**Annex I**

Milestones, targets and related indicators – non-repayable support

| **#** | **Related measure (reform or investment)** | **M/T** | **Name** | **Qualitative indicators (for milestones)** | **Quantitative indicators (for targets)** | | | **Date for completion** | | | **Responsibility for reporting and implementation** | | **Further specification (if necessary)** | **Verification mechanism** | | | | **Possible early warning indicators** | | **On-the-spot check** | | **Relevant common indicators** | **Comment** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Unit** | **Base-line** | **Goal** | **Q** | **Year** |  | |  | | **A. Evidence provided** | **B. Detailed justification** | **C. Contribution to achievement of the objectives (link)** |  | |  | |  | |  |
| 207 | C9.R1: A new regional approach with the direct involvement of local communities in the management of European funds and instruments | Milestone | Amendments to the regulatory framework regarding management of EU funding | Entry into force of the amendments to the Financial Resources Management of the European Structural and Investment Funds Act |  |  |  | Q2 | 2022 | Ministry of Finances | |  | | 1. Copy of the publication in the State Gazette for primary legislation and the secondary legislation that is critical for achieving the objectives described in the milestone 2. Reference to the relevant provisions indicating the entry into force, accompanied by a document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. | Institution/s: MF  What: Entry into force of the amendments to the Financial Resources Management of the European Structural and Investment Funds Act (evidenced by its copy – a and the references in b)  How: entry into force (evidenced by a and b)  Why: The amendments to the Financial Resources Management of the European Structural and Investment Funds Act shall enhance the direct involvement of the regional and local level in the management of EU funds by strengthening their role in the design and implementation of integrated territorial strategies and projects. Under this revised legal framework, the Regional Development Councils (which include representatives of the regional and local authorities) shall function as territorial bodies responsible for the implementation of strategic documents at regional planning level and for the preselection of projects to be financed with EU funds at local level on the basis of integrated territorial development strategies [provide references to the above in the summary document]  When: specify the dates of development and entry into force | The objective of the measure is to promote the direct involvement of local communities in each region of the country in the management of EU funds. This is expected to boost the sense of ownership at local level and to increase policy effectiveness by addressing locally identified needs in a more targeted way.  The measure consists of legislative changes strengthening the role of regional and local authorities in the preparation and implementation of integrated territorial strategies and projects financed with EU funds. | None | | None | | None | | Already achieved? |
| 208 | C9.R2: Continuation of the water sector reform | Milestone | Entry into force of the new Water and Sewerage Act |  |  |  |  | Q1 | 2023 | Ministry of Regional Development and Public Works & Bulgarian Water Supply and Sewerage Holding | |  | | 1. copy of the publication and/or a link to the website of the State Gazette where the new act has been published; 2. a reference to the relevant provisions in the act indicating the entry into force of the provisions which fulfil the relevant elements of the milestone, as listed in the description of the milestone. | Institution/s: MRDPW and Bulgarian Water Supply and Sewerage Holding  What: Entry into force of the new Water and Sewerage Act (evidenced by its copy – a and the references in b)  How: entry into force (evidenced by a and b)  Why: The Water and Sewerage Act shall refine the tariff setting mechanisms, ensuring cost-based pricing for the use of the systems and the consumed services while also ensuring financial sustainability of the operators. The law shall provide the conditions for consolidation in the provision of water supply and sewerage services. The law shall introduce identical conditions throughout the country for service quality and efficiency criteria, which shall be met by the water supply and sewerage operators within timelines defined in the law. The quality of water supply and sewerage services shall be monitored by an independent regulator with roles and responsibilities defined in the law [provide references to the above in the summary document]  When: specify the dates of development and entry into force | The objective of the measure is to optimise the regulatory framework for water supply and sewerage services.  The measure consists of the adoption of a new law, the Water Supply and Sewerage Act, which shall provide the conditions for consolidation in the provision of water supply and sewerage services and introduce uniform conditions for service quality and efficiency criteria to be met by the water supply and sewerage operators. The legislation shall refine the tariff setting mechanisms, ensuring cost-based pricing for the use of the systems and the consumed services while also ensuring financial sustainability of the operators. | Delays in the preparation of the Bill | | None | | None | | No need for the ‘Target’ to be filled in (number) |
| 209 | C9.I1: Programme for the construction/completion/reconstruction of water supply and sewerage systems, including waste water treatment plants for agglomerations between 5 000 and 10 000 population equivalent | Milestone | Award of contracts for the design and construction of the wastewater treatment plants and the water supply and sewerage network | Communication of awards by the Bulgarian Water Supply and Sewerage Holding |  |  |  | Q4 | 2023 | Bulgarian Water Supply and Sewerage Holding | |  | | 1. copy of the signed contracts 2. reference to the relevant parts of the technical specifications of the contractual agreements proving alignment with the description of the milestone 3. the list of contractual counterparts; | Institution/s: Bulgarian Water Supply and Sewerage Holding  What: Award of contracts for the design and construction of the wastewater treatment plants and the water supply and sewerage network (evidenced by a and c)  How: tendering (provide key dates), contracting (a and c) and reporting (b)  Why: To award contracts following successful public procurement procedures for the design and construction of wastewater treatment plants and the water supply and sewerage network in 13 agglomerations (Devnya, General Toshevo, Pavel Banya, Dulovo, Ahtopol, Krumovgrad, Devin, Galabovo, Straldzha, Dolni Chiflik, Saedinenie, Kotel, Rogosh-Skutare). For each agglomeration, full compliance with the requirements of the EU environmental legislation (i.e. EIA Directive, Habitats Directive, Water Framework Directive, Urban Waste Water Treatment Directive and Drinking Water Directive) shall be specified in the contract as a requirement to be fulfilled by the contractor. In line with the water sector reform, the contracts for the 13 agglomerations shall cover territories serviced by consolidated regional water service operators and shall be based on regional feasibility studies prepared earlier for these territories. [provide references to the above in the summary document]  When: specify the dates of procurement, awarding, contracting | The objective of the measure is to ensure efficient and sustainable water use in compliance with the EU and national water legislation.  The measure consists of the construction, reconstruction and modernisation of water supply and sewerage systems, and drinking and waste water treatment plants in 13 agglomerations and their included settlements of between 5 000 and 10 000 population equivalent. In line with the water sector reform, the project shall only cover investments in agglomerations within the territory of a consolidated regional water operator for which regional feasibility studies have been prepared. | Delays in the launching of the public procurement procedures | | None | | None | | - |
| 210 | C9.I1: Programme for the construction/completion/reconstruction of water supply and sewerage systems, including waste water treatment plants for agglomerations between 5 000 and 10 000 population equivalent | Target | Newly built / reconstructed water supply network connected to newly built/reconstructed waste water treatment plants |  | Km | 0 | 250 | Q2 | 2026 | Bulgarian Water Supply and Sewerage Holding | |  | | 1. certificate of completion issued in accordance with the national legislation and with the Drinking Water Directive (Directive (EU) 2020/2184); 2. report by an independent engineer, including justification that the technical specifications of the project(s) are aligned with the description of the target and of the description of the investment in the CID. | Institution/s: Bulgarian Water Supply and Sewerage Holding  What: Newly built / reconstructed water supply network connected to newly built/reconstructed waste water treatment plants (evidenced by a)  How: completion of works (a), ensuring compliance (b), and permits  Why: The newly built / reconstructed water supply network shall be connected to waste water treatment plants to be built/reconstructed as part of the same investment. The investment shall ensure treatment of waste water from 13 agglomerations (Devnya, General Toshevo, Pavel Banya, Dulovo, Ahtopol, Krumovgrad, Devin, Galabovo, Straldzha, Dolni Chiflik, Saedinenie, Kotel, Rogosh-Skutare), shall decrease the losses along the water supply network and improve the drinking water quality in these agglomerations. The provision and operation of the identified drinking water infrastructure shall be in accordance with the Drinking Water Directive (Directive (EU) 2020/2184). [provide references to the above in the summary document]  When: after completion of works and the provision of permits | As above | Delays in 209 | | Yes | | None | | Consider defining the institution/s that will provide the certificate for completion of works and the permits.  A monitoring step: Progress report detailing the progress achieved towards fulfilling the target (with the actual status – percentage/km of the water supply network built/reconstructed) (Q1 2025) |
| 211 | C9.I2: Digitalisation for integrated management, control and efficient use of water | Milestone | Award of contract for technical design and building the information system for integrated water quantity management | Communication of award |  |  |  | Q3 | 2023 | Ministry of Environment and Water | |  | | 1. copy of contract award notification 2. extract of the relevant parts of the technical specifications of the project proving alignment with the description of the milestone and of the description of the investment in the CID 3. the list of contractual counterparts. | Institution/s: Ministry of Environment and Water  What: Award of contract for technical design and building the information system for integrated water quantity management (evidenced by a and c)  How: tendering (provide key dates), contracting (a and c) and reporting (b)  Why: To award a contract for the development of the technical design (on the basis of a conceptual design developed earlier as part of the investment) and building the information system for integrated water quantity management with all the modules and functionalities stipulated in the technical specifications. The integrated water quantity management system shall consolidate data from information systems of the Ministry of Environment and Water, the Ministry of Regional Development and Public Works, the Bulgarian Water and Sewerage Holding EAD, Irrigation Systems EAD, National Electric Company EAD and the National Institute of Hydrology and Meteorology. The system shall collect real-time data from additional infrastructure (measuring devices and systems) which shall be built as part of the project and which shall be used for surveillance and monitoring of the water levels, water consumption, inflows and ecological flows. The system shall also include the automation of meteorological and hydrometric stations and data radars for the assessment of water resources and meteorological factors.  [provide references to the above in the summary document]  When: specify the dates of procurement, awarding, contracting | The objective of the measure is to enhance the water quantity management by digitalising it and improving the control of water use.  The measure consists of setting up and putting into operation an integrated water quantity management system. The system shall collect data to monitor water levels, water consumption, inflows, ecological flow and shall use data from meteorological, hydrometric stations and radars for the assessment of available water resources and meteorological factors. | Delays in the launching of the public procurement procedures | | None | | None | | - |
| 212 | C9.I2: Digitalisation for integrated management, control and efficient use of water | Milestone | Completion and delivery of a fully operational integrated water quantity management information system | Issuance of the taking over certificate for the delivery of an integrated water quantity management system |  |  |  | Q3 | 2025 | Ministry of Environment and Water | |  | | a) a validation protocol of works completion signed by the contractor and the competent authority demonstrating project has been completed and is operational. | Institution/s: Ministry of Environment and Water  What: Completion and delivery of a fully operational integrated water quantity management information system (evidenced by a)  How: completion of works and ensuring compliance (a)  Why: To develop, deliver and make operational an information system for integrated water quantity management  When: after issuance of the taking over certificate for the delivery of an integrated water quantity management system (specify key dates in the development, completion, certification) | As above | Delays in 211 | | Probably not needed (IT system) | | 7 (digital services) | | Consider defining the competent authority that will issue the certificate. |