



Българо-швейцарска търговска камара  

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Bulgarian-Swiss Chamber of Commerce

# **Opportunities for Supply of Machines and Equipment under Competitiveness Operational Programme**

Monthly Meeting of the  
Bulgarian-Swiss Chamber of Commerce

17 November 2010,  
Radisson Blu Grand Hotel, Sofia

# Sub-Priority

## “Improvement of the Technologies and Management in the Companies”



5 procedures for “Technological Modernisation in the Companies” and 3 procedures for “Introduction of Internationally Recognised Standards” have been completed so far.

Contracted funds (BGN)	403,849,207.00
% of the total available funds under this Sub-Priority	83.94 %
Actually disbursed amounts (BGN)	18,942,750.00
% disbursed	3.94 %

# Technological Modernisation in SMEs Scheme



- Provides funds to Bulgarian SMEs for investment in new technologies and equipment
- Next announcement expected: November - December 2010
- Expected total amount of funds available – BGN 97,791,500.00 (€ 50 mln.)

# Financial Parameters of the Scheme



*Information based on the terms and conditions of the previous procedure:*

<b>Grant Size</b>	<b>Micro companies</b>	<b>Small companies</b>	<b>Medium-sized companies</b>
Minimum	BGN 50,000	BGN 200,000	BGN 200,000
Maximum	BGN 200,000	BGN 1,000,000	BGN 2,000,000



# Co-financing Provided to Beneficiaries

<b>Planning Region</b>	<b>Micro companies</b>	<b>Small companies</b>	<b>Medium-sized companies</b>
<b>South-West</b>	<b>60 %</b>	<b>55 %</b>	<b>50 %</b>
<b>South Central and North-East</b>	<b>65 %</b>	<b>60 %</b>	<b>55 %</b>
<b>South-East, North Central, North-West</b>	<b>70 %</b>	<b>65 %</b>	<b>60 %</b>

# Eligibility of Candidates



- Micro, small and medium-sized companies, SME Act;
- Seat and registered address in Bulgaria;
- Operating in the following sectors (НСЕА-НКИД 2008): C – processing industry (except for prohibitory regime activities); J – only codes 62 and 63; E – only code 38 “Collection and Disposal of Wastes, Material Recycling”;
- Required net operational revenues (turnover) for 2009 – not less than BGN 80,000;
- At least 3 completed financial years (2007, 2008, 2009).

# Eligible Investment Costs



- Expenses on Fixed Tangible Assets (machinery, equipment, incl. IT equipment, installations, etc.) and for supply, mounting, testing and putting in operation;
- Expenses on Fixed Intangible Assets (CAD/CAM software);
- Patent rights, licences, know-how or non-patented technical knowledge

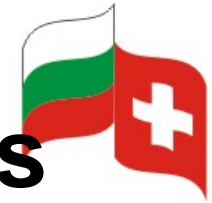


# Important – Eligibility of Expenses

- Must meet the minimum technical and functional criteria for FTA and FIA stated in the application form
- No limitation as to the origin of the FTA
- Short-term financial leasing is eligible



# Important – Non-eligible Expenses



- Purchase of second hand equipment
- Construction works on production facilities and buildings
- Costs for purchase or renting transport means and facilities
- Costs incurred prior to conclusion of project contract or upon its expiry (excluding costs for consultation services for project elaboration)

# Short-Term Financial Leasing



- Term – one year
- At the end of the project the company must acquire ownership over the assets
- The grant in case of leasing contracts is paid in 1 or more installments, as per the actually paid lease installments
- The amount, recognised under the OP, shall not exceed the market price of the asset (other cost such as taxes, lessor's margin, insurance fees, etc. are not eligible and not covered by the grant)

# Eligible Expenses for Services



- Costs for consultation services related to introduction of new technologies, processes, products/services, incl. development of business and marketing strategies;
- Costs for consultation services for preparation of the project application – up to 5% of the total eligible expenses under the project but not more than BGN 10,000.

# Suppliers' Involvement in the Project



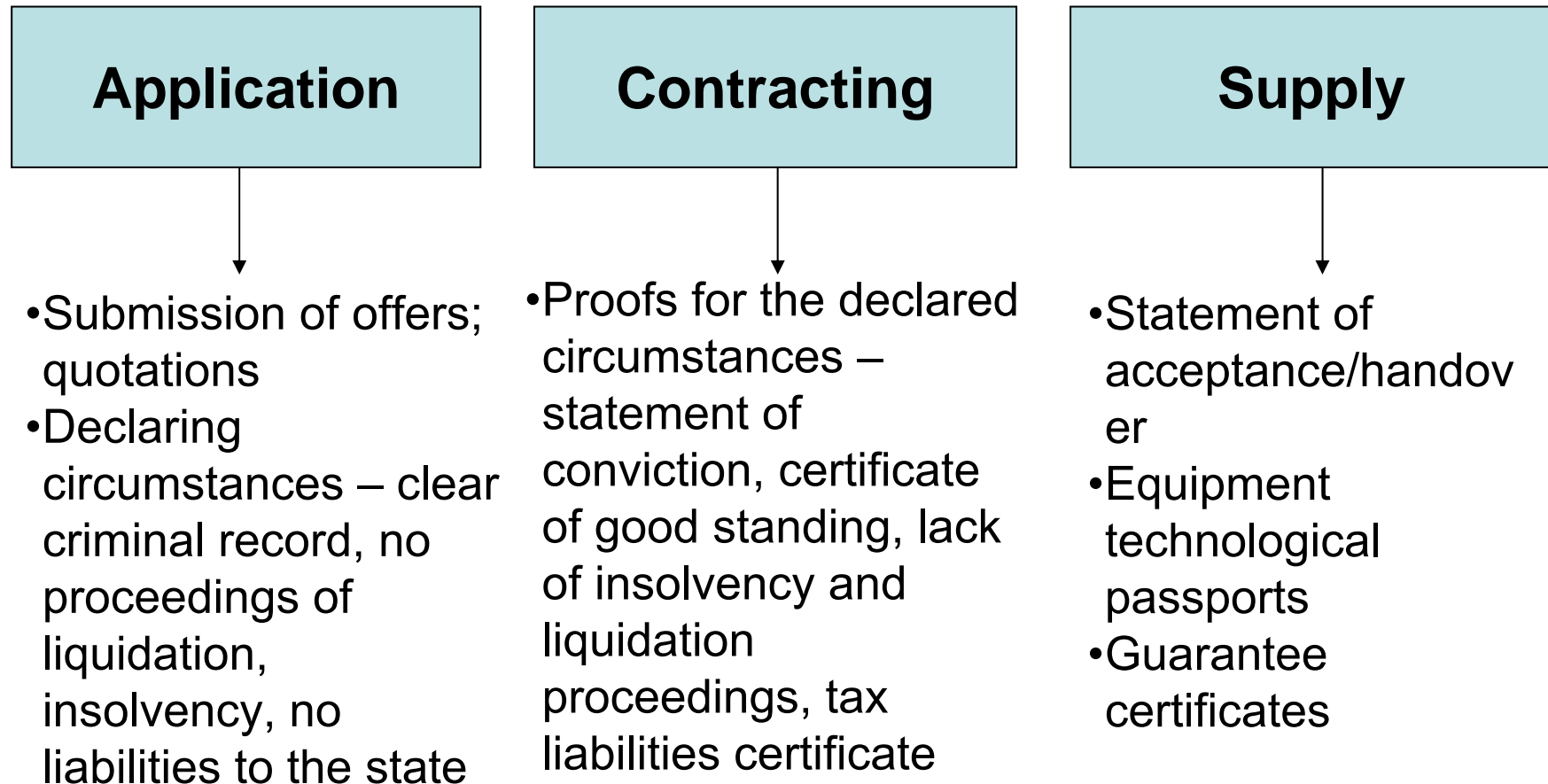
- At the project application stage:
  - Only by providing offers, no other commitment. Offers needed only to assess whether the budget is realistic
- During project implementation:
  - Candidates in Supplier Selection Procedures
  - Suppliers of technological equipment
  - Installation/mounting; training of staff to operate the equipment

# Types of Tender Procedures under Ordinance of CoM No. 55



Procedure Type	Threshold Amount of Supplies/Services (VAT excluded)
Open procedure	Above BGN 50,000.
Negotiation with publication of explanatory document	Between BGN 40,000 and 50,000
Negotiation without publication of explanatory document	Between BGN 30,000 and 40,000
Selection among three offers	Between BGN 15,000 and 30,000
Direct Assignment	Below BGN 15,000

# Stages of the Tender Procedure





# Contracting Stage

Required documents as per the Bulgarian legislation – originals or notary certified copies (issued not more than 3 months prior to conclusion of supply contract)

1. Statements of conviction for the company legal representatives
2. Certificate of good standing
3. Court certificate that the candidate is not in a procedure of insolvency or liquidation
4. Certificate from the National Revenue Agency that the candidate has no liabilities to the state budget



# Contracting Stage

- In case of foreign companies, the supplier is to provide documents certifying the lack of circumstances that lead to exclusion from the procedure – issued by a competent body, or excerpts from court registries, or equivalent documents by an administrative body of the respective state where it is incorporated
- All documents in foreign languages should be accompanied by a legalised translation in Bulgarian





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