitoring and evaluation is to track the process of strategy implementation and the changes in the local environment in order to analyze progress, quality and running problems, and to undertake timely corrections if necessary.

The planning and implementation of activities for current monitoring and evaluation is the responsibility of the LAG team. The accomplishment of external operational, interim or follow-up evaluations is planned and supported by the LAG team and conducted by independent external assessors. LAG will monitor the progress and the quality of implementation of the CLLDS with the help of financial indicators, result indicators and output indicators. Information on financial indicators, result indicators and output indicators will be gathered for each project and will be summarized by measures, priorities and the CLLDS as a whole. These indicators will be updated regularly after every change (e.g. new contracts, payment request, project finalization, etc.).

In order to collect the data on input and output indicators, the application form will contain a section with target values of the indicators – general for the CLLDS and specific for the project in question. After the finalization of the contract, the beneficiaries will be asked for information about the physical accomplishment of stated indicators. The reliability of this information will be verified by the LAG team.

The system for monitoring and evaluation foresees the following types of external evaluations of the CLLD Strategy:

- External operative evaluation of precise operational or strategic issues is done if needed for the purposes of preparing an Annual Progress Report or an in-depth research of various aspects of CLLDS implementation. The decision for such an evaluation is taken by the MB of LAG.
- External interim evaluation is done only if needed for alterations of the Strategy or in case of significant problems arising in implementation; the precise aims and methods are

therefore determined before its start. Every interim evaluation must see the progress of measures on the basis of input and output indicators; to make conclusions and recommendations for improving performance. The decision for such an evaluation is taken by the MB of the LAG.

- In order to assess the overall implementation of the Strategy, an external ex-post evaluation will done at the very end. It will assess the utilization of resources, the efficiency and effectiveness of implementation, the impact and sustainability on the basis of comparing the actual results with the initial planning. The contribution of CLLD Strategy to the achievement of the goals of RADP 2014-2020 will also be taken into account, as well as the horizontal policies of the Union. On the basis of that evaluation, factors for success or failure of LCCDS will be identified and lessons listed for the planning and implementation of such future territorial development programmes. The evaluation will be done in the year of finalizing the CLLDS and – if possible – after all contracts have been accomplished.

For every external evaluation, the LAG team will prepare Terms of Reference and hold a procurement for evaluators; it will support the evaluation process through the provision of data. The evaluation report will be approved by the MB of LAG and published on its web page.

The LAG will prepare annual reports for the implementation of the CLLDS, as well as other reports, analyses, references ad others in relation to that implementation which may be required by the MA of RADP 2014-2020. The annual reports are to be ready by 30.01 each year and presented to the MA of LAG for approval. By 15.02, after that approval, the LAG should present the annual CLLDS report to the MA of RADP.

The report should include:

- Analysis on the basis of monitoring of indicators for timing of project activities, planned financial indicators, publicity and awareness raising, planned and achieved results for every project
- Analysis of the process of application and implementation of projects by LAG beneficiaries
- Analysis of the risk in project implementation, establishment of risk registry at the start of each project, preventive measures and risk alleviation
- Balanced accomplishment of measures for the period.

The Annual Report must include a description and analysis of the environment and progress in achieving the goals of the Strategy, the monitoring actions and strategy evaluation.

Procedure for alterations in the CLLD Strategy:

In line with current regulations, changes in CLLD Strategy are acceptable in the following cases:

- Change of current legislation and/or the current operational programme;
- In case of obvious mistake;
- Regarding financial parameters – up to 10% of the approved EARDF budget under sub-measure 19.2;
- Regarding monitoring output indicators – in case of financial change within the above bullet;
- Regarding eligibility criteria incl. the minimal and maximal values of projects and the intensity of financial support;
- For increasing or decreasing the financial support from EARDF under the conditions of Art. 41 of Order No. 22 for the application of Measure 19

„Community-Led Local Development" from RADP 2014-2020.

The above changes are made after the approval of the Management Authority of RADP 2014-2020, preceded by a Decision of the collective supreme body of the LAG for changes in the approved CLLDS, and these changes are also inserted in the Contract for CLLDS Implementation between LAG and the MA of RADP 2014-2020.

9. Monitoring and evaluation indicators:

9.1. Indicators for the overall implementation of the CLLD Strategy, including number of new jobs

The indicators for overall implementation of the CLLDS are presented below:

Key indicators for the overall implementation of the CLLDS

Type	Indicator	Unit	Target 2023	Source of information
Output	Number of project funded by CLLDS	Number	50	Registry of grant contracts
	Number of submitted project proposals within CLLDS	Number	100	Registry of submitted project proposals
	Number of contracts signed	Number	50	LAG database, Registry of grant contracts
	Value of submitted project proposals (total project budget, incl. co-funding from beneficiaries) under CLLDS	BGN	9,000,000	Registry of submitted project proposals
	Value of approved project proposals (total project budget, incl. co-funding from beneficiaries) under CLLDS	BGN	8,500,000	Protocols from sessions of the Evaluation Commission, LAG database
	Value of public contribution of CLLDS to projects	BGN	7,353,921	Protocols from sessions of the Evaluation Commission, LAG database
	Number of beneficiaries supported by CLLDS	Number	40	LAG database
	Number of projects aimed at quality living environment and improvement and expansion of basic services for population, incl. through investments in public infrastructure for recreation, sports and tourism development	Number	3	LAG database
	Total amount of public investments aimed at quality living environment and	BGN	1,173,498	LAG database

	improvement and expansion of basic services for population, incl. through investments in public infrastructure for recreation, sports and tourism development			
	Number of projects aimed at raising the competitiveness of the agricultural sector and adding value to agricultural products	Number	9	LAG database
	Total amount of public investments aimed at raising the competitiveness of the agricultural sector and adding value to agricultural products	BGN	841,007	LAG database
	Number of projects aimed at the diversification of local economy incl. raising the competitiveness and innovation activity of SMEs outside the agricultural sector	Number	16	LAG database
	Total amount of public investments aimed at the diversification of local economy incl. raising the competitiveness and innovation activity of SMEs outside the agricultural sector	BGN	3,657,402	LAG database
	Number of projects aimed at the preservation of local identity through initiatives for protection of the cultural and natural heritage	Number	6	LAG database
	Total amount of public investments aimed at the preservation of local identity through initiatives for protection of the cultural and natural heritage	BGN	195,583	LAG database
	Number of projects aimed at improving the access to employment and the quality of jobs on the LAG territory through trainings for employed and unemployed people, incl. the acquiring of entrepreneurship skills	Number	2	LAG database
	Total amount of public investments aimed at improving the access to employment and the quality of jobs on the LAG territory through trainings for	BGN	899,682	LAG database

	employed and unemployed people, incl. the acquiring of entrepreneurship skills			
	Number of projects aimed at the improvement of living conditions and access to social and health services for people from marginalized communities and vulnerable groups on the LAG territory	Number	6	LAG database
	Total amount of public investments aimed at the improvement of living conditions and access to social and health services for people from marginalized communities and vulnerable groups on the LAG territory	BGN	586,749	LAG database
	Total amount of public investments aimed at the management and promotion of the Strategy	BGN	977,915	LAG database
	Number of activities for public awareness raising about the CLLD approach (incl. publications, articles, meetings, etc.)	Number	10	LAG database
	Number of trainings and information campaigns for beneficiaries organized by the LAG for the period of implementation of the Strategy	Number	4	LAG database
Result	Number of citizens on the LAG territory included in initiatives organized under CLLDS (festivals, customs, etc.)	Number	500	LAG database
	Number of youths (incl. pupils) included in projects for preservation of local identity through initiatives for protection of the cultural and natural heritage	Number	100	LAG database
	Created jobs (self-employed/ employed)	Number	25	LAG database
	People who have accomplished courses / trainings / seminars	Number	160	LAG database
	Number of people from			LAG database

	marginalized and vulnerable groups, included in CLLDS activities	Number	60	
	Number of newly established micro-enterprises outside the agricultural sector	Number	2	LAG database
	Number of agricultural producers and enterprises processing agricultural products with improved competitiveness	Number	11	LAG database
	Number of micro-enterprises outside the agricultural sector with improved competitiveness	Number	3	LAG database
	Number of supported small and medium enterprises outside the agricultural sector with improved competitiveness incl. through introduced new products / services	Number	8	LAG database
	Share of population on the territory making use of a better living environment	%	30%	LAG database
	Share of implemented projects outside municipal centers	%	30%	LAG database
	Share of farmers with SPV of farms below 8,000 EUR of the total number of supported farmers	%	70%	LAG database

9.2. Indicators by measure

EARDF Measures

Indicators for Measure 1-4.1 „Support for investments in farms”				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	Number of projects funded under the measure	Number	9	Registry of contracts
	Number of beneficiaries supported under the measure	Number	9	LAG database
	Amount of public support from EARDF	BGN	606,307	Project documents, beneficiary reports
Result	Created jobs (self-employed / employed)	Number	10	LAG database
	Farms for agricultural products with improved competitiveness	Number	9	LAG database
Indicators for Measure 2-4.2 „Support for investments in the processing, market supply and/or development of agricultural products”				

Type	Indicator	Unit	Target 2023	Source of information
Output	Number of projects funded under the measure	Number	2	Registry of contracts
	Number of beneficiaries supported under the measure	Number	2	LAG database
	Amount of public support from EARDF	BGN	234,700	Project documents, beneficiary reports
Result	Created jobs (self-employed / employed)	Number	10	LAG database
	Farms or enterprises processing agricultural products with improved competitiveness / successfully introducing new product or technology	Number	2	LAG database

Indicators for Measure 3-6.4 „Investments in support of non-agricultural activities“				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	Number of projects funded under the measure	Number	6	Registry of contracts
	Number of beneficiaries supported under the measure	Number	6	LAG database
	Amount of public support from EARDF	BGN	723,657	Project documents, beneficiary reports
Result	Created jobs (self-employed / employed)	Number	5	LAG database
	Newly established micro-enterprises outside the agricultural sector	Number	2	LAG database

Indicators for Measure 6-7.2 „Investments in the creation, improvement or expansion of all types small-scale infrastructure“				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	Number of projects funded under the measure	Number	3	Registry of contracts
	Number of beneficiaries supported under the measure	Number	3	LAG database
	Amount of public support from EARDF	BGN	1,173,498	Project documents, beneficiary reports
Result	Share of population of the territory making use of improved living environment	%	30%	LAG database
	Share of implemented projects outside municipal centers	%	30%	LAG database

Indicators for Measure 7 „Preservation and promotion of local identity, cultural, historical and natural heritage“				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	Number of projects funded under the measure	Number	6	Registry of contracts
	Number of beneficiaries supported under the measure	Number	6	LAG database
	Amount of public support from EARDF	BGN	195,583	Project documents, beneficiary reports
Result	Number of youths (incl. pupils) involved in projects for preservation of local identity through initiatives for protection of the cultural and natural heritage	Number	100	LAG database
	Number of participants in events (festivals, customs, etc.)	Number	500	LAG database
	Number of organized events	Number	10	LAG database
	Share of local population making use of the effect of preserved local identity, cultural and natural heritage	%	50%	LAG database

ERDF Measures (ICOP 2014–2020)

Indicators for Measure 4 " Support for the development and introduction of innovations in SMEs"			
Indicator	**Unit**	**Target 2023**	**Source of information**
Number of enterprises receiving support for the introduction of new products for the company	Number	1	Registry of contracts LAG database
Number of enterprises receiving support for the introduction of new products for the market	Number	1	Registry of contracts LAG database
Private investments adding to the public support for innovations or for scientific, research and development projects	EUR	20,000	Project documents, beneficiary reports
Total number of enterprises gaining support	Number	1	Registry of contracts LAG database
Indicators for Measure 5 "Technological renewal and introduction of standards in SMEs"			
Indicator	**Unit**	**Target 2023**	**Source of information**
Number of enterprises receiving	Number	7	Registry of contracts

grants			LAG database
Private investments adding to the public support for the enterprises (grants)	EUR	146 667	Registry of contracts LAG database

ESF Measures (HRDOP 2014 – 2020)				
Indicators for Measure 8 „Improving the access to employment of unemployed individuals, incl. people with disabilities and adapting employees to the needs of business"				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	**Main target group for Component 1** Economically inactive and unemployed people from all specific target groups	Number	50	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Main target group for Component 2 Employed people incl. self-employed from all specific target groups	Number	80	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Main target group for Component 3 People from vulnerable groups in all specific target groups	Number	20	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
Result	Total number of participants acquiring qualification after the implementation of projects under the measure	Number	90	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Total number of participants who have started to search for jobs after the implementation of projects under the measure	Number	45	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Total number of participants who have started jobs incl. as self-employed after the implementation of projects under the measure	Number	15	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Number of projects funded within the measure	Number	8	LAG database

	Amount of public support from HRDOP	BGN	801,890	LAG database Project documents, beneficiary reports

Important:

When finalizing projects under the measure, each beneficiary will be required to provide detailed information about the number of specific groups included in project activities (trainings and other), in accordance with the result indicators for Priority Axis 1, Investment priorities 1, 3 and 6, and Priority Axis 2, Investment priority 2 from HRDOP, as follows:

Result indicators

	HRDOP Investment Priority	HRDOP Specific goal	Indicator	Value at project end[22]
Priority Axis 1 „Improving access to employment and quality of jobs“ of HRDOP				
1.	**IP 1**	SG 1	Participants aged from 30 to 54 who have acquired qualification when leaving the project	……
2.		SG 1	Participants aged from 30 to 54 who have started work incl. as self-employed when leaving the project	……
3.		SG 2	Participants aged from 30 to 54 incl. with low education (below secondary – ISCED 3) who have acquired qualification when leaving the project	……
4.		SG 2	Participants aged from 30 to 54 incl. with low education (below secondary – ISCED 3) who have started work incl. as self-employed when leaving the project	……
5.		SG 1	Participants of Roma origin aged from 40 to 54 who have started to search for jobs, have involved themselves in training/education, have acquired qualification or have jobs incl. as self-employed when leaving the project	……
6.		SG 2	Participants of Roma origin aged from 40 to 54 and with low education who have started to search for jobs, have involved themselves in training/education, have acquired qualification or have jobs incl. as self-employed when leaving the project	……
7.		SG 3	Participants aged above 54 who have acquired qualification when leaving the project	……
8.		SG 3	Participants aged above 54 who have started work incl. as self-employed when leaving the project	……
9.	**IP 3**	SG 1	Inactive participants aged up to 29 who have started to search for jobs when leaving the project	……
10.		SG 1	Inactive participants aged up to 29 who have acquired qualification when leaving the project	……
11.		SG 1	Inactive participants aged up to 29 who have work encl. as self-employed when leaving the project	……
12.		SG 2	Unemployed participants aged up to 29 with primary or lower education who have acquired	……

[22] To be filled-in by the candidate at the finale of the project

	HRDOP Investment Priority	HRDOP Specific goal	Indicator	Value at project end[22]
			qualification when leaving the project	
13.		SG 2	Unemployed participants aged up to 29 with primary or lower education who have work encl. as self-employed when leaving the project	……
14.		SG 2	Unemployed participants of Roma origin aged up to 29 with primary or lower education who have work encl. as self-employed when leaving the project	……
15.		SG 3	Unemployed participants aged up to 29 with secondary of high education who have acquired qualification when leaving the project	……
16.		SG 3	Unemployed participants aged up to 29 with secondary of high education who have who have work encl. as self-employed when leaving the project	……
17.	**IP 6**	SG 1	Participants aged above 54 who have acquired qualification when leaving the project	……
18.		SG 2	Participants with secondary and lower education (below ISCED 4), who have acquired qualification when leaving the project	……
19.		SG 3	Participants employed in priority sectors, who have acquired qualification when leaving the project	……
Priority Axis 2 „Reduction of poverty and enhancement of social inclusion“ of HRDOP				
20.	**IP 2**	SG 1	Inactive and unemployed participants who have started searching for jobs or have jobs, incl. as self-employed, after taking care for a child	……
21.		SG 1	Children, incl. with disabilities, who are provided with social and health services	……
22.		SG 2	Disabled participants aged over 18 who have started searching for jobs or have jobs, incl. as self-employed	……
23.		SG 2	Disabled participants aged over 18 who are provided with services	……

Output indicators

	HRDOP Investment Priority	HRDOP Specific goal	Indicator	Value at project end[23]

[23] To be filled-in by the candidate at the finale of the project

	HRDOP Investment Priority	HRDOP Specific goal	Indicator	Value at project end[23]
Priority Axis 1 „Improving access to employment and quality of jobs“ of HRDOP				
1.	**IP 1**	SG 1	Inactive participants aged between 30 and 54 out of education and training	……
2.		SG 1	Unemployed aged between 30 and 54	……
3.		SG 1	Inactive and unemployed participants of Roma origin aged between 30 and 54	……
4.		SG 2	Inactive participants aged between 30 and 54 with low education (below ISCED 3)	……
5.		SG 2	Unemployed participants aged between 30 and 54 with low education (below ISCED 3)	……
6.		SG 2	Participants of Roma origin aged between 30 and 54 with low education (below ISCED 3)	……
7.		SG 3	Unemployed participants incl. long-term ones or inactive participants out of education and training, aged over 54	……
8.	**IP 3**	SG 1	Inactive participants aged up to 29 out of education and training	……
9.		SG 2	Unemployed participants aged up to 29 with primary or lower education	……
10.		SG 2	Unemployed participants of Roma origin aged up to 29 with primary or lower education	……
11.		SG 3	Unemployed participants aged up to 29 with accomplished secondary or high education	……
12.	**IP 6**	SG 1	Employed participants, incl. as self-employed, aged over 54	……
13.		SG 2	Employed participants, incl. as self-employed with secondary or lower education (below ISCED 4)	……
14.		SG 3	Employed participants, incl. as self-employed in priority sectors of the economy	……
Priority Axis 2 „Reduction of poverty and enhancement of social inclusion“ of HRDOP				
15.	**IP 2**	SG 1	Inactive or unemployed participants	……
16.		SG 1	Children incl. with disabilities	……
17.		SG 2	Disabled people aged over 18	……

Indicators for Measure 9 „Support for the development of entrepreneurship ideas on the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG”				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	Unemployed from the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG willing to start independent economic activity	Number	25	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Employed from the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG willing to start independent economic activity	Number	5	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
Result	Total number of unemployed with acquired knowledge and skills in the field of entrepreneurship after project implementation	Number	25	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Total number of employed with acquired knowledge and skills in the field of entrepreneurship after project implementation	Number	5	Reports for people included in project activities as per the categories of target groups under HRDOP LAG database
	Number of projects funded within the measure	Number	2	LAG database
	Amount of public support from HRDOP	BGN	97,792	LAG database Project documents, beneficiary reports

Important:

When finalizing projects within the measure, every beneficiary will be required to provide detailed information about the number of specific target groups involved in project activities (trainings and other) in accordance with the result indicators and the implementation of Priority Axis 1, Investment Priority 5 of HRDOP as follows:

- *Result indicators:*
  - *Participants in self-employment when leaving the project*
- *Output indicators:*
  - *Unemployed participants aged below 29, incl. long-term ones*
  - *Employed participants*

Indicators for Measure 10 „Integration of marginalized communities”				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	Roma people	Number	60	LAG database

	Other disadvantaged people	Number	10	LAG database
Result	Disadvantaged participants who have started to search for jobs when leaving the project, or are involved in education/training, or have acquired qualification, or are included in social and health services	Number	5	LAG database
	Roma people who have started to search for jobs when leaving the project, or are involved in education/training, or have acquired qualification, or are included in social and health services	Number	40	LAG database
	Number of projects funded within the measure	Number	3	LAG database
	Amount of public support from HRDOP	BGN	293,375	LAG database Project documents, beneficiary reports
Indicators for Measure 11 „Better access to sustainable services for social inclusion of disabled people and people living alone"				
Type	**Indicator**	**Unit**	**Target 2023**	**Source of information**
Output	People with disabilities	Number	40	LAG database
	People aged above 65 who are not able to take care of themselves	Number	30	LAG database
	Number of service providers for social inclusion	Number	3	LAG database
Result	Disabled participants with improved access to services	Number	40	LAG database
	Participants aged above 65 who are not able to take care of themselves but have an improved access to services	Number	30	LAG database
	Number of service providers for social inclusion who have expanded the scope of their activity	Number	3	LAG database
	Number of projects funded within the measure	Number	3	LAG database
	Amount of public support from HRDOP	BGN	293,375	LAG database Project documents,

				beneficiary reports

10. Compliance with EU horizontal policies

10.1. Gender equality and lack of discrimination

Compliance with EU horizontal policies regarding gender equality and the non-admittance of discrimination has been looked at during the whole process of developing the current CLLD Strategy and the principles applied by the Union to fight discrimination and to achieve equality between genders in the field of European structural and investment funds will be followed in all actions through the CLLDS implementation.

The principle of gender equality and lack of discrimination requires a system of measures to compensate lagging behind for ethnic or racial origin, age or other characteristic which can result in the unjust treatment of the person.

Gotse Delchev – Garmen – Hadzhidimovo LAG will aim at the integration of EU horizontal policies in its work, taking the obligation to offer equal opportunities to everyone regardless of their race, disability, gender, age, sexual orientation, religion or other differences, incl. through monitoring if the principles of gender equality and lack of discrimination are kept in the projects that will be funded under the Strategy. LAG with conduct impact assessment within the monitoring process and a final evaluation of the CLLD Strategy.

Applying the principle of gender equality	The principle is observed in the process of developing the current Strategy. The meetings and opinion polls among stakeholders have covered representatives of both genders without any discriminative approaches in the formation of groups or sending invitations for participation. Taking into account the employment problems among women and young people and their insufficient inclusion in the social and economic life of the territory, the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG gives priority to women and youths in the sphere of economy in order to secure opportunities for equal rights in employment and professional activity and the achievement of financial independence which will counteract the lagging behind. In that respect, priority is given to women and youths in the evaluation projects under of some of the measures of the Strategy.
Contribution to the strengthening of the equal opportunities principle	The Gotse Delchev – Garmen – Hadzhidimovo LAG envisages in its CLLD Strategy a goal oriented to the preservation of local identity and therefore the importance of keeping the values of the whole local community, incl. all ethnic groups presented – Bulgarian, Turkish and Roma. The Gotse Delchev – Garmen – Hadzhidimovo LAG will enhance equal opportunities and social justice in all activities of the LAG.
Creating conditions for prevention of discrimination	The CLLD Strategy contributes to the strengthening of the equal opportunities principle and will create conditions for prevention of discrimination through: ✓ Information campaign for promoting the opportunities for project applications – an accent in the information provision and trainings of groups of disadvantaged potential beneficiaries and most of all women, Roma people, etc. ✓ Priority in the selection of projects – women and youths, guaranteeing accessible environment for people with disabilities (where relevant) etc. ✓ Keeping the principle of equality and non-discrimination in project implementation – by guaranteeing that the services provided under the

	projects will address the needs and wants of the most vulnerable groups and through monitoring of the output and result indicators of the Strategy, by gender and age.

10.2. Sustainable development (environment protection):

The keeping of the principle of sustainable development regarding the environment will be reported when taking decisions for beneficiaries support, guaranteeing that projects will be supported if they do not have a significant negative impact on the environment and contribute to the strengthening of the social, economic and ecological sustainability of the territory.

When the activities include investment support, the Environmental Impact Assessment will be obligatory except in the cases when such is not required under the Environment Protection Act. Under the measures aiming at support for farms and companies on the territory, priority will be given to investments which envisage sustainable use of resources, protection of the environment and consideration of climate changes. These principles are guaranteed through objective project evaluation criteria.

All projects related to NATURA 2000 zones will be checked for compliance with the Biodiversity Act and other related regulations before approval, together with the envisaged limitations in the decisions for selection of locations and existing management plans.

The evaluation of CLLD Strategy implementation and its current monitoring will take into consideration the application of sustainable development policies on the territory of the LAG.

10.3. Enhancing employment and competitiveness:

The application of the CLLD Strategy aims to contribute to the improvement of competitiveness of local economic sectors and raising employment rates through measures stimulating modernization, diversification of economic activities and innovations. The first priority of the CLLDS is oriented directly to the improvement of enterprises' competitiveness and the opening of jobs. The Strategy includes indicators fir monitoring which help to observe the immediate and long-term effects of projects on the improvement of competitiveness and employment (successfully introduced new products or services and technologies; opened jobs), etc.

The technical expert evaluation of business plans of investment projects (measures 1-4.2, 2-4.2 and 3-6.4) will include assessment of project 'vitality' thus guaranteeing the supporting of ideas which have the best chances of contributing to the competitiveness and employment goals.

10.4. Compliance with the Structural Funds Programmes:

Investments on the territory of Bulgaria supported by EU are funded in line with the Partnership Agreement 2014-2020 which succeeded the National Strategic Reference Framework 2007 – 2013. Apart from the three finds (Cohesion Fund, European Regional Development Fund and European Social Fund), the Agreement includes also funding from the European Agricultural Fund for Rural Development ***which will provide financing for the CLLD Strategy of the Gotse Delchev – Garmen – Hadzhidimovo LAG***, and the European Maritime and Fishing Fund which form together the European Structural and Investment Funds.

The Structural Funds (CF, ERDF and ESF) fund a total of 8 operational programmes for the Republic of Bulgaria: *Good Governance; Initiative for Small and Medium Enterprises; Innovations and Competitiveness 2014-2020; Transport and Transport Infrastructure 2014-2020; Environment 2014-2020; Regions in Growth 2014-2020; Human Resources Development 2014-2020; Science and Education for Intelligent Growth 2014-2020.* Envisaged activities under these programmes compete one another while attention is paid of avoiding double funding.

The priorities and goals of the CLLD Strategy have been developed in compliance with the following general goals of the CLLD approach and the specific goals of the EARDF which funds the principle of community-led local development:

CLLD approach
➢ Enhancing social inclusion and reduction of poverty;
➢ Integrated approach to the environment through preservation and protection of environment and enhancing of resource efficiency, including activities for risk prevention and management and for utilizing the potential of cultural heritage;
➢ Focusing on innovations through their broader introduction into practice;
➢ Enhancing sustainable and quality employment and support for work power mobility;
➢ Raising competitiveness of local economies and opportunities for establishing local business, incl. through diversification, alternative actions and sustainable production of aqua-cultures;
➢ Improving quality of education and qualification of population.
Specific goals of EARDF
➢ Development and stimulation of entrepreneurship and sustainable business;
➢ Development of dynamic living environment and improvement of the quality of life through development of horizontal and intra-sectoral partnerships and interaction for initiatives of common interest;
➢ Development of practices and models of good governance and participation of stakeholders in the development of the territory as a basis for territorial development;
➢ Development of territorial identity, marketing and measures based on the specific territorial potential and products of local nature;
Goals of Regulation (EC) No. 1305/2013
➢ Enhancing competitiveness of agriculture;
➢ Provision of sustainable management of natural resources and activities related to climate;
➢ Achievement of balanced territorial development of the economies and communities in the rural areas, incl. the creation and maintenance of employment;

Furthermore, the CLLD Strategy contributes to the achievement of the following specific goals of ICOP and HRDOP which are expected to fund measures from it:

Goals	CLLDS contributes to those goals
Specific goals of ICOP 2014-2020	
Investments for raising the capacities of small and medium enterprises for market development, productivity of labour and decrease of energy consumption and resource consumption in production processes on the territory;	**Yes** – see Measure 5
Enhancing innovation activity, the development and introduction of innovations from and in those territories, as well as stimulation of private investments in scientific research and innovations;	**Yes** – see Measure 4
Specific goals of HRDOP 2014-2020	
Overcoming the highly negative processes in covered territories regarding the labor market and social inclusion;	**Yes** – see the four measures from HRDOP
Sustainable and quality employment for vulnerable groups;	**Yes** – see Measures 8 and 10
Mobility of labour force, as well as raising qualification of	**Yes** – see Measure 8

population for better compliance between skills of job seekers and the needs of business;	
Improving the quality of jobs and the qualification and skills of the employed;	**Yes** – see Measure 8
Improving access to social services of various groups of socially excluded people or such being at risk of social exclusion;	**Yes** – see Measures 8 and 10

Table 12: Contribution of CLLD Strategy to the goals of ICOP and HRDOP

List of figures in document

Figure 1: Map of the territory of Gotse Delchev – Garmen – Hadzhidimovo LAG
Figure 2: Respondents of the poll among the stakeholders
Figure 3: Number of businesses within the LAG territory divided into categories, 2014, NSI
Figure 4: Number of enterprises on LAG territory operating in the ICOP sectors eligible for funding, 2014, NSI
Figure 5: Interviewed persons divided by categories of stakeholders
Figure 6: Hierarchy of the goals of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG
Figure 7: Distribution of CLLD Strategy resources by measures from all programmes
Figure 8: Expected number of projects under the CLLD Strategy by measures from all programmes
Figure 9: Distribution of the CLLD Strategy resources by types of measures
Figure 10: Distribution of resources from EARDF by measures within the CLLD Strategy
Figure 11: Distribution of HRDOP resources by measures within the CLLD Strategy
Figure 12: Distribution of ICOP resources by measures within the CLLD Strategy
Figure 13: Expected indicative number of projects within the measures of the CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG
Figure 14: Correlation between CLLD Strategy budget and the expected number of projects under each measure
Figure 15: Action Plan for the implementation of the CLLD Strategy of Gotse Delchev - Garmen – Hadzhidimovo LAG
Figure 16: Organizational structure of Local Action Group Gotse Delchev – Garmen - Hadzhidimovo Association

List of tables in document

Table 1: Meetings and discussions held with stakeholders
Table 2: Number of enterprises on the LAG territory, divided into CEA-2008 codes, 2014, NSI
Table 3: Stakeholder groups
Table 7: Ethnic Structure of the LAG territory as of 01.02.2011
Table 8: Roma population of the LAG territory divided into age groups as of 01.02.2011
Table 6: Individuals with disabilities across the Gotse Delchev – Garmen – Hadzhidimovo LAG
Table 7: Unemployed individuals on the Gotse Delchev – Garmen – Hadzhidimovo LAG territory
Table 8: Strategic framework of CLLDS of Gotse Delchev – Garmen – Hadzhidimovo LAG
Table 9: Criteria for verification of administrative coherence of projects under all CLLD Strategy measures

Table 10: Criteria for eligibility check of candidates and projects under all measures of the CLLD Strategy
Table 11: Indicative distribution of funds by programmes and measures
Table 12: Expected indicative number of projects under the measures of CLLD Strategy of Gotse Delchev – Garmen – Hadzhidimovo LAG
Table 13: Contribution of CLLD Strategy to the goals of ICOP and HRDOP