

НАЦИОНАЛЕН
ДОВЕРИТЕЛЕН
ЕКО ФОНД



NATIONAL
TRUST
ECO FUND

REPORT ON THE ACTIVITY

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS



31 December 2016

Since the beginning of its activities until the completion of the swap deal “Debt-for-Environment” NTEF has financed 100 investment projects, providing more than BGN 26 500 000. Therefore, the Fund has played the role of a decisive factor for mobilizing additional BGN 115 100 000 from other, mainly international sources, for the implementation of environmental protection projects in Bulgaria.

In the end of 2011, as a result of the joint efforts of the governments of the Republic of Bulgaria and the Republic of Austria, two deals for sale of Assigned Amounts Units (AAU) with the Republic of Austria pursuant to art. 17 of the Kyoto Protocol were finalized. As of the end of 2015, 45 public projects were implemented under both deals, amounting to a total of BGN 32 937 914. The financial participation of NTEF amounts to BGN 27 147 227. Two projects for energy production from renewable energy sources have also been financed applying the “de minimis” rule. The financial participation of the Fund in them amounts to BGN 757 062.

Since March 2015, NTEF has been implementing a new Investment Climate Program, financed on the basis of a decision of the Council of Ministers pursuant to § 4 from the transitional and final provisions of the Climate Mitigation Act. The Program provides financing for projects aiming at energy efficiency improvement of sites – public state and/or municipal property and for NTEF’s administrative maintenance. In 2016, the Pilot scheme for encouraging the use of electric cars in the public sector was also started within the framework of the Investment Climate Program (ICP).

Since August 2016, NTEF has been implementing the pilot scheme of a new Investment Mineral Water Program, financed with funds provided through the budget of the Ministry of Environment and Water with Council of Ministers Decree No 254/2016.

During 2016, NTEF in partnership with the Berlin Independent Institute for Environment (UfU) and the Romanian organization Environ supported by the German Federal Ministry of Environment started the implementation of a Project for improving the energy consumers’ behavior in the Bulgarian schools.

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Otets Paisii primary school in Harmanli was one of the completed projects in 2016 under Investment Climate Program



Hristo Botew primary School in Dabica village, Garmen municipslity

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In the frame of its traditional competition named after Mimi Pramatarova in 2015 NTEF funded the project “A green fairy tale without end – from children for children”, implemented by high school “Liudmil Stoyanov” in Blagodevgrad. The project was implemented I 2016. Students from the 11th grade created children fairy tales and after that played them as puppet show to children in the kindergarten and gave the puppets away to the children.



REPORT

on the activity of the

NATIONAL TRUST ECOFUND

for the period

01 January – 31 December 2016

LIST OF THE USED ABBREVIATIONS

AAU	Assigned Amount Units
BAS	Bulgarian Academy of Science
BS	Basic School
BVS	Basic Vocational School
CCC	Cultural Community Center
CCCF	Combined Child Care Facility
CCMA	Climate Change Mitigation Act
COMD	Council of Ministers Decree
DN	Day Nursery
EB	Executive Bureau
EC	Efficiency Coefficient
F&L	Fuels & Lubricants
FDK	Full-Day Kindergarten
ICP	Investment Climate Program
IFA	Intangible Fixed Assets
IHE	Institution of Higher Education
IMWP	Investment Mineral Water program
LC	Labor Code
MB	Management Board
MEW	Ministry of Environment and Water
MF	Ministry of Finance
MHAT	Multiprofile Hospital for Active Treatment
NAMRB	National Association of Municipalities in the Republic of Bulgaria
NGIS	National Green Investment Scheme
NTEF	National Trust EcoFund
NUR	Nursery
PPA	Public Procurement Agency
PPA	Public Procurement Act
PS	Primary School
SS	Secondary School
TFA	Tangible Fixed Assets
TU	Technical University
UfU	Independent Institute for Environmental Issues - Berlin
UN	United Nations
VSSET	Vocational Secondary School for Equipment and Technologies
ESM	Energy Saving Measures
CIW	Construction & Installation Works
CM	Council of Ministers

REPORT ON THE ACTIVITY

I. INTRODUCTION

According to the Ordinance on the Structure and Activity of the National Trust EcoFund (NTEF) each calendar year until 30 April it has to prepare and submit to the Council of Ministers of the Republic of Bulgaria through the Ministry of Environment and Water a Report on the activity of the Fund during the previous year, which is approved by the Management Board.

The Annual NTEF report presents the implementation of the Action Plan and the Fund's budget for 2016, which is prepared in compliance with the NTEF Strategy for 2014 – 2020 and the Action Plan 2014 – 2016, approved by the Management Board of NTEF on 30 October 2014.

The report will be also submitted to the current donors, which for 2016 are the Government of Bulgaria and the Federal Ministry of Environment, Construction and Nuclear Safety of the Republic of Germany.

The annexes from 1 to 4 represent an inseparable part of this year's report.

Director of the Executive Bureau:



Kamelia Georgieva

20 January, 2017



Hristo Botev Primary school in Tserovo village, Lesichovo municipality is one of the many schools in small settlements which get funding through the Investment climate Program



The sports complex in Gabrovo is functioning as a modern sports facility after the refurbishment for energy efficiency improvement.

II. MANAGEMENT BOARD ACTIVITY

In compliance with the Ordinance on the Structure and Activity of the National Trust EcoFund, adopted with Council of Ministers Decree No 96 of 10.05.2004 (amended with SG No 71 of 10.09.2010 and SG No 81 of 30.09.2014), NTEF's Management Board consists of seven people, in this number chairman, two deputy chairmen and four regular members, as well as three alternates. As of the end of the accounting 2016 the composition of the NTEF's Management Board includes the following members:

- Chairman of NTEF's Management Board – Associate Professor Dr. Irena Georgieva, appointed by the Council of Ministers (CoM) of the Republic of Bulgaria (Decision No 799 of the CoM of 14.10.2015).
- Representative of the Ministry of Environment and Water (MEW) – Deputy Minister Atanaska Nikolova - Deputy Chairman of the Management Board (MB) - until 20 November 2016.
- Representative of the Ministry of Finance (MF) – Deputy Minister Kiril Ananiev, replaced on 10 February 2016 with Deputy Minister Karina Karaivanova and on 10 August 2016 – by Marinela Petrova;
- Representative of the Ministry of Energy – Deputy Minister Anton Pavlov until his dismissal in October 2015;
- Representative of the Bulgarian Academy of Science (BAS) – Prof. Naum Yakimov, Deputy Chairman of the Management Board (MB);
- Representative of the environmental non-governmental organizations – Mrs. Lyubomira Kolcheva – Director of EcoObshnost Foundation”;

Alternate with a voting right from the Ministry of Environment and Water is Mrs. Boryana Kamenova – Director of Directorate “Climate Change Policy”. Alternate with a voting right from the Ministry of Economy and Energy is Mr. Nikolay Nalbantov – Director of Energy Efficiency and Environmental Protection Directorate. Alternate with a voting right from the Ministry of Finance is Mr. Valeri Vulev – State Expert from Real Sector and State Aid Directorate”.

Seven (7) regular meetings of Management Board (MB) of NTEF were convened during 2016.

The first meeting was dedicated to the discussion of the Plan for the activity and budget of NTEF for the period 01 January – 31 December 2016, approval of reports on the implementation of energy efficiency projects under the Investment Climate Program and discussion of proposals for pending new programs and financing schemes at NTEF, namely the scheme for encouraging the use of electric and hybrid vehicles.

The second meeting was dedicated to the discussion of the Plan for the activity and budget of NTEF for the period 01 January – 31 December 2016.

During the third meeting the annual report and the financial statement of NTEF for 2016 were approved, amendments of the Operational Manual for the Investment Climate Program related to the enactment of the scheme for encouraging the use of electric and hybrid vehicles were discusses, and reports on the implementation of energy efficiency projects under the Investment Climate Program were adopted. During this meeting new project proposals, which had received preliminary and final approval by the Commission for Selection, Control and Reporting on the Implementation of Projects under ICP, were also discussed.

During the fourth meeting, project proposals under the Scheme for encouraging the use of electric cars, which have been approved by the Commission for Selection, Control and Reporting on Implementation of Projects, new project proposals, which had received preliminary and final approval by the Commission for Selection, Control and Reporting on the Implementation of

Projects, as well as the current status of the implemented energy efficiency projects under ICP were discussed.

During the fifth meeting an update of the NTEF plan and budget for 2016 was discussed and approved in relation to an invitation for participation of NTEF as a partner in a project for school education on climate related topics together with the Independent Institute for Environment (Berlin) using financing from the Federal Ministry of Environment, Nature Protection, Construction and Nuclear Safety of Germany. Reports on the implementation of energy saving projects under the Investment Climate Program (ICP) were approved. New project proposals were considered, which had received preliminary and final approval by the Commission for Selection, Control and Reporting on Implementation of Projects, as well as the current status of the implemented projects under ICP.

During the sixth meeting, the Operational Manual for managing projects under the Pilot Scheme of the Investment Mineral Water Program (IMWP) was discussed and approved, as well as the current status of the implemented projects under the Pilot Scheme for encouraging the use of electric cars in the public sector.

The last (seventh) MB meeting was dedicated to the approval of reports on completed projects under ICP. During this meeting an updated plan and budget of NTEF for 2016 was discussed and approved in connection with the start of the Pilot Scheme of the Investment Mineral Water Program. During the same meeting, new project proposals, which had received preliminary and final approval by the Commission for Selection, Control and Reporting on the Implementation of Projects, were discussed, as well as the current status of the implemented projects under ICP. A report of the Executive Bureau was discussed, accompanied by a proposal for amendment of the Operational Manual for the Investment Climate Program in connection with the demand for more flexible and efficient use of the provided public resource for financing energy efficiency projects.

III. EVALUATION, SELECTION AND IMPLEMENTATION OF INVESTMENT PROJECTS WITHIN THE FRAMEWORK OF THE INVESTMENT CLIMATE PROGRAM (ICP)

The Investment Climate Program started on the base of Council of Ministers Decision 201/26.03.2015 with funds provided on the grounds of § 4 from the transitional and final provisions of the Climate Change Mitigation Act. In 2016, with CoM Decision No 80/11.02.2016, NTEF was issued additional funds amounting to BGN 15 000 000. The funds were planned to finance projects for improving the energy efficiency of state and municipal sites and for encouraging the use of electric and hybrid cars by the public institutions (BGN 1 000 000).

1. Selection and approval of projects under ICP

1.1. Maintaining standing project portfolio under ICP

Energy efficiency projects under ICP

The collection of Project proposals continued during 2016. It was regulated by the Operational Manual of the Investment Climate Program. The intake of Letters of Interest is an ongoing process. No calls with fixed deadlines are published. The application forms, containing the complete project proposals, are submitted by the beneficiaries following the receiving of notification for approved Letter of Interest from the Commission for Evaluation, Selection and Reporting on the Project Implementation without having established deadlines for doing that.

During the accounting year, a total of 111 Letters of Interest for financing energy efficiency measures for improving the energy efficiency of public sites have been submitted (*Annex 1.1.*).

59 forms of Project proposals, based on approved Letters of Interest, have been submitted (*Annex 1.2.*).

Projects under the Pilot Scheme for encouraging the use of electric cars in the public sector

With MB of NTEF Decision of 29.03.2016 changes in the Operational Manual of ICP were approved, which allowed the starting of the Pilot Scheme for encouraging the use of electric cars in the public sector. The deadline for submitting the Forms was 31.05.2016. Within the framework of the invitation 26 forms have been submitted, in which the beneficiaries apply for the purchase of 34 electric cars and 10 electric hybrid cars. (*Annex 1.3.*).

In the process of preparing the program and its documents, EB of NTEF conducted a series of consultative meetings with potential beneficiaries and interested organizations of suppliers and producers of electric vehicles to discuss the concrete mechanisms for implementing the scheme and the vehicles' specifications.

1.2. Selection and evaluation of projects under ICP by the Standing Commission for Selection, Control and Reporting on the Implementation of ICP and approval of projects by MB of NTEF

According to the Rules of Procedure of NTEF and the Operational Manual of ICP, the approval of the projects is accomplished in two main stages. The first stage represents a *preliminary selection* of projects based on submitted Letter of interest, based on the application of preliminary announced mandatory compliance requirements. The second stage represents an *evaluation and ranking of projects* pursuant to preliminary announced application requirements, as well as to methodology and criteria for evaluation and selection of appropriate projects for ICP financing. With the latest changes in the Operational Manual under ICP, only the projects at the "Forms" stage undergo approval at two levels: by the Standing Commission for Selection, Control and Reporting on the Implementation of the Projects and by the Management Board. The project proposals at phase "Letters of Interest" are approved by the Standing Commission for Selection, Control and Reporting on the Implementation of the Projects, after which the results are reported to the MB of NTEF and

the Executive Director provides information to the candidates concerning the decision of the Commission.

Selection and evaluation of projects by the Standing Commission on Selection, Control and Reporting on the Implementation of ICP

The Standing Commission consists of two representatives of the Executive Bureau (EB) of NTEF and one representative of each ministry - the Ministry of Environment and Water, Ministry of Finance and the Ministry of Energy, appointed by virtue of orders, issued by the relevant ministers.

During 2016, five meetings of the Standing Commission for Selection, Control and Reporting on the Implementation of the Projects were held. During these meetings 114* letters of interest were discussed (Phase 1), as well as 85 project forms for evaluation and ranking (Phase 2) of public beneficiaries (including 26 forms under the Pilot Scheme for encouraging the use of electric cars).

A part of the Letters of Interest and the forms have been submitted to NTEF during the year preceding the accounting year, due to which the number of projects considered by the Commission is higher than the number during 2015.

**In addition to the 111 Letters of Interest, which have been submitted since the beginning of 2016, the Commission has considered another three Letters of Interest, received after its last meeting held in 2015.*

Approval of projects by MB of NTEF

As a result of the work of the Standing Commission, 95 letters of interest have been submitted for reporting to the Management Board (After their approval by the Commission it was reported to the Management Board that they have been added to the NTEF project portfolio).

As a result of the work of the Standing Commission, 79 forms of projects (including 26 forms under the Pilot Scheme for encouraging the use of electric cars) have been submitted to the Management Board for approval and have been approved. The number of the approved by MB of NTEF projects is different from the number of the projects examined by the Commission, since there are projects, which have been postponed or have not been approved due to different reasonable grounds. The meetings of the MB of NTEF, during which projects were approved for financing, were held on 11 February, 29 March, 14 June, 28 July and 14 December 2016. (***Annex 2***)

2. Implementation of projects under the Investment Climate Program (ICP) during 2016

Implementation of energy efficiency projects under ICP

The National Trust EcoFund finances projects for energy efficiency of public beneficiaries under ICP with a **maximum sum amounting to 85% of the total value of the projects**. The remaining 15% are provided by each of the beneficiaries in the form of co-financing.

The work of the Executive Bureau for the implementation of the energy efficiency projects started immediately after their approval by the MB of NTEF.

The active work with the **beneficiaries started still during the preliminary control on the investment projects**. Their initial approval is accomplished after a preliminary appointed meeting in order for conducting an on-site check in the presence of technical experts on the part of the beneficiary on the completeness of the technical documentation and only after the establishment of full compliance with that regard, the two documentation sets are accepted for preliminary control. The next step is the examination by the NTEF technical experts and the preparation of opinions regarding the compliance with the requirements towards the qualities of the investment projects. The NTEF team does not express opinion with regard to the designer's solutions but only checks the compliances of the different construction and installation works (CIW) and materials between the separate elements of the investment project, availability of all signatures and seals for attestations and approvals, removal of entered brands and types of materials, etc. The work on the

investment projects requires precision, professional knowledge and familiarization with the relevant legislation. The feedback from the beneficiaries about the work of the team in this direction is positive, since this step ensures the smooth and unproblematic flow of the PPA procedures for selection of contractors, as well as the non-problematic reporting of the contractors' work related to the implementation of CIW.

The preliminary control under the tender procedures for the selection of CIW contractors is accomplished with the support of a professional legal team. The work with the experts of this team is performed in direct interaction with the beneficiaries and the central role is played by the Executive Board's team. The EB provides a preliminary prepared model package of the tender procedure documentation and specifies several parameters of the procedure – maximum deadline for the CIW implementation and the right set of materials and equipment, for which submission of the necessary certificates in the technical bid is required, etc. The preliminary control is performed at two stages of examination of the documentations by the legal consultant while the last examination of the documentation is accomplished by the EB and the approved package is provided to the Beneficiary. Following publication of the procedure with the Public Procurement Agency, another examination is carried out and upon demand a publication of a Decision for changing/terminating the procedure is recommended but this has been needed on vary rare occasions.

The process of implementation, financing and completion of the public projects is regulated in the Operational Manual of ICP and includes the following steps:

- Following the completion of the tender procedures for selection of contractors and signing of contracts between them and the beneficiaries under the projects, NTEF signs a financing contract with the Beneficiaries. The beneficiaries submit interim and final reports on the implementation of their projects, while the Executive Bureau examines and approves these reports. In the process of construction implementation, EB executes permanent monitoring, including on-site check on each stage of the construction activities' financing. In the majority of the cases during the implementation process, saving of funds is achieved, since NTEF is financing only lawfully justified actually implemented CIW.
- Following the payment pursuant to the final report of the beneficiary there is an auditor's examination on the part of specially selected auditor with international experience, who has been selected through an open selection procedure pursuant to PPA.
- The audit reports are subject to consideration and approval by the Standing Commission for Selection, Control and Reporting on the Projects Implementation. A report on the work of the Commission is prepared.
- Based on it, the Director of the EB submits a report to the MB of NTEF.
- MB of NTEF takes decisions related to the completion of the relevant projects.

During 2016, the Executive Bureau of NTEF was working actively on the implementation of 88 energy efficiency projects involving 143 sites.

During 2016, 25 energy efficiency projects have been completed, audited and reported, which amount to a total value of BGN 12 761 047 and NTEF subsidy of BGN 10 486 890.

As a result of the implementation of these projects, an annual reduction of the greenhouse gas emission to the amount of 199 956.6 t/ CO_{2eq} for the full life cycle of the projects.

The completed projects in 2016 are as follows:

Project № 185*

“Implementing energy efficiency measures at Children Milk Kitchen, Kazanlak city.

The NTEF provided financing for site 185 - *Children Milk Kitchen* is **BGN 189 557.22.**

The project includes the following activities: 1. Thermal insulation of walls; 2. Replacement of windows and doors; 3. Thermal insulation of roof; 4. Replacement of heat source and internal heating installation.

As a result of the implemented energy saving measures (ESM) the greenhouse gas emissions have been reduced by **1667.10 t/CO_{2eq}** for the entire project life cycle.

Project № 159*

“Improving the energy efficiency of 85 SS "Otets Paisii", Vrajdebna neighborhood, Kremikovtsi region, Metropolitan Municipality”

The financing for site 85 SS "Otets Paisii", provided by NTEF is BGN **391 994.28**.

The project includes the following activities: 1. Thermal insulation of facades; 2. Replacement of windows and doors; 3. Thermal insulation of roof; 4. Thermal insulation on floor; 4. Reconstruction of internal heating installation; 5. Building of thermal pump system; 6. Reconstruction of electric installation.

As a result of the implemented energy saving measures (ESM) the greenhouse gas emissions have been reduced by **609 t/CO_{2eq}** for the entire project life cycle.

Project № 166*

“Improving the energy efficiency of BS "P. R. Slaveikov"- Izgrev village, Venets Municipality

The financing for site BS "P. R. Slaveikov", provided by NTEF, is BGN **92 560.80**.

The project includes the following activities: 1. Thermal insulation of walls; 2. Building the heating installation; 3. Thermal insulation of roof; 4. Thermal insulation on floor; 5. Repair of lighting installation

As a result of the implemented energy saving measures the greenhouse gas emissions have been reduced by **107.4 t/CO_{2eq}** for the entire project life cycle.

Project № 232*

“Improving the energy efficiency of Crèche "Nedyalka Shileva" - Saedinenie city, Saedinenie Municipality

The financing for Crèche "Nedyalka Shileva", provided by NTEF, is BGN **169 189.47**.

The project includes the following activities: 1. Building of heating installation; 2. Building of lighting installation; 3. Thermal insulation of roof.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **1629 t/CO_{2eq}** for the entire project life cycle.

Project № 155

“Improving the energy efficiency of 146 BS "Patriarh Evtimii" – Voluyak village, Vrabnitca region of he Metropolitan Municipality”

The financing for site 146 BS "Patriarch Evtimii", provided by NTEF, is BGN **256 802.47**.

The project includes the following activities: 1. Thermal insulation of facades; 2. Replacement of windows and doors; 3. Thermal insulation of roof; 4. Heat insulation on the ceiling of the basement.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **3 900 t/CO_{2eq}** for the entire project life cycle.

Project № 169

“Implementing energy efficiency measures in the municipal cultural-educational infrastructure in Dzhebel Municipality”

Financing for the project, provided by NTEF, is BGN **438 302.47**.

The project includes the following sites and activities:

Site PS “Hristo Smirnenski” – 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Energy saving measures (ESM) on buildings’ installations; 5. ESM on lighting;

Site CCCF “Shtastlivo detstvo” – 1. Thermal insulation of walls; 2. Thermal insulation of roof; 3. ESM on boiler installation; 4. ESM on building’s installations; 5. ESM on building’s installations;

Site FDK “Izgreb” – 1. Thermal insulation of walls; 2. Thermal insulation of roof; 3. ESM on building’s installations; 4. ESM on lighting.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **17 465.4 t/CO_{2eq}** for the entire project life cycle.

Project № 170

“Improving the energy efficiency in House of Culture – Rudozem city”

Financing for the project, provided by NTEF, is BGN **359 561.50**.

The project includes the following activities: 1. Thermal insulation of external walls; 2. Thermal insulation of roof; 3. Replacement of windows and doors; 4. New heating and ventilation system; 5. Renovation of electrical installation; 6. Replacement of luminaires.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **15 546.60 t/CO_{2eq}** for the entire project life cycle.

Project No 171

“Introduction of energy efficiency measures at FTK No 4 “Breza“, XIII BS “Paisii Hilendarski“ and PS „Georgi Raichev” – Stara Zagora city” – site BS “Georgi Raichev.”

Implementation of Decision of MB of NTEF of 17 August 2015 an agreement between the National Trust EcoFund and Stara Zagora Municipality was signed for amendment of the Agreement for financing under the National Green Investment Scheme (NGIS) of 08.09.2015, with which site BS “Georgi Raichev” is transferred for financing to the Investment Climate Program (ICP).

Project financing for site **BS “Georgi Raichev”**, provided by NTEF, is BGN **145 179.18**.

Site BS “Georgi Raichev” includes the following activities: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Internal electrical installations.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **11 223 t/CO_{2eq}** for the entire project life cycle.

Project № 176

“Introducing energy efficiency measures in the educational infrastructure of Lukovit Municipality through major repair and refurbishment”

Financing for the Project, provided by NTEF, is BGN **497 140.36**.

The project includes the following sites and activities:

Site Crèche “Shtastlivo Detstvo”: 1. Replacement of windows and doors; 2. Thermal insulation of external walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Building hot water

system and installing solar collectors; 6. Replacement of luminaires; 7. Building heating system and installing water heating boiler.

Site PS “Eng. Valkov”: 1. Thermal insulation of external walls; 2. Thermal insulation of roof; 3. Installing solar system for hot household water (HHW).

Site Municipal administrative building: 1. Replacement of windows and doors; 2. Thermal insulation of external walls; 3. Thermal insulation of roof; 4. Replacement of internal heating system; 5. Replacement of luminaires and lamps with energy saving ones.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **5630.1 t/CO_{2eq}** for the entire project life cycle.

Project № 177

“Improving the energy efficiency in BS “Hristo Botev” – Dabnitsa village and CCCF “Detelina” – Ognyanovo village, Garmen Municipality”

Financing for the project, provided by NTEF, is BGN **304 041.69**.

The project includes the following sites and activities:

Site PS “Hristo Botev” – Dabnitsa village: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of floor; 4. Thermal insulation of roof; 5. Improving lighting efficiency; 6. Replacement of heating and ventilation system.

Site “Detelina” – Ognyanovo village: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of floor; 4. Thermal insulation of roof; 5. Improving the lighting efficiency; 6. Replacement of heating and ventilation system.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **2022.3 t/CO_{2eq}** for the entire project life cycle.

Project № 179

“Introduction of energy efficiency measures in a hall for acrobatics, athletics and boxing in the sport complex “Hristo Botev”, Gabrovo city”

The financing for the project, provided by NTEF, is BGN **1 009 854.56**.

The project includes the following activities: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Energy efficient optimization of the electrical system; 5. Boiler system; 6. Photo-voltaic system; 7. Replacement and modernization of heating and ventilation systems.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **27 270 t/CO_{2eq}** for the entire project life cycle.

Project № 180

“Implementation of highly efficient energy saving measures for buildings in Dalgopol Municipality”

The financing for the project, provided by NTEF, is BGN **701 439.54**.

The project includes the following sites and activities:

Site SS “Nazam Hikmet”: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Building of heating system; 6. Replacement of luminaires.

Site BS “Hristo Botev”: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Building of heating system; 6. Replacement of luminaires.

Site Health Care Facility, Tsonevo village: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Building of heating system; 6. Replacement of luminaires.

Site Health Care Facility, Partizani village: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Building of heating system; 6. Replacement of luminaires.

Site City Historical Museum, Dalgopol city: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Building of heating system; 6. Replacement of luminaires.

Site Administrative building – mayoralty, Dalgopol city: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Thermal insulation of floor; 5. Automatic control of heating system; 6. Replacement of luminaires.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **4554.6 t/CO_{2eq}** for the entire project life cycle.

Project № 196-1

“Reducing the greenhouse gas emissions on the territory of Lesichovo Municipality through the improvement of the energy efficiency of the educational infrastructure” – BS “Hristo Botev”, Tserovo village”

The financing for the site, provided by NTEF, is BGN **307 795.60**.

The project includes the following activities: 1. Thermal insulation of walls; 2. Replacement of windows and doors; 3. Energy saving measures (ESM) on heating system; 4. ESM on lighting system.

As a result of the implemented energy saving measures the greenhouse gas emissions have been reduced by **8 790 t/CO_{2eq}** for the entire project life cycle.

Project № 196-2

“Reducing the greenhouse gas emissions on the territory of Lesichovo Municipality through the improvement of the energy efficiency of the educational infrastructure” – BS “Hristo Botev”, Kalugerovo village, BS “Hristo Botev”- Gymnasium, Kalugerovo village”

The financing for the site, provided by NTEF, is BGN **577 946.03**.

The project includes the following activities: 1. Thermal insulation of walls; 2. Thermal insulation of roof; 3. Replacement of windows and doors; 4. Energy saving measures (ESM) on heating system; 5. ESM on lighting.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **17 819.7 t/CO_{2eq}** for the entire project life cycle.

Project No 198

“Undertaking of energy efficiency measures at FTK “Rusalka“, Primorsko city and FTK “Prolet“, Kiten city – Primorsko Municipality”

The financing for the project, provided by NTEF, is BGN **339 718.69**.

The project includes the following sites and activities:

Site FDK “Rusalka” – Primorsko city: 1. Thermal insulation of walls; 2. Thermal insulation of roof; 3. Installing new boiler with higher efficiency coefficient; 4. Replacement of luminaires.

Site FDK “Prolet” – Kiten city: 1. Thermal insulation of walls; 2. Installing new boiler with higher efficiency coefficient; 3. Replacement of luminaires.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **1314 t/CO_{2eq}** for the entire project life cycle.

Project No 202

“Reducing the greenhouse gas emissions through the introduction of energy saving measures in the administrative building of Ardino Municipality”

The financing of the site, provided by NTEF, is BGN **242 270.82**.

The project includes the following activities: 1.Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of roof; 4.Energy saving measures (ESM) on building systems.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **4098 t/CO_{2eq}** for the entire project life cycle.

Project No 211

“Modernization and introduction of energy efficiency measures at VSSET “Atanas Dimitrov” – Nova Zagora city”

The financing for the site VSSET “Atanas Dimitrov”, provided by NTEF, is BGN **645 544.94**.

The project includes the following activities: 1. Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of floor; 4.Thermal insulation of roof; 5.Measures on heating system; 6. Measures on boiler installation.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **5165.1 t/CO_{2eq}** for the entire project life cycle.

Project No 216

“Implementation of energy efficiency measures in FDK “Chuchuliga” and FDK “Radost” – Rise city”

The financing for the project, provided by NTEF, is BGN **334 825.46**.

The project includes the following sites and activities:

Site FDK “Chuchuliga” – 1. Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of roof; 4. Settings of sub-station.

Site FDK “Radost” – 1. Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of roof; 4. Automatics and reconstruction of heating and boiler systems.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **3240 tCO_{2eq}** for the entire project life cycle.

Project № 225

“Implementing a package of measures to improve the energy efficiency of the building of the students dormitory block No 14 of the Technical University – Sofia city”

The financing for the site, provided by NTEF, is BGN **1 018 056.12**.

The project includes the following activities: 1. Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of roof; 4.Improving the heat supply efficiency – solar collectors and building heating system.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **13 992.9 t/CO_{2eq}** for the entire project life cycle.

Project № 228

“Implementing a package of measures to improve the energy efficiency of FDK “Mir” in Iskra village”, Sitovo Municipality”.

The financing for the site FDK "Mir", provided by NTEF, is BGN **397 082.30**.

The project includes the following activities: 1. Thermal insulation of external walls; 2.Replacement of windows and doors on facades; 3.Thermal insulation of roof; 4. Thermal insulation of floor; 5. Replacement of heating source; 6. Introduction of automatic regulation system.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **6527.40 t/CO_{2eq}** for the entire project life cycle.

Project № 233

“Improving the energy efficiency and reduction of the released harmful emissions from the buildings of BS “Otets Paisii” in Dobrotitsa village, BS “Georgi Rakovski” in Sitovo village, BS Stefan Karadzha” in Iskra village, Sitovo Municipality”

The financing for the project, provided by NTEF, is BGN **1 477 055.64**.

The project includes the following sites and activities:

Site BS “Otets Paisii” in Dobrotitsa village: 1. Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of floor; 4. Thermal insulation of roof;

Site BS “Georgi Rakovski” in Sitovo village: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3.Thermal insulation of floor; 4.Thermal insulation of roof; 5. Replacement of heating source.

Site BS “Stefan Karadzha” in Iskra village: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3.Thermal insulation of roof; 4. Replacement and modernization of boiler system.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **30 516.9 t/CO_{2eq}** for the entire project life cycle.

Project № 240

“Reducing the greenhouse gas emissions through the introduction of energy efficiency measures in a Crèche – Berkovitsa city, Berkovitsa Municipality”

The financing for the site, provided by NTEF, is BGN **173 097.00**.

The project includes the following activities: 1. Replacement of windows and doors; 2.Thermal insulation of walls; 3.Thermal insulation of floor; 4.Thermal insulation of roof; 5. Repair of internal heating system; 6. Reconstruction of lighting system; 7.Installing photo-voltaic system.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **1314 t/CO_{2eq}** for the entire project life cycle.

Project № 247

“Improving the energy efficiency of Cultural Community Center “Saznanie 1907” – Slivnitsa city”

The financing for site CCC “Saznanie - 1907“, provided by NTEF, is BGN **489 076.87**.

The project includes the following activities: 1.Replacement of windows and doors; 2.Insulation of walls; 3.Insulation of roof; 4.Insulation of floor; 5. ESM on building systems.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **12 396.6 t/CO_{2eq}** for the entire project life cycle.

Project № 278

“Improving the educational environment through renovation of school buildings at SS “Hristo Botev” - Aitos city”

The financing for the site SS “Hristo Botev” – Aitos city, provided by NTEF, is BGN **136 181.82**.

The project includes the following activities: 1. Thermal insulation of walls; 2. Thermal insulation of roof.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **2251.8 t/CO_{2eq}** for the entire project life cycle.

Project № 301

“Improving the energy efficiency of the Administrative building of Chernoochene Municipality in Chernoochene village”

The financing for the project, provided by NTEF, is BGN **127 452.06**.

The project includes the following activities: 1. Replacement of windows and doors; 2. Thermal insulation of walls; 3. Thermal insulation of roof; 4. Energy saving measures (ESM) on lighting; 5. Photo-voltaic system.

As a result of the implemented ESM the greenhouse gas emissions have been reduced by **905.7 t/CO_{2eq}** for the entire project life cycle.

**Sites, whose construction and installation works (CIW) have been carried out and paid for during 2015, but have undergone audit and have been reported as completed by the Management Board during 2016.*

In the end of the reporting period (31 December 2016), **6 projects with 6 sites** are in a process of implementing construction and installation works. The beneficiaries under these projects are: 4 municipalities and 1 ministry, and the sites are:

- | | |
|--------------------------------|----------------------------------|
| – Schools – 2 | – Cultural Community Centers – 2 |
| – Administrative buildings – 1 | – Dormitories – 1 |

As of the end of this reporting period, **13 tender procedures for 22 sites have been opened but not closed**. Beneficiaries are 9 municipalities, 7 educational facilities and 2 regional inspections and the sites are as follows:

- | | |
|------------------------------|----------------------------------|
| – Schools – 3 | – Administrative buildings – 3 |
| – Health care facilities – 1 | – Kindergartens – 4 |
| – University buildings – 7 | – Cultural Community Centers – 4 |

At the end of the accounting 2016, 14 projects with 29 sites are at preliminary control of tender procedures stage. Beneficiaries under these projects are 11 municipalities, 1 educational facility and 2 public institutions and the sites are:

- | | |
|------------------------------|--------------------------------|
| – Schools – 14 | – Administrative buildings – 5 |
| – Kindergartens – 4 | – Dormitories – 1 |
| – Cultural centers – 1 | – Faculties – 2 |
| – Health care facilities – 1 | – Street lighting – 1 |

As of the end of the reporting period, **30 projects with 47 sites** are at **preliminary control of investment project** stage. Beneficiaries under these projects are 26 municipalities, 3 educational facilities and 1 public institution and the sites are:

- | | |
|----------------------------------|--------------------------------|
| – Schools – 13 | – Administrative buildings – 8 |
| – Kindergartens – 14 | – Dormitories – 3 |
| – Cultural Community Centers – 3 | – Health care facilities – 1 |
| – Street lighting – 4 | – Social service offices – 1 |

Implementation of projects under the Pilot Scheme for encouraging the use of electric cars in the public sector

The NTEF financing under the Pilot Scheme for the Electric Cars is differentiated based on the vehicle type. A subsidy of BGN 20 000 is envisioned for all-electric vehicles category M1 and N1 and BGN 10 000 for electric (plug in) hybrids category M1 and N1. The remaining funds for the supply cost of the vehicles are provided as co-financing by the beneficiaries.

The implementation of this type of projects starts with the **preliminary control on the specially developed and coordinated with the Public Procurement Agency** model documentation for conducting public procurement related to selection of electric car supplier. NTEF made a significant contribution to the preparation of documentation package for green procurement implementation within the meaning of the Public Procurement Act, actively participating in the projects using European financing of the National Association of Municipalities in the Republic of Bulgaria, dedicated to this topic.

The process of financing and completing the car supply projects is regulated in the CIP Operational Manual in its part for electric cars and includes the following steps:

- Following completion of the tender procedures for suppliers' selection and signing contracts between them and the Contractors under the projects, NTEF signs contracts for financing with the Beneficiaries.
- The payment of the subsidies is accomplished after the submission and approval by the Executive Bureau of the necessary documents, proving the supply of the relevant vehicles (invoices, reception-delivery protocols, insurance, registration documents from the Automobile Transport Control (ATC), branding using NTEF provided logo).

The supply of the purchased vehicles continued during the beginning of 2017 due to the impossibility of the suppliers to deliver all cars within the framework of 2016.

Among the users of the vehicles are municipalities, ministries and state agencies.



The Community Cultural Center “St. Kiril and Metodi” in Rakovski town is a favorite place for the inhabitants of the municipality.

IV. EVALUATION, SELECTION AND IMPLEMENTATION OF INVESTMENT PROJECTS WITHIN THE FRAMEWORK OF THE INVESTMENT MINERAL WATER PROGRAM, PILOT PHASE (IMWP)

The Investment Mineral Water Program started based on Council of Ministers Decree No 322 / 24.11.2016, with which NTEF has been assigned the administration of funds amounting to BGN 3 500 000 for financing projects, leading to utilization of the heat energy of the mineral waters and as a result – direct or indirect reduction of the greenhouse gas emissions.

1. Development and approval of the Operational Manual for the Investment Mineral Water Program, including for the Pilot Phase

Based on the already established experience from the implementation of the two Programs (National Green Investment Scheme and Investment Climate Program), EB of NTEF prepared and proposed for approval by MB of NTEF an Operational Manual for the new Investment Mineral Water Program, containing also the relevant annexes. For this purpose, using expert team's support a survey has been carried out among 11 municipalities, which have been provided the right to free-of-charge use of mineral water sources for a 25-year period and municipalities, which have such sources. An analysis of the municipalities' needs, their readiness for implementing similar projects and the program legislative framework has been carried out.

In the process of developing the Operational Manual under the program and during the days of its publication the Executive Bureau together with the Management of the Ministry of Environment and Water and with the active participation and hosting of the basin directorates organized and carried out working meetings with the potential candidates under the program. The information meetings, in which an active partner is the National Association of Municipalities in the Republic of Bulgaria, provide important information for the specific approaches, problems and possible ways for the practical implementation of the programs. This way of discussion and consultation with the partners under the programs is undergoing establishment as a good practice in the Fund's operation, whose implementation will continue under the new schemes and programs.

The new Operational Manual included developing of detailed guidelines and requirements for the actions of the beneficiaries at each stage of the implementation of the projects – application forms, contracts, requirements towards the investment projects, forms for the interim and final financial and technical reports, etc. The Operational Manual was approved by MB of NTEF on 31 August, 2016.

2. Selection and approval of projects under IMWP

2.1. Setting up pilot projects' portfolio under IMWP

In November 2016, a call and guidelines for application were published, which contained a fixed deadline for collecting projects with high degree of preparedness. The deadline for the submission of the application forms was 16 December 2016. Within the call framework, 9 application forms were submitted. (*Annex 1.4.*)

2.2. Selection and evaluation of projects under IMWP by the Standing Commission for Selection, Control and Reporting on the Implementation of the Projects and approval of projects by MB of NTEF

According to the NTEF Rules of Procedure and the Operational Manual for IMWP, Pilot Scheme, the approval of the projects is accomplished based on a submitted application form and ranking according to preliminary announced application requirements, as well as methodology and criteria for evaluation and selection of appropriate projects for financing. The projects are approved at two levels: Standing Commission Board for Selection, Control and Reporting on the Implementation of the Projects and Management Board.

The evaluation and approval of the submitted application forms under IMWP, Pilot Scheme is pending in January 2017.

3. Implementation of projects under the Pilot Phase of the Investment Mineral Water Program

During January 2017, the Commission for Selection, Control and Reporting on the Implementation of the Projects should examine and evaluate the submitted application forms. Following their approval by MB of NTEF, the first stage of the project implementation – **preliminary control on the investment projects** will be started.

During the past reporting period no weaknesses have been allowed regarding the use of the funds according to their designation, as well as regarding the transparency of the procedures for project selection and implementation. No weaknesses and deviations from the requirements towards the use of public funds in the process of conducting tenders for selecting contractors and suppliers under NTEF-financed projects have been allowed.

V. INSTITUTIONAL DEVELOPMENT, INTERNATIONAL RELATIONS AND PUBLIC RELATIONS

1. Institutional development

In the end of the reporting period the EB staff includes 10 full time employees – one director, seven experts (chief experts and experts) and two technical attendants (technical assistant and driver). They occupy the relevant positions in the staff list, endorsed by the MB of NTEF in 2014. Ten out of the fourteen positions are occupied and all of the three departments are staffed with experts in compliance with the actual needs of the Fund. All expert positions are occupied by employees, who are university graduates according the requirements of the position chart.

All members of the Executive Bureau took part in training on implementation of the Public Procurement Act, which was organized and delivered by the legal consultants of the Fund. In addition to this training, EB representatives also participated in trainings on human resource management and on developments in the Accountancy Act.

NTEF has a statute of Contracting Authority within the meaning of the Public Procurement Act (PPA). During 2015, tender procedures pursuant to PPA for the selection of contractors/providers were organized for the provision of legal services during NTEF activity implementation and for executing control on PPA application to the construction & installation works under the projects of the beneficiaries, for the selection of NTEF auditor for the period 2015 – 2017, as well as for purchasing a car for NTEF. The “Buyer’s Profile” section on the NTEF web page is maintained within the framework of the legal requirements.

NTEF’s office has not been changed since the establishment of the Fund. Its whole maintenance is accomplished with the funds in the NTEF administrative budget.

In 2016, a repair was carried out in the office and the material-technical base of the fund was renewed pursuant to the approved annual plan. Following the office renewal, a more efficient use of the office space in view of the structure and functions of the Executive Bureau was achieved.

The fixed assets of the Fund include computers, copying machines, conditioners and other office equipment, vehicles and office furniture.

The document turnover at EB is accomplished correctly. Since its establishment the whole documentation of the Fund has been archived and stored.

All meetings of the Management Board are duly recorded, signed and archived.

2. Activities related to financing programs and mechanisms

During 2016, the Executive Bureau continued to work for benefiting on the opportunities to use NTEF as a mechanism under new financing programs and schemes.

2.1. Activities related to the preparation of new financing programs and schemes

During the fiscal year the Executive Bureau actively participated in the studying of the opportunities for financing other programs in the environmental protection field.

In connection with the implementation of the provisions of the Climate Change Mitigation Act (CCMA), NTEF started working on developing new mechanisms for implementing the NTEF functions, included in the normative act. A survey of the experience of other countries is being carried out, as well as a study of the opportunities for implementing new forms of financing.

Accounting for the need for more efficient use of the public resources during 2016, the EB team made a profound analysis and comparison of the rules and conditions for financing projects through the Fund with existing ones under three of the new Operational programs (RDOP, RADP and EEA Financial Mechanism (at ME).

The prepared report was submitted to the MB of NTEF with a proposal to update the Operational Manual for the Investment Climate Program for improving the energy efficiency of public sites. In the report it is recommended the priorities described in it to be included in the base of the system

for evaluation and ranking of projects, which will be financed during the next programming period, as well as to reflect the state-aid related changes introduced in the European regulations.

The conducted studies also outlined possibilities for the implementation of a new financing scheme, combining a grant with a guaranteed result contract (ESCO). Such a new scheme can overcome the restrictions and deficiencies of each one of the two separate (until the present moment) forms of financing (a grant and a guaranteed result contract (ESCO)) and to ensure a significantly more efficient use of the public resource and multiplication of its results through the attraction of private capital.

2.2. Project for climate protection through improved behavior of the energy consumers in the European schools (Project 50/50)

During 2016, NTEF in partnership with the Berlin Independent Institute for Environment (UfU) and the Romanian organization Environ, as well as with the support of the German Federal Ministry of Environment started the implementation of a Project for improving the behavior of the energy consumers in the Bulgarian schools. 2 schools from Lyulin region of the Metropolitan Municipality and 2 schools from Samokov Municipality are included in the Project.

Deriving from the conviction that the behavior of the upcoming generation is of decisive importance at school and at home, the Project is aiming at improving the awareness among the pupils on the energy efficiency topic and encouraging them to save energy in the schools. It has a practical focus, allowing the pupils to be directly involved in the process for evaluating and improving the energy consumption in their schools.

The main activities under the Project are:

- Study visit to Berlin, in which the participating teachers to get familiarized with the experience of the German partners and schools in the Project implementation.
- Organization of training seminar for the teachers and discussing with representatives of both municipalities, having pilot participation in the Project.
- Setting up energy teams in the schools under the mentorship of teachers from the schools participating in the Project.
- Supply of developed for the Project educational materials and of school equipment.
- Preparation of detailed plans for the educational activities under the Project, including the number of the necessary training hours for their realization.
- Training of the energy teams on the energy efficiency topic.
- Conducting energy tours within the schools from the Project with the aim to evaluate the situation in the school and identify ways for improving the energy consumption. The energy tour includes evaluation of the heating, lighting, water consumption, waste treatment.
- Developing proposals for improving the energy consumption. They can include provision of information how to operate with the windows and the heating, marking of the light switches, change in the hot water supply, etc.
- Necessary condition for the successful implementation of the Project is the results from each stage of the Project to be announced in front of the remaining pupils from the relevant school.
- Organizing general conference, during which the participating schools to share their experience related to the organization of the Project.

The saved funds from the increased energy efficiency can be used to organize an excursion or other pleasant and educational activities in the schools under the Project.

3. International Relations and Public Relations

In 2016, the international contacts of NDEF were focused mainly on our interrelations with the partners from Romania and Germany.

During 2016 **NTEF participated in a conference on topic** “Improving the climate related financing in the EU and achieving the goals by 2030“, which was held in Brussels. NTEF presented the main financial mechanisms for energy efficiency in Bulgaria, as well as the challenges and its experience in this field.

The NTEF web page in Bulgarian and in English languages is updated in a timely manner. It contains the necessary information for the structure and activity of both funds of both funds, for the new programs and priority areas for financing new programs and priority activities for financing of projects, the application terms, the criteria for evaluation and description of the completed projects.

The website also performs important functions related to the Project and program management, since on it there is a regular notification of their status of their implementation and the pending steps.

Within the framework of the project on public awareness about the climate changes, financed by the German Ministry for Environment (completed in 2015) NTEF created an additional web site www.myclimate.bg. The web site continues its operation, providing support to the Fund in relation to climate oriented education and awareness.

The information printed materials of NTEF, addressed to the potential users, as well as to potential fund donors, were provided to all stakeholders during different meetings.

In June 2016 at the traditional **NTEF annual event**, in addition to the presentation of the annual report of the Fund for 2015, a seminar was organized, aiming at discussing the approaches for increasing the efficiency of the public investment in the energy efficiency field. During the event the annual awards within the competition in memory of Mimi Pramatarova targeted towards pupils and students were also bestowed. In 2016 the topic of the literary competition was “The climate and I. The human face of climate change” and 6 pupils were awarded with certificates.

During the accounting year the targeted work for improving the awareness of the Bulgarian pupils on the topic of environment and climate change was continued. With a decision of the Management Board of NTEF the implementation of 3 school projects on climate topic, which have been awarded in the competition “Mimi Pramatarova” for 2015, were financed.

- The project, accomplished by PSS “Druzhba” in Plovdiv city “Replace deodorant, save Earth” included organizing workshops, aiming at familiarizing the pupils from the schools in Plovdiv with the harmful effect of the aerosoles in the classic deodorants and how they can produce deodorants using eco products. The project team visited a total of 11 schools in Plovdiv, where besides the workshops were delivered presentations on the essence of the climate changes and the responsibility of each one of us.
- The team of LS “Academic L. Stoyanov” – Blagoevgrad produced books containing interesting stories on ecological topics as a part of their Project “Green Fairy Tale with No End – from Children to Children”. After that the fairy tales were presented in the form of theatrical performances in a kindergarten in Plovdiv.
- The pupils from the VSS on tourism “Dr. Petar Beron” – Veliko Tarnovo city implemented their Project “I am learning to learn” – the Project included the conducting of a raveling lesson aiming at familiarization with the causes and effects of the climate changes, the impact of the waste and training of teams from the visited schools in Veliko Tarnovo through “talking” waste bins.

During 2016, NTEF once again supported the publication of the annual report “The state of the planet” in the Bulgarian language.

NTEF supported also the publication of the book “The Bulgarian Chernobil”, whose main aim is the informing of the Bulgarian society about the consequences of the Chernobil tragedy in Bulgaria.

In 2016, NTEF prepared **three publications** in the TRUD newspaper **with the aim to inform about the international practices for supporting the mobility with electric cars and to popularize the pilot scheme for encouraging the use of electric cars.**

In 2016, NTEF took part in **three press conferences of the Ministry of Environment and Water**. One of the conferences was organized with the aim to announce the pilot scheme for encouraging the use of electric cars and discussing the conditions for application under the scheme. The second press conference was aiming at announcing the enactment of the Pilot Scheme for mineral water, and the third one – at announcing the approved projects under the mineral water pilot scheme.

During this year, NTEF participated in **four forums of the National Association of Municipalities of the Republic of Bulgaria** on the topic related to the green public procurement and the popularization of the Fund's programs.

NTEF took part in **the joint forum** of the Ministry of Environment and Water and the Ministry of Tourism in connection with the starting of the Pilot Scheme of the Mineral Water Investment Program.

During 2016 was organized and conducted a **campaign consisting of information days under the pilot scheme of the Investment Mineral Water Program**.

In implementation of its activities, the Executive Bureau established several important partnerships, which contribute to the implementation of the NTEF strategy.

During the development of the tender procedures for supply of electric vehicles, NTEF participated as a partner of the **National Association of Municipalities in the Republic of Bulgaria** in the implementation of a project of the Association under Horizon 2020 program, aiming at introducing the green public procurement principles in the practices of several countries. In this partnership NTEF has made use of the expertise of several countries participating in the Project and is implementing in its practice their achievements in the green public procurement field.

A partnership process with the **European Bank for Reconstruction and Development has been started**, based on which NTEF is working with a financed by the bank technical assistance team to develop the model for combined financing of projects for improving the energy efficiency of public sites. Signing of cooperation agreement is pending. It will ensure provision of serious expertise to NTEF for the introducing of these new mechanisms.

After the annual NTEF event in July 2016, partnership was also initiated with the team of **Denkstatt Bulgaria Ltd.**, which is the Bulgarian partner under a Project of several European participants. The project is supported by the European program for scientific research and innovations Horizon 2020 and by the Stiftung Family Foundation and is aiming at establishing itself as a free-access system, operating also within the whole European Union to ensure more stable, projectable and reliable energy savings and to provide opportunity for bigger private investments through a more effective and transparent market. In the basis of the system are the protocols of ICP Europe, which ensure complete and stable directions for developing projects at European level, which allows the market subjects to significantly unify the project evaluation processes with regard to their energy characteristics. In this partnership again, NTEF's role consists in the ensuring and managing of pilot projects, while the role of the partners from Denkstatt is to provide expertise.

In the process of implementing the Pilot Scheme for encouraging the use of electric vehicles a partnership was also created with the **Bulgarian Association for Electric Vehicles**, which is also a source of expertise in the field.

VI. SOURCES OF FUNDING, COSTS AND FINANCIAL STATUS OF NTEF

1. Sources of funding

1.1. Proceeds pursuant to Decision No 80 / 11.02.2016 of CoM

The proceeds, pursuant to Decision No 80 / 11.02.2016 amount to BGN 15 000 000. The funds are designated for financing the activities in three main directions:

- Financing projects for improving the energy efficiency of sites – public state and/or municipal property under the Investment Climate Program (BGN 13 300 000);
- Financing projects under the Pilot scheme for encouraging the use of electric automobiles in the public sector (BGN 950 000);
- Covering the administrative costs of NTEF (BGN 750 000).

1.2. Proceeds pursuant to Ordinance No 1/04.03.2015

In accordance with the provisions of the Ordinance, the proceeds during the accounting year amount to BGN 2 609 296. The funds are designated for grant financing of projects и activities under art. 56, par. 1, it.1-4 and 6 of the Climate Change Mitigation Act and for preparation of strategic and plan related documents for introducing measures for limiting or adaptation to climate change.

1.3. Proceeds in compliance with Decree No 322/24.11.2016 of CoM

Pursuant to Decree No 322/24.11.2016 of CoM, the proceeds for 2016 amount to BGN 3 500 000. The funds are designated for financing projects under the Pilot Scheme of the Mineral Waters Investment Program and for their administration by NTEF.

1.4. Proceeds under Project for climate protection through improved behavior of the energy consumers in the European schools (Project 50/50)

In compliance with the Agreement between NTEF and the Independent Institute for Environment in Berlin for implementing the Project for climate protection through improved behavior of the energy consumers in the European schools, the size of the grant is EUR 36 577 or BGN 71 538 (currency exchange rate of the bank – BGN 1.95/1 EUR). Co-financing on the part of NTEF to the amount of BGN 11 496 is envisioned (Decision of the MB of NTEF of 28.07.2016 on updating the NTEF budget for 2016). The project started in September 2016 and continues until April 2018.

2. Funds allocation

2.1. Project financing under the Investment Climate Program

Financing of energy efficiency projects

The total paid sums under investment projects for activities related to improving the energy efficiency of public sites under ICP **during 2016 are BGN 13 486 434**. The costs for financing projects are presented in Table 2.1 of this section.

The total amount of the planned in the budget funds for financing investment projects in 2016 is BGN 22 750 000.

As of 31.12.2016 the Fund has acting grant contracts with public beneficiaries (including the ones signed during 2015, but completed in 2016), which amount to BGN **20 997 601**.

Table 2.1.1: Financed by NTEF payments to projects under the Investment Climate Program during 2016

Project No	Beneficiary/ project/ name	Amount according to financing contract with NTEF (85% of the total value with included VAT)	Disbursed funds by projects (85% financing) during the current year (2016) - BGN
155	"Modernization and implementation of energy efficiency measures at 146 BS Patriarh Evtimii", Voluyak village, Vrabnitsa region – Metropolitan Municipality "	276,034.53	256,802.47
156***	Modernization and introduction of energy efficiency measures at SS "Kuzman Shapkarev", Serdica region – Metropolitan Municipality	314,838.52	0.00
170	170 "Improving the energy efficiency in the House of Culture – Rudozem city" – Rudozem Municipality	364,557.24	359,561.50
171	Introduction of energy efficiency measures at FK No 4 "Breza", XIII PS "Paisii Hilendarski" and PS "Georgi Raichev", Stara Zagora city – site PS "Georgi Raichev" – Stara Zagora Municipality	145,179.18	145,179.18
176**	"Implementation of energy efficiency measures at the educational infrastructure of Lukovit Municipality through major repair and renovation of DN "Shastlivo Detstvo", PS "Eng. Valkov" and the municipal administration building" – Lukovit Municipality	512,889.55	42,182.32
177	Improvement of the energy efficiency at BS "Hristo Botev", Dabnitsa Municipality and CCCF "Detelina", Ognyanovo village, Garmen Municipality "	333,516.94	304,041.68
179	"Introduction of energy efficiency measures in a hall for acrobatics, light athletics and boxing at Sport Complex "Hristo Botev ", Gabrovo city" – Gabrovo Municipality	1,082,956.47	1,009,854.57
180**	180 "Implementation of highly effective energy efficiency measures for municipality-owned buildings at Dalgopol Municipality" – Dalgopol Municipality	707,159.37	578,700.21
192	"Improving the energy efficiency and reducing the greenhouse gas emissions in the local health care infrastructure on the territory of Pavlikeni Municipality" – Pavlikeni Municipality	992,198.74	928,241.91
196	Improvement of the energy efficiency at BS "Hristo Botev" in RLP VIII – a school in quadrant 27, Tserovo village – Lesichovo Municipality	310,814.96	307,795.60
196 2	Improvement of the energy efficiency at BS "Hristo Botev" in RLP VIII - a school in quadrant 63, Kalugerovo village, Lesichovo Municipality, Pazardjik District – Lesichovo Municipality	631,667.23	577,946.03
202	Reducing the greenhouse gas emissions through introduction of energy efficiency in the administrative building of Ardino Municipality – Ardino Municipality	242,660.24	242,270.82
211**	"Modernization and implementation of energy efficiency measures at VSSET "At. Dimitrov" - VSSET "At. Dimitrov"	645,544.94	335,639.86
214*	Modernization of the street lighting in Kaolinovo Municipality – Kaolinovo Municipality	2,299,752.47	1,001,364.28

216	<i>"Implementation of energy efficiency measures at FTK "Chuchuliga" and FTK "Radost", Ruse city – Ruse Municipality</i>	350,069.86	334,825.46
220	<i>Implementing a package of measures to improve the energy efficiency of covered light athletic track to Sport Complex "Hr. Botev", Vratsa city – Vratsa Municipality</i>	628,635.33	624,568.13
222*	<i>Accomplishing repair activities, related to the improvement of the energy efficiency of Unit 2 of DDMI building – Veliko Tarnovo city</i>	505,870.37	49,397.12
225	<i>"Implementation of a package of measures for improving the energy efficiency of student's dormitory building - block 14 of TU – Sofia"- Sofia</i>	1,043,736.42	1,043,219.52
228**	<i>"Implementation of a package of measures for improving the energy efficiency of FTK "Mir" in Iskra village" - Sitovo Municipality</i>	397,212.70	2,053.46
233**	<i>"Improvement of the energy efficiency and reduction of the harmful greenhouse gases of BS "Otets Paisii", Dobrotica village, BS "G. Rakovski", Sitovo village and BS "St. Karadja", Iskra village" - Sitovo Municipality</i>	1,477,823.35	527,667.28
240	<i>"Reducing the emissions of harmful greenhouse gases through introduction of energy saving measures at Day Nursery – Berkovitsa city" - Berkovitsa Municipality</i>	180,868.05	173,097.00
241	<i>"Implementing energy efficiency measures in the building of BS "Hristo Botev" – Krepost village" – Dimitrovgrad Municipality</i>	398,476.88	352,530.97
247	<i>"Implementing energy efficiency measures in the building of Cultural Community Center "Saznanie 1907", Slivnitsa city" – Slivnitsa Municipality</i>	499,321.30	489,076.87
262	<i>Improving the energy efficiency of the buildings of PS "Otets Paisii" – Harmanli city" – Harmanli Municipality</i>	187,668.92	186,221.94
267	<i>"Implementing energy efficiency measures in the building of PS "St. St. Kiril i Metodii"- Dolni Dabnik city" - Dolni Dabnik Municipality</i>	349,314.10	347,460.65
268	<i>"Implementing energy efficiency measures in the building of PS "St. St. Kiril i Metodii", UNIT 2 - Dolni Dabnik city" - Dolni Dabnik Municipality</i>	108,101.99	103,392.10
269	<i>"Implementing energy efficiency measures in the building of PS "St. St. Kiril i Metodii", Gorni Dabnik city" - Dolni Dabnik Municipality</i>	485,246.63	475,915.24
270	<i>"Implementing energy efficiency measures in administrative building "Pensioners' Club" – Sadovets village" - Dolni Dabnik Municipality</i>	118,088.68	114,568.90
278	<i>"Implementing energy efficiency measures in the building of SS "Hristo Botev", Unit 1 and Unit 2 – Aitos Municipality</i>	136,822.85	136,181.82
285***	<i>"Implementing energy efficiency measures in the building of 90 SS "Gen. Huse de San Martin" – Lyulin region" – Metropolitan Municipality</i>	811,107.13	0.00
287***	<i>Reducing the hazardous emissions and improving the energy efficiency of a building and facilities of unit Dormitory 2 of HTS "Todor Kableshkov"</i>	884,756.97	0.00
291*	<i>"Implementing energy efficiency measures in the building of SS "Vasil Levski" – Vetovo city" – Vetovo</i>	406,890.71	137,645.77

Municipality			
301	"Energy efficiency measures for the administrative building of Chernoochene Municipality, Kardzhali" – Chernoochene Municipality	139,051.86	127,452.06
340	"Renovation – repair for the introduction of energy efficiency measures in the buildings of SS :Yordan Yovkov" and SS "Episkop K. Preslavski – Burgas city" – Burgas Municipality	1,171,475.00	1,115,981.52
349	"Heat insulation and accompanying measures for the building of IOMT of BAS"- IOMT of BAS	278,880.83	263,469.14
352	"Renovating and improving the energy efficiency of the Cultural Community Center St. St. Kiril i Metodii"" – Rakovski Municipality	266,753.30	255,440.64
356	"Implementing energy efficiency measures in the building of BS "St. Paisii Hilendarski"" – Kazanlak Municipality	210,649.62	208,325.59
358***	"Major repair of Cultural Community Center "Otets Paisii - 1905" – Polski Trambesh city" – Polski Trambesh Municipality	255,716.86	0.00
361	Implementing energy efficiency measures at BS "Kulata" – Kazanlak Municipality	331,405.85	328,362.89
387***	"Repair and introduction of energy efficiency measures in the building BSBD – Black Sea Basin Directorate "	513,885.68	0.00
Public projects - ICP		20,997,601.62	13,486,434.50

* Projects – partially paid during 2016, final payment is due in 2017.

** Projects - partially paid during 2015 and completed in 2016.

*** Projects, under which payment is due in 2017.

60% of the envisioned budget for investment projects has been paid in 2016. The remaining funds will be transferred to the budget for 2017, when the projects will be completed, which are in a process of implementation during the accounting year.

Financing of projects under the Pilot Scheme for encouraging the use of electric automobiles in the public sector

During the accounting 2016 year a total of 5 vehicles – 4 electric and 1 “plug in” hybrid automobiles have been delivered.

The total subsidy paid by NTEF for the supply of the abovementioned vehicles amounts to BGN 90 000. A more detailed description of the costs is provided in Table 2.1.2. in this section.

Table 2.1.2: Projects under the Pilot Scheme for encouraging the use of electric vehicles, financed by NTEF during 2016

Project / name	Number of vehicles	Actual financing amount in 2016
A. Electric automobiles		
Project No 001 "Project for encouraging the use of electric cars – MEW"	1	20000.00
Project No 020 " Project for encouraging the use of electric cars – Plovdiv Municipality"	2	40 000,00
Project No 014 " Project for encouraging the use of electric cars – G. Oryahovitsa Municipality"	1	20 000,00
Total all-electric		80 000,00
B. "Plug in" hybrids		
Project No 001 " Project for encouraging the use of electric cars – MEW"	1	10 000.00
Total "Plug in" hybrids		10 000,00
Total electric cars		90 000,00

The total value of the planned in the budget funds for supply of electric cars and **"plug in" hybrids during 2016 is BGN 950 000.**

As of 31.12.2016, the Fund has signed contracts for the delivery of 12 electric cars and 4 "plug in" hybrids. The financial support for the public beneficiaries amounts to BGN 280 000.

As of the end of 2016, another 17 public institutions are in the process of supplier's selection for the delivery of 21 electric cars and 6 "plug in" hybrids with a subsidy, amounting to a total of BGN 480 000.

The implementation of the budget for financing the delivery of electric cars and "plug in" hybrids is 80%. The implementation, which is lower than 100%, is due to two main reasons:

- The planned in the Pilot Scheme limitations for the specifications of vehicles compared with the actual needs of the Beneficiaries;
- The scheme has been started at such a stage from the implementation of the budget 2016 year, that for the major part of the public administrations it has been impossible to forecast and update the already approved budgets.

2.2. Spent funds for covering the administrative costs of the Fund

During 2016 the main sources of funds for covering the administrative costs of NTEF are the **Green Investment Scheme and Mineral Waters Investment Program** in their part related to the Fund's administration..

The administrative costs budget includes also the funds under the Project for climate protection through improved behavior of the energy consumers in the European schools.

The total amount of the funds for covering the administrative costs of NTEF is BGN 1 062 581 (Table 2.3.)

During the past 2016, the administrative costs **have amounted to a total of BGN 814 041**, which represent **76,60% of the funds envisioned in the budget** after its updating with Decision of MB of NTEF of 14 December 2016.

From structural point of view the budget allocation by budget items compared with the total amount of the administrative costs is as follows: administrative-managerial costs – 25.4%; 36.0% - for raising the qualification, remunerations, social and health insurance; advisory services – 21.3%; maintenance and office costs – 13.0%; for purchasing fixed assets – 0,6%; costs, related to the MB activity – 2.8%, as well as costs for the institutional development of the Fund – 0,7%.

The implementation of the budget for administrative support of the activity is shown in *Annex 3*.

Table 2.3: Implementation of the budget for covering the administrative costs of NTEF during 2016

Cost allocation	Plan BGN	Report BGN	Performance %
A. INVESTMENTS	7 000	5 460	78,0%
1. Acquisition of tangible fixed assets (TFA)	5 000	5 460	109%
2. Acquisition of intangible fixed assets (IFA)	2 000	-	-
B. INSTITUTIONAL DEVELOPMENT	10 000		
1. Advisory services for institutional development	5 000		
2. Other costs related to institutional development	5 000		
C. CURRENT COSTS	1 045 581	808 351	77,3%
1. Improving the qualification, remunerations, social security and health insurance	313 011	293 175	93,6%
a. Staff training	5 000	5 205	104,1%
b. Labor remunerations	254 423	237 654	92,4 %
c. Social security and health insurance	42 793	39 861	93,1 %
d. Social allowances pursuant to the Labor Code (LC)	10 795	10 455	96,8%
2. Advisory services	249 856	179 650	71,9%
3. Maintenance and office costs – overhead costs	145 200	105 822	72,8%.
a. Electricity, heating, phones, e-mail, water, etc.	60 000	36 504	60,7%
6. Fuel and lubricating materials, car maintenance	20 200	11 942	59,1 %
c. Insurance and security	10 000	6 211	62,0%
d. Office consumables and service provision	55 000	51 165	93,0%
4. Administrative-managerial costs	312 514	206 652	66,1%
a. Business trips	41 835	29 562	70,6%
b. Representative costs	-	-	-
c. Public relations	160 379	81 114	50,6 %
d. Administrative and financial costs (in this number audit)	110 330	95 976	86,9 %
5. Management Board operating costs	25 000	23 052	92,2%
TOTAL COSTS	1 062 581	813 811	76,6%

The funds used in 2016 to cover the administrative costs under the different budget items are close to those, which are envisioned in the annual budget. The public relations costs represent an exception. The explanation related to them is that in practice they include the costs for the whole project with the Berlin Institute for Environment, which has been started in September 2016 and will continue until March 2018 – i.e. the bigger part of the planned funds are transferred to the next year.

Clarifications related to the budget implementation in connection with the administrative costs:

Table 2.4: Information on the incurred costs by economic elements and their change compared with the previous period has been presented in the table below

	2016	2015	Change	Change
	BGN '000	BGN '000	BGN '000	%
Material costs	(27)	(48)	(21)	56%
Costs of external services	(442)	(477)	(35)	92.6%
Staff-related costs	(301)	(242)	(59)	124%
Costs of non-financial assets' depreciation	(27)	(14)	(13)	192%
Other costs	(37)	(13)	(24)	284%
Total	(834)	(794)	(40)	105%

2.3. NTEF financial status as of 31.12.2016

As of 31.12.2016 the sum of the Fund's assets is BGN 15 633. (31.12.2015: BGN 8 895 000), in this number cash and cash equivalents amounts to BGN 15 572 000 (31.12.2015: BGN 8 813 000).

The total sum of the liabilities of NTEF is formed mainly by financing to the amount of BGN 15 596 000. (31.12.2015: BGN 8 866 thousand).

NTEF cash funds are kept in accounts with Unicredit Bulbank AD. As of 31.12.2016, NTEF has BGN 15 571 196 in its accounts with Bulbank AD. As of 31.12.2016 the cash on hand of NTEF amounts to BGN 1 227. The allocation of the funds is shown in *Annex 4*.

The most summarized financial status of NTEF as of 31.12.2016 may be presented as follows:

Total of financial means of NTEF as of 31.12.2016 година	BGN 15 572 423
Committed funds under projects with signed contracts for financing by NTEF as of the end of 2016	BGN 4 710 848
Non-committed funds for future projects and for maintaining the operation	BGN 10 861 575



The first completed project for energy efficiency improvement for an institute of the Bulgarian Academy of Science was those for the Institute of Optical Materials and Technologies “Acad. Yordan Malinovski”

VII. MAIN RISKS, RELATED TO THE ACTIVITY OF THE FUND

1. Operational risks

The National Trust EcoFund is managed by a Management Board, which consists of a Chairman, two vice chairmen and another four members. Three ministries at a deputy minister level and three non-governmental institutions – the National Association of Municipalities in the Republic of Bulgaria, BAS and NGO in the environment protection field are represented in it. The Ordinance on the structure and activity of the Fund also envisions the appointment of alternate members of the Management Board with a voting right from the three ministries for the cases, in which the deputy ministries cannot take part in the meetings. Thus, the risk of impossibility to conduct the meetings of the MB of NTEF is minimized.

Regarding the cases of control on NTEF on the part of different control bodies, risks can be envisioned, since throughout all its years of existence until present the Fund has maintained a high level of organization for its documentation. In each case of control on the part of different bodies the Fund has provided the requested documentation and has fulfilled the relevant prescriptions. Within this meaning it cannot be considered that there is a risk for the Fund.

Regarding the costs, which are necessary for the successful operation of the Fund, it should be mentioned that they are always depending on the implementation of the respective programs with investment nature and there is no demand for covering costs, which are not linked to the relevant project financing. NTEF is optimizing its operational costs, implementing a policy of conservative decisions in relation to the need for and the appropriateness of each individual cost. Within this meaning, we cannot think that there are also risks related to the needed costs for the operational functioning of NTEF.

2. Risks related to the financial instruments

Objectives and policy of the management regarding the risk management

There are different types of risk with regard to the financial instruments. The financial risks, which are possible to be incurred by the Fund are: market risk, credit risk and liquidity risk.

As a result of the use of financial instruments the Fund is potentially exposed to a market risk, and more particularly to a risk, resulting from changes in the currency exchange rate or interest risk.

The bigger part of the operations of the Fund is accomplished in BGN. The transactions of the Fund in foreign currencies are not exposing the Fund to a significant currency related risk. The Fund's policy is directed towards minimization of the interest risk in case of long-term financing. As of 31 December 2016, the Fund is not exposed to a risk of a change in the market interest rates.

The credit risk is the risk, related to a defaulting on the payment of its liability to the Fund on the part of a given counterparty. The Fund's exposure to a credit risk is limited to the amount of the book value of the financial assets, accounted in the end of the reporting period, as specified below:

	2016 BGN 000	2015 BGN '000
Groups of financial assets – book values:		
Trade and other receivables	3	3
Cash and cash equivalents	15 572	8 813
Book value	15 575	8 816

The credit risk related to cash and cash equivalents is considered to be insignificant, since the counterparties are banks with a good image and high external evaluation of the credit rating.

The liquidity risk represents the risk that the Fund will not be able to pay back its liabilities. The Fund is meeting the need for liquid funds through careful monitoring of the incoming and outgoing

cash flows, occurring in the course of the operational activity. The need for liquid funds is monitored for different current time periods. The need for liquid funds in the short-, middle- and long-term are budgeted.

VIII. IMPORTANT EVENTS AFTER THE DRAFTING DATE OF THE FINANCIAL STATEMENT

No corrective events or significant non-corrective events have occurred between the date of the financial statement and the date of its approval for publication.

IX. LIKELY FUTURE DEVELOPMENT OF THE FUND

The National Trust EcoFund is implementing its Development Strategy 2014 – 2020, which contains the main development objectives of the Fund until 2020.

During 2017, NTEF will continue the implementation of its two existing programs – Investment Climate Program with its two schemes – for energy efficiency of public sites and for encouraging the use of electric cars and Investment Mineral Water Program. Special attention will be paid to the possibilities for **improving the effectiveness and efficiency of the investments** in three directions, namely:

- A scheme for combined financing of projects for improving the energy efficiency of public sites with the aim to increase the contribution of the non-refundable subsidy and attract investment capital through the implementation of energy efficiency contracts with guaranteed results or credits from different sources. The idea is the non-refundable financing on the part of the Fund to be only to the amount, which is necessary to make the implementation of these contracts possible.
- Another direction of NTEF's efforts for the near future is the implementation of pilot projects, involving the application of the so called International protocols for measuring and checking the results from the investments in energy efficiency. NTEF has started talks and cooperation with the Bulgarian participants in an international project, supported by the European program for scientific research and innovations Horizon 2020.
- Based on the analysis for demarcation between the NTEF programs and the existing programs using European financing, which has been prepared by MB of NTEF in 2016, the Operational Manual of the Investment Climate Program will be reworked to define more precisely its priorities and the project selection criteria.

Simultaneously with that, NTEF will also continue to implement **projects and activities, which are aiming at improving the awareness of the population** and the education of the young people on topics related to climate change.

It will also continue its activities for **attracting new sources for financing** existing and new investment programs.

The team of the Executive Bureau of NTEF will continue to operate as a **relatively small, but efficient team**. Team expansion can be expected only if any of the initiatives, which have been undertaken during 2016, will be implemented and learning new activities during 2017 and afterwards will be needed.

ANNEX 1
Table 1.1
APPLICATIONS SUBMITTED FOR REVISION TO NTEF IN 2016

No in order	Project №	Beneficiary	Project Title	Name of project, settlement	Project value	
					Total	Required Funding
1	378	Municipality Gorna Oryahovitsa	"Modernization and implementation of energy efficiency measures at kindergarten "Purvi Yuni"- Gorna Oryahovitsa "	Kindergarten - "Purvi Yuni" - Gorna Oryahovitsa	314,265.71	267,125.85
2	379	Municipality Beloslav	"Application of energy efficient measures for cooling and heating at administrative buildings in Municipality Beloslav	Administrative buildings, Beloslav	214,510.00	182,333.50
3	380	Municipality Tran	"Implementation of energy efficiency measures at municipal property kindergarten „Alen Mak“ - Tran"	"Alen Mak" kindergarten - Tran	174,250.50	148,112.93
4	381	Municipality Brusartsi	"Facilitating the steady development of Municipality Brusartsi by integration of energy efficiency measures at „Hristo Botev" school - Brusartsi	"Hristo Botev" school - Brusartsi	874,007.60	742,906.46
5	382	Municipality Haskovo	"Implementation of energy efficiency measures at "Zornitsa" kindergarten on "Dobrudzja" 59 - Haskovo	Zornitsa" kindergarten on "Dobrudzja" 59 - Haskovo	633,066.82	538,106.80
6	383	Municipality Beloslav	"Remediation of "Dora Gabe" kindergarten - Ezerovo, Municipality Beloslav	"Dora Gabe" kindergarten - Ezerovo, Municipality Beloslav	229,016.76	194,664.25
7	384	Municipality Beloslav	"Implementation of energy efficiency measures at: community center "Dobrudzja-1929" - Razdelna, Municipality Beloslav	community center "Dobrudzja-1929" - Razdelna, Municipality Beloslav	101,722.33	86,463.98
8	385	Municipality Beloslav	"Building a photovoltaic roof system with 49.60 kwp power: school "Sv. Sv. Kiril I Metodyi" - Ezerovo, Municipality Beloslav "	school "Sv. Sv. Kiril I Metodyi" - Ezerovo, Municipality Beloslav "	30,240.00	25,704.00
9	386	Municipality Beloslav	"Implementation of energy efficiency measures at: community center "Sazhanie - 1926 "	community center "Sazhanie - 1926 Beloslav	780,000.00	663,000.00
10	387	Basin Directorate "Black Sea region" - Varna	"Implementation of energy efficiency measures at the building of the Basin Directorate "Black Sea region", "Alexander Dyakovski" 33 - Varna"	Basin Directorate "Black Sea region", "Alexander Dyakovski" 33 - Varna"	604,571.39	513,885.68
11	388	Stolichna Municipality	"Implementation of energy efficiency measures at the building of Sofia school of Mathematics "Paisiy Hilendarski"'"	Sofia school of Mathematics "Paisiy Hilendarski"'"	1,191,277.70	1,012,586.05
12	389	Municipality Burgas	"Implementation of energy efficiency measures in street lighting at: "Slavejkov", "Zornitsa", "Izgrej" Municipality Burgas"	Street lighting at: "Slavejkov", "Zornitsa", "Izgrej" Municipality Burgas"	6,262,174.80	5,322,848.58
13	390	RIEW - Burgas	"Implementation of energy efficiency measures at administrative building, found in estate with ID number 07079.607.67 KKKR in Burgas, "Perushtitsa" № 67"	Administration building RIEW - Burgas	319,403.88	271,493.30
14	391	Stolichna Municipality район "Triaditsa"	"Bettering the energy efficiency at multilingual school "Vladislav Gramatik" - school corpus - Sofia, "Triaditsa" district, "Georgi Izmirlijev" № 2, SO"	School "Vladislav Gramatik" - school corpus - Sofia	986,021.00	838,117.85
15	392	МБР - ГДПБЗН	"Bettering energy efficiency at administration building of MOI- CDFSCP"	MOI- CDFSCP	283,184.40	240,706.74

16	393	Municipality Lesichovo	„Improving energy efficiency of the social infrastructure in Municipality Lesichovo“	Seniors with disabilities home "Sv. Petka" - Shtarkovo	295,731.49	251,371.77
17	394	Beloslav	"Remediation of school "Sv. Sv. Kiril I Metodyi" - Beloslav"	"Sv. Sv. Kiril I Metodyi" school - Beloslav	1 224 384.00	1 040 726
18	395	Municipality Dimitrovgrad	"Improving energy efficiency at project Elementary school "Dimitar Matevski" - Merichleri"	Elementary school "Dimitar Matevski" - Merichleri	377,284.14	320,691.52
19	396	Municipality Dimitrovgrad	"Improving energy efficiency at project: Full-day kindergarten №5 - affiliate Yabalkovo "	Целодневна детска градина №5 - филиал с. Ябълково	108,197.57	91,967.93
20	397	Municipality Dupnica	"Implementation of energy efficiency measures at "Sv. Ivan Rilksi" hospital and kindergarten "Kalina" with daycare center for children with disabilities"	Kindergarten "Kalina" with daycare center for children with disabilities - Dupnitsa "Sv. Ivan Rilksi" hospital - Dupnitsa	593,523.70	504,495.15
21	398	University of National and World Economy - UNWE	"Improving energy efficiency at study building of UNWE"	Study building of UNWE - Sofia	1,602,220.62	1,361,887.53
22	399	Municipality Ivanovo	"Remediation of the facades of the National community center "Hristo Botev 1925" - Ivanovo, and replacing the tiles in the adjoining outside area"	National community center "Hristo Botev 1925" - Ivanovo	123,499.30	104,974.41
23	400	Municipality Rkovski	Implementing energy efficiency measures for providing social-cultural activities at National community center "Sv. Sv. Kiril I Metodyi - 1929" - Shishmantsi	National community center "Sv. Sv. Kiril I Metodyi - 1929" - Shishmantsi	236,350.52	200,897.94
24	401	Municipality Sliven	"Remediating the building of kindergarten "Zvezditsa - Dame Gruev district - Sliven"	kindergarten "Zvezditsa - Dame Gruev district - Sliven"	447,543.18	380,411.70
25	402	Municipality Dolni Chiflik	"Implementing energy efficiency measures at municipal buildings in Dolni Chiflik municipality"	Clinic - Dolni Chiflik, Municipality Dolni Chiflik	182,339.00	154,988.15
				"Hristo Botev" school - Pchelnik, Municipality Dolni Chiflik	151,142.30	128,470.96
				"Paisiy Hilendarski" school - Goren chiflik, Municipality Dolni Chiflik	245,949.48	209,057.06
				National community center " Izgrev- 1919" - Dolni Chiflik, Municipality Dolni Chiflik	519,038.33	441,182.58
				Supervised housing - Solnik, Municipality Dolni Chiflik	57,657.00	49,008.45
				Kindergarten "Plamache" - Pchelnik, Municipality Dolni Chiflik	69,063.00	58,703.55
				Elementary school „Sv. Sv. Kiril I Metodyi“ and kindergarten „Shtastlivo detsvo“-c. Staro Oriahovo, affiliate Shkorpilovtsi Municipality Dolni Chiflik	78,660.00	66,861.00
Housing for seniors with mental disabilities - Goren Chiflik				45,758.00	38,894.30	

26	403	Municipality Dolni Chiflik	"Energy efficient street lighting in Municipality Dolni Chiflik"	Street lighting, Municipality Dolni Chiflik	2,378,669.50	2,021,869.08
27	404	БАН - ИОХЦФ	"Improving energy efficiency at the Institute of organic chemistry with Phytochemistry centre - BAS"	Institute of organic chemistry with Phytochemistry centre - BAS	397,000.00	337,450.00
28	405	Municipality Lesichevo	"Improving energy efficiency at "Sv. Sv. Kiril I Metodiy" school – Borimechkovo village, Municipality Lesichevo"	"Sv. Sv. Kiril I Metodiy" school – Borimechkovo village, Municipality Lesichevo	270,242.43	229,706.07
29	406	Technical University - Gabrovo	"Applying ESM in buildings of study complex of TU - Gabrovo"	Study complex of TU - Gabrovo"	1,222,077.00	1,038,765.45
30	407	Municipality Beloslav	"Remediating kindergarten "Parvi Yuni" - Strashimirovo village, Municipality Beloslav"	"Parvi Yuni" kindergarten - Strashimirovo village	230,000.00	195,500.00
31	408	Municipality Venets	"Implementation of energy efficiency measures at public building in RLP V - 234, district 24, Venetz village"	Public building in RLP V - 234, district 24, Venetz village"	617,146.10	524,574.19
32	409	Municipality Dupnitsa	"Implementation of energy efficiency measures at kindergarten №11 "Taushnitsa" - Dupnitsa"	ОДЗ " Taushnitsa" - Dupnitsa	327,562.10	278,427.79
33	410	StolichnaMunicipality, район "Красно село"	" Implementation of energy efficiency measures and reducing energy consumption at "Stoiu Shishkov" school"	" Stoiu Shishkov " school - district Krasno Selo "	1,253,701.99	1,065,646.69
34	411	Stolichna Municipality, district "Krasno selo"	" Implementation of energy efficiency measures and reducing energy consumption at "Veselin Hanchev" school"	"Veselin Hanchev" school - Krasno Selo	1,039,330.16	883,430.64
35	412	DPD- Montana	"Repairs and restoration works at DPD building – Montana, address: Montana, „Aleksandar Stamboliiski” bul. № 2 in relation to improving energy efficiency"	DPD building – Montana, address: Montana, „Aleksandar Stamboliiski” bul. № 2	2,201,040.00	1,870,884.00
36	413	DPD - Montana	" Repairs and restoration works at a building where single objects are provided to the DPD- Montana, according to decree 719/ 18.IX.	DPD - Montana	963,228.00	818,743.80
37	414	RIEW- Veliko Turnovo	" Improving energy efficiency in RIEW building - Veliko Turnovo"	RIEW - Veliko Turnovo	505,656.57	429,808.08
38	415	Municipality Pavlikeni	" Improving energy efficiency at "Sv. Sv. Kiril I Metodiy" school, Batak village, Municipality Pavlikeni"	"Sv. Sv. Kiril I Metodiy" school, Batak village, Municipality Pavlikeni"	559,877.59	475,895.95
39	416	Municipality Pavlikeni	" Improving energy efficiency "Filip Totiu" school, Varbovka village, Municipality Pavlikeni"	"Filip Totiu" school, Varbovka village, Municipality Pavlikeni"	194,739.80	165,528.83
40	417	"Cellulose and paper Institute" AD	" Implementation of energy efficiency measures at „Cellulose and paper Institute" AD"	„Cellulose and paper Institute" AD	687,927.00	584,737.95
41	418	Ministry of justice - General directorate execution of penalties	" Implementation of energy efficiency measures at Pleven prison"	" Implementation of energy efficiency measures at Pleven prison"	1,242,700.49	1,056,295.42

42	419	Municipality Kaspichan	" Implementation of energy efficiency measures in family home "Slance" in Kaspichan, Shumen region	Family home "Slance" in Kaspichan, Shumen region	159,584.00	135,646.40
43	420	Municipality Kaspichan	" Implementation of energy efficiency measures in National community center "Hristo Botev - 1892", Markovo village, Municipality Kaspichan , Shumen region	National community center "Hristo Botev - 1892", Markovo village	270,790.01	230,171.51
44	421	Municipality Byala Slatina	"Applying energy efficiency measures in Administration building of Municipality Byala Slatina"	Administration building of Municipality Byala Slatina "	1,095,568.15	931,232.93
45	422	University of Economics - Varna	"Overhaul repairs of heating unit in study block 2 of University of Economics - Varna"	University of Economics - Varna	472,202.60	401,372.21
46	423	Municipality Kazanlak	" Implementation of energy efficiency measures in Administration building of Municipality Kazanlak, provided for social services"	Administration building of Municipality Kazanlak, provided for social services"	204,760.28	174,046.24
47	424	Municipality Kazanlak	" Implementation of energy efficiency measures in Health service building inбDunavtsi village, Municipality Kazanlak	Health service Dunavtsi village, Municipality Kazanlak	131,548.10	111,815.89
48	425	Municipality Primorsko	"Remediation and energy efficient measures in Administrative-Law building with ID: 58356.501.570.1 and public food building with ID: 58356.501.570.2 located in RLP III, district 27, Primorsko	Administrative-Law building - Primorsko city	592,119.74	503,301.78
49	426	Municipality Kaspichan	" Implementation of energy efficiency measures in National community center "Osvobojudenie - 1904" In Kaspichan village, Kalugeritsa district, Shumen region "	National community center "Osvobojudenie - 1904" In Kaspichan village, Kalugeritsa district, Shumen region	114,556.80	97,373.28
50	427	Municipality Kaspichan	" Implementation of energy efficiency measures in National community center "Kamenen stalb - 1888" In Kiulechva village, Municipality Kaspichan, Shumen region	in National community center "Kamenen stalb - 1888" In Kiulechva village, Municipality Kaspichan, Shumen region	72,289.92	61,446.43
51	428	Municipality Kaspichan	Implementation of energy efficiency measures in National community center "Prosveta - 1911" In Pliska, Municipality Kaspichan, Shumen region "	National community center "Prosveta - 1911" In Pliska, Municipality Kaspichan, Shumen region "	180,626.40	153,532.44
52	429	Municipality Kaspichan	Implementation of energy efficiency measures in National community center "Vasil Levski - 1924" in Vurbyane village, ,Municipality Kaspichan, Shumen region "	National community center "Vasil Levski - 1924" in Vurbyane village	155,612.99	132,271.04
53	430	Municipality Kaspichan	Implementation of energy efficiency measures in National community center "Vasil Levski - 1927" in Zlatna Niva village, Municipality Kaspichan, Shumen region "	National community center "Vasil Levski - 1927" in Zlatna Niva village	205,811.15	174,939.48
54	431	Municipality Devnya	"Reconstruction and modernization of street lighting in Municipality Devnya"	Street lighting in Municipality Devnya	1,774,044.00	1,507,937.40
55	432	Municipality Kaspichan	" Implementation of energy efficiency measures in National community center „Probuda-1928" in Kaspichan, Shumen region "	National community center „Probuda-1928" in Kaspichan	378,336.72	321,586.21
56	433	Municipality Beloslav	"Implementation of energy efficiency measures at Senior's Club "Nikola Lefterov" - Strashimirovo village, Municipality Beloslav "	Senior's Club "Nikola Lefterov" - Strashimirovo village	72,000.00	61,200.00
57	434	Municipality Strelcha	"Renovation and Implementation of energy efficiency measures in National community center "Prosveshtenie" in Strelcha	"Prosveshtenie" community center in Strelcha	1,625,832.00	1,381,957.20

58	435	Municipality Madan	"Implementation of energy efficiency in 2 buildings - municipal property"	Kindergarten "Mir" - Varbina village Municipal administration - Madan	1,044,579.65 629,470.08	887,892.70 535,049.57
59	436	NRA	"Implementation of energy efficiency measures and reducing environmental effect by cutting down on consumption of energy and resources in administration building of NRA, address: Sofia, "Dondukov" bul. № 52"	NRA, address: Sofia, "Dondukov" bul. № 52	453,333.33	385,333.33
60	437	NRA	"Implementation of energy efficiency measures and reducing environmental effect by cutting down on consumption of energy and resources in administration building of NRA, address: Sofia, "Aksakov" street № 29"	NRA, address: Sofia, "Aksakov" street № 29	20,000.00	17,000.00
61	438	NRA	"Implementation of energy efficiency measures and reducing environmental effect by cutting down on consumption of energy and resources in administration building of NRA, address: Plovdiv, "Skopie" street № 106"	NRA, address: Plovdiv, "Skopie" street № 106	553,333.33	470,333.33
62	439	NRA	"Implementation of energy efficiency measures and reducing environmental effect by cutting down on consumption of energy and resources in administration building of NRA, address: Sliven, "Stolipin" street № 19"	NRA, address: Sliven, "Stolipin" street № 19	87,333.33	74,233.33
63	440	NRA	"Implementation of energy efficiency measures and reducing environmental effect by cutting down on consumption of energy and resources in administration building of NRA, address: Yambol, "Kabile" street № 1"	NRA, address: Yambol "Kabile" street № 1	72,753.34	61,840.34
64	441	NRA	"Implementation of energy efficiency measures and reducing environmental effect by cutting down on consumption of energy and resources in administration building of NRA, address: Yambol, "Targovska" street № 2"	NRA, address: Yambol, "Targovska" street № 2	19,333.33	16,433.33
65	442	Municipality Strelcha	"Renovation and Implementation of energy efficiency measures in Public Administration building in Strelcha"	Public Administration building in Strelcha	469,885.00	399,402.25
66	443	NP Rila	"Improving energy efficiency of administration building of "NP Rila" directorate "	"NP Rila" directorate - Blagoevgrad	90,414.00	76,851.90
67	444	Municipality Svishtov	"Energy efficiency in "Dr Dimitar Pavlovich" hospital - Svishtov"	"Dr Dimitar Pavlovich" hospital - Svishtov	3,044,218.56	2,587,585.78
68	445	Municipality Dve Mogili	"Implementation of energy efficiency measures in "Parvi Yuni" kindergarten- Baniska village, Municipality Dve Mogili"	"Parvi Yuni" kindergarten- Baniska village	244,996.90	208,247.37
69	446	Municipality Sredets	"Creating a project for remediation and applying energy efficiency measures in Mechanical school "N. J. Vaptsarov" in NRA II, district 16 under the regulation plan of Sretets"	Mechanical school "N. J. Vaptsarov" - Sredets	376,252.19	319,814.36
70	447	RIEW- Stara Zagora	Implementation of energy efficiency measures, RIEW – Stara Zagora, "stara Planina" street №2	RIEW – Stara Zagora	331,617.00	281,874.45
71	448	Municipality Zlatograd	"Energy efficiency measures in "Prof. Dr Asen Shopov" ltd. hospital - Zlatograd	"Prof. Dr Asen Shopov" - hospital - Zlatograd	636,426.04	540,962.13

72	449	Municipality Pravodiya	Implementation of energy efficiency measures in "Tsaritsa Yoanna" hospital – Pravodiya	"Tsaritsa Yoanna" hospital – Pravodiya	853,935.00	725,844.75
73	450	Municipality Kaspichan	Implementation of energy efficiency measures National community center „Hristo Botev-1896“ in Kaspichan village Municipality Kaspichan, Shumen region	National community center „Hristo Botev-1896“ in Kaspichan village	124,336.80	105,686.28
74	451	Municipality Tryavna	"Implementation of energy efficiency measures and improving health infrastructure in Tryavna municipality"	Municipal building of health facilities	1,603,866.00	1,363,286.10
75	452	Municipality Simitli	"Replacing the street lights with energy efficient ones on the territory of Simitli municipality "	Street lighting Simitli	1,935,353.00	1,645,050.05
76	453	Municipality Svilengrad	"Improving energy efficiency in "Hristo Botev" Economics school	"Hristo Botev" Economics school - Svilengrad	978,674.68	831,873.48
77	454	Municipality Kazanluk	"Implementation of energy efficiency measures in elementary school "Sv. Sv. Kiril I Metodiy" - Kanchevo village	Sv. Sv. Kiril I Metodiy" - Kanchevo village	163,809.88	139,238.40
78	455	Municipality Dulgopol	"Replacing the street lights on the territory of Simitli municipality "	Street lighting - Dalgopol	1,303,000.00	1,107,550.00
79	456	Municipality Maglizh	"Implementation of energy efficiency measures in project "Detelina" kindergarten - Dabovo village, Maglizh municipality "	Detelina" kindergarten - Dabovo village	403,426.00	342,912.10
80	457	Municipality Maglizh	"Implementation of energy efficiency measures in project "Parvi Yuni" kindergarten - Yagoda village, Maglizh municipality "	"Parvi Yuni" kindergarten - Yagoda village	476,381.00	404,923.85
81	458	Municipality Gorna Oryahovitsa	"Implementation of energy efficiency measures in "Sv Ivan Rilski" hospital - Gorna Oryahovitsa"	"Sv Ivan Rilski" hospital - Gorna Oryahovitsa"	7,605,589.15	6,464,750.78
82	459	Municipality Maglizh	"Replacing the street lights with energy efficient ones on the territory of: Zimnitsa, Tulovo, Yagoda and Yulievo in Maglizh"	Street lights: Zimnitsa, Tulovo, Yagoda and Yulievo in Maglizh	480,000.00	408,000.00
83	460	Municipality Belovo	"Improving energy efficiency of 3 community centers on the territory of Belovo municipality"	Community center Iskra - Sestrino village Lyceim Prosveta - Akandzievo village Community center Alexander Piponkov - Chapai - Dabravite village	676,139.00	574,718.15
84	461	Municipality Vratsa	"Energy efficiency measures in the Economics and Cooking school in Vratsa"	Economics and Cooking school in Vratsa	3,337,380.31	2,836,773.26
85	462	Municipality Mineralni Bani	"Implementation of energy efficiency measures in Municipal buildings in: Angel Voivoda village, Mineralni Bani village, Mineralni Bani municipality	Town hall and affiliate of Snejanka kindergarten - Angel Voivoda village Public complex , Mineralni Bani complex	993,000.00	844,050.00
86	463	Municipality Vratsa	"Energy efficiency measures in Middle-school housing – Vratsa"	Middle-school housing – Vratsa	2,430,360.78	2,065,806.66
87	464	Municipality Plovdiv	Implementation of energy efficiency measures and ongoing repairs of the building of "Sv. Georgi"ltd. hospital and Infections Clinic, located on RLP XVII 510.247, health care in district 2a, according to the "Kishinev" district plan -Plovdiv"	"Sv. Georgi"ltd. hospital - Plovdiv	4,566,633.79	3,881,638.72

88	465	Municipality Gorna Oryahovitsa	"Implementation of energy efficiency measures in "Paisiy Hilendarski" school - Gorna Oryahovitsa"	Paisiy Hilendarski" school - Gorna Oryahovitsa	509,151.53	432,778.80
89	466	Municipality Sofia	"Project on integrating energy efficiency measures (ESM) in the building of Professional mechanical school "N. J. Vaptsarov", Botunets base, Botunets district, Kremikovtsi region- sofia"	Professional mechanical school "N. J. Vaptsarov"- Sofia	1,010,674.93	859,073.69
90	467	Municipality Knezha	" Integrating energy efficiency measures in the assistance building and Corpus 4 - –gymnasium to Old Highschool –"Knezhitsa" school - Knezha	assistance building and gymnasium Old Highschool –"Knezhitsa" school - Knezha assistance building to Old Highschool – Knezhitsa" school - Knezha	602,875.68	512,444.33
91	468	Municipality Polski Trambesh	"Energy efficiency of "Sv. Sv. Kiril I Metodiy" school - Radanevo village	Sv. Sv. Kiril I Metodiy" school - Radanevo village	316,105.97	268,690.07
92	469	Municipality Byala	"Applying energy efficiency measures for project "Prolet" kindergarten- Byala city, Byala municipality, Ruse region"	Prolet" kindergarten- Byala city	175,224.00	148,940.40
93	470	Municipality Byala	"Integrating energy efficiency measures in project Elementary school "Sv. Sv. Kiril I Metodiy" - Byala town, Municipality Byala, Ruse region"	Elementary school "Sv. Sv. Kiril I Metodiy" - Byala town	388,743.00	330,431.55
94	471	Municipality Byala	"Applying energy efficiency measures for project "Stadiona" kindergarten- Byala city, Byala municipality, Ruse region"	"Stadiona" kindergarten- Byala city,	387,053.00	328,995.05
95	472	Municipality Byala	"Applying energy efficiency measures for project Public administration - Byala town, Byala municipality"	Public administration - Byala town	222,055.00	188,746.75
96	473	Municipality Mirkovo	"Renovation of street lighting in Mirkovo municipality"	Street lighting in Mirkovo municipality	487,527.00	414,397.95
97	474	MOI - MD	"Repair works for improving energy efficiency and supervision of the MD building located in Sofia, "Antin I" street №5"	MD building - Sofia	1,898,891.00	1,614,057.35
98	475	Municipality Chepelare	"Building a new energy efficient street lighting on the road to the creative home "Pamporovo-BNT" and "Evridika" hotel. "Pamporovo"	Street lighting on the road to the creative home"Pamporovo BNT" and "Evridika" hotel, "Pamporovo"	115,310.00	98,013.50
99	476	Municipality Zlatitsa	"Energy optimization of school and housing in Agro-technical professional school, Zlatisa"	School and housing in Agro-technical professional school, Zlatisa	531,716.00	451,958.60
100	477	Municipality Pavel Banya	"Improving the energy efficiency of "Sinchets" kindergarten, Pavel Banya, "Radost" kindergarten, Osetenovo village, Pavel Banya municipality, Stara Zagora region"	"Sinchets" kindergarten, Pavel Banya "Radost" kindergarten, Osetenovo village	543,280.60	461,788.51
101	478	Municipality Levski	"Improving energy efficiency in hospital - Levski municipality"	Hospital - Levski municipality	2,999,400.00	2,549,490.00
102	479	Municipality Velingrad	"Appling energy efficiency measures in the Daycare centre for children with disabilities "Nadezhda" and "Detski Rai" kindergarten - Velingrad"	Daycare centre for children with disabilities "Nadezhda" "Detski Rai" kindergarten - Velingrad	1,138,938.14	968,097.42
103	480	Municipality Sofia - Poduyane	"Improving energy efficiency of IWC "Hadzi Dimitar", Poduyane district, Sofia"	СО район „Подуяне” - София	869,133.29	738,763.30
104	481	Municipality Stamboliyski	"Integration of energy efficient measures in project "Medical centre I" - Stamboliyski town"	Medical centre I - Stamboliyski town"	1,203,379.34	1,022,872.44

105	482	Municipality Stambolyski	"Integration of energy efficient measures in project Sports hall "Trakia", located in RLP XVII - Sports terrain, district 12 according to the Stambolyski town plans"	"Trakia" Sports hall	711,794.27	605,025.13
106	483	Municipality Godech	"Renovation of street lighting system of Godech municipality"	Street lighting in Godech municipality	499,570.00	424,634.50
107	484	State psychiatric hospital - Kardzali city	"Introduction of measures for energy efficiency in the state psychiatric hospital - Kardzali "	State psychiatric hospital - Kardzali	3,129,114.00	2,659,746.90
108	485	University hospital "sv. Anna" AD - Sofia	"Energy efficiency measures aiming to reduce CO2 emissions in the "Sv. Anna" AD hospital atmosphere"	University hospital "sv. Anna" AD - Sofia	1,882,808.64	1,600,387.34
109	486	Municipality Kostenets	"Reducing the emission of green house gasses in the public infrastructure on the territory of Kostenets municipality"	Specialized hospital for prolonged treatment and rehabilitation ltd. - Kostenets	1,169,299.00	993,904.15
				Administration building of Kostenets municipality, Kostenets city, Kostenets municipality		
110	487	Municipality Sevlievo	"Improving energy efficiency of "Dr Stoicho Hristov"ltd. hospital - Sevlievo"	Stoicho Hristov"ltd. hospital - Sevlievo	1,384,506.12	1,176,830.20
111	488	Municipality Turgovishte	"Overhaul renovation under the conditions of Article 169, par. 1 и par. 3 from TDA of the existing Administration building on "Stefan Karadza" street №2 in RLP XIV, district 100, PI 73626.507.229.18 - Targovishte"	Административна сграда на ул. „Стефан Караджа“ №2 - Търговище	737,801.15	627,130.98
112	489	Municipality Kozloduy	"Reconstruction and building of effective and energy efficient street lighting on the territory of Kozloduy municipality"	Street lighting on the territory of Kozloduy municipality	2,039,706.42	1,733,750.46
113	490	"Lozana" ltd.	"Lozana" ltd. – energy independent and energy efficient municipal "	Municipal company/enterprise specialized in working with people with disabilities	1,134,983.00	964,735.55
114	491	Municipality Pazardzik	"Sustainable development of Pazardzik municipality by integrating energy efficient measures in the "Hebar" Sports hall - Pazardzik "	Sports hall "Hebar" - Pazardzik	1,237,412.36	1,051,800.51

Table 1.2

FORMS SUBMITTED FOR REVISION TO NTEF IN 2016

№ in order	Project №	Beneficiary	Project title	Name of project, populated place	Project value	
					Total	Required funding
1	329	Municipality Sofia	"Improving energy efficiency in "Neofit Bozveli" school. "Poduyane" district, Sofia"	Neofit Bozveli" school. "Poduyane" district, Sofia	596,471.67	507,000.92
2	368	Municipality Kazanlak	"Integration of energy efficient measures in "Ekzarh Antim I" school - Kazanlak"	Neofit Bozveli" school. "Poduyane" district, Sofia	1,378,828.56	1,172,004.28
3	378	Municipality Gorna Oryahovitsa	"Modernization and integrating energy efficient measures at "Parvi Yuni" kindergarten - Gorna Oryahovitsa"	"Parvi Yuni" kindergarten - Gorna Oryahovitsa	314,265.71	267,125.85
4	387	Basin management - Varna	"Integrating energy efficient measures in the building of Basin management "Black Sea region"	Basin management "Black Sea region" - Varna	604,571.39	513,885.68
5	367	BAS - National Institute of Geophysics and Geography	"Conserved heat" – - National Institute of Geophysics and Geography"	National Institute of Geophysics and Geography	550,800.00	468,180.00
6	376	Municipality Beloslav	"Building of energy saving street lighting in Beloslav - Beloslav municipality"	Street lighting in Beloslav - Beloslav municipality	1,136,259.80	965,820.83
7	397	Municipality Dupnitsa	"Integration of energy saving measures in "Sv. Ivan Rilski" hospital and "Kalina" kindergarten with daycare center for children with disabilities."	"Kalina" kindergarten with daycare center for children with disabilities Sv. Ivan Rilski" hospital - Dupnitsa	593,523.70	504,495.15
8	389	Municipality Burgas	"Integration of energy efficient measures of street lighting in Slaveikov village; Izgrev complex; Zornitsa complex - Burgas municipality"	Street lighting in Slaveikov village; Izgrev complex; Zornitsa complex - Burgas municipality	6,262,174.80	5,322,848.58
9	297	Municipality Bratya Daskalovi	"Energy efficient measures via energy from reusable sources in the building of Public administration - Bratya Daskalovi municipality"	Public administration - Bratya Daskalovi village	782,488.75	665,115.44
10	212	Municipality Kaspichan	"We conserve energy for a clean environment"	Clinic - Kaspichan	257,819.91	219,146.92
11	380	Municipality Tran	"Integration of energy efficient measures in "Alen Mak" kindergarten - Tran"	"Alen Mak" kindergarten - Tran	174,250.50	148,112.93

12	382	Municipality Haskovo	"Integration of energy efficient measures in "Zornitsa" kindergarten - building 2 on "Dobrudza" № 59 - Haskovo"	"Zornitsa" kindergarten - building 2 on "Dobrudza" № 59 - Haskovo	633,066.82	538,106.80
13	392	Mol - CDFSCP	"Improving energy efficiency in administration building of ГДПБЗН-МБР"	Mol - CDFSCP	283,184.40	240,706.74
14	359	Stolichna Municipality region "Vitosha"	"Improving energy efficiency in building of "Sv. Kliment Ohridski" school - Vladava village"	Sv. Kliment Ohridski" school - Vladava village	598,498.02	508,723.32
15	394	Municipality Beloslav	"Remediation of "Sv. Sv. Kiril I Metodyi" school - Beloslav"	Sv. Sv. Kiril I Metodyi" school - Beloslav	768,954.37	653,611.21
16	384	Municipality Beloslav	"Integration of energy efficient measures in project : National community center "Dobrudza-1929"- Razdelna village, Municipality Beloslav"	National community center "Dobrudza-1929"- Razdelna village, Municipality Beloslav	101,722.33	86,463.98
17	383	Beloslav	"Remediation of "Dora Gabe" kindergarten - Ezerovo village, Beloslav municipality"	"Dora Gabe" kindergarten - Ezerovo village, Beloslav municipality	229,016.76	194,664.25
18	388	Stolichna Municipality	"Integration of energy efficient measures in building of the School of mathematics of Sofia "Paisiy Hilendarski"	School of mathematics of Sofia "Paisiy Hilendarski"	1,191,277.70	1,012,586.05
19	377	"Prof. Dr Asen Zlatarov" University - Burgas	"Realizing measures for energy efficiency in the building of the Faculty of Public Health and Healthcare to the "Prof. Dr Asen Zlatarov" University - Burgas"	"Prof. Dr Asen Zlatarov" University - Burgas	1,261,474.11	1,072,252.99
20	330	Municipality Momchilgrad	"Application of measures for energy efficiency in "N. J. Vaptsarov" Gruevo village, "Sv. Sv. Kiril I Metodyi" school, Nanovitza village, and "V. Levski" school - Raven village, Municipality Momchilgrad	"N. J. Vaptsarov" Gruevo village Sv. Sv. Kiril I Metodyi" school, Nanovitza village and "V. Levski" school - Raven village,	1,188,748.67	1,010,436.37
21	331	Municipality Momchilgrad	"Integration of measures for energy efficiency in "Buket" kindergarten - Raven village, Municipality Momchilgrad	"Buket" kindergarten - Raven village, Municipality Momchilgrad	249,647.44	212,200.32
22	365	Municipality Чавдар	"Integration of energy efficient measures in the buildings of the community center and postal office - Chavdar village"	the community center and postal office - Chavdar village	203,457.68	172,939.03
23	321	Municipality Burgas	"Implementation of measures for energy efficiency in the building of Diagnostic-Consultative center 1 Burgas - ltd."	Diagnostic-Consultative center 1 Burgas	436,291.13	370,847.46

24	363	Municipality Vetrino	"Modernization of street lighting in Vetrino municipality"	Street lighting in Vetrino municipality	1,569,843.48	1,334,366.96
25	327	Municipality Balchik	"Modernization of street lighting in Balchik municipality, Dobrich region"	Street lighting - Kranevo village; Balchik	3,087,953.21	2,624,760.23
26	398	UNWE	"Improving the energy efficiency of study building of UNWE"	Study building of UNWE	1,602,220.62	1,361,887.53
27	330	Municipality Momchilgrad	"Integration of energy efficient measures in "N. J. Vaptsarov" school - Gruievo village, "Sv. Sv. Kiril I Metodyi" school - Nanovitsa village, and "V. Levski" school - Raven Village, Municipality Momchilgrad"	"N. J. Vaptsarov" school - Gruievo village	1,188,748.67	1,010,436.37
				"Sv. Sv. Kiril I Metodyi" school - Nanovitsa village		
				"V. Levski" school - Raven Village		
28	400	Municipality Rakovski	"Integrating energy efficient measures in National community center "Sv. Sv. Kiril I Metodyi - 1929" - Shishmantsi village"	National community center "Sv. Sv. Kiril I Metodyi - 1929" - Shishmantsi village	236,350.52	200,897.94
29	320	Municipality Ruse	"Integration of energy efficient measures in 4 projects in the educational, cultural and social infrastructure of Ruse municipality"	Housing for Middle-school students - Ruse	2,752,918.50	2,339,980.73
				"Raina Knyaginya" - Marten town		
				"Otets Paisiy" - Marten town		
30	390	RIEW - Burgas	"Integration of energy efficient measures in administrative building, located in estate with id: 07079.607.67 KKKP of Burgas, "Perushtitsa" street № 67	Administrative building RIEW - Burgas	319,403.88	271,493.30
31	409	Municipality Dupnitsa	"Integration of energy efficient measures in "Taushanitsa" kindergarten - Dupnitsa"	"Taushanitsa" kindergarten - Dupnitsa"	327,562.10	278,427.79
32	163	Municipality Rakovski	"Integration of measures for energy efficiency in administrative building of Municipality Rakovski"	Administrative building - Rakovski town	434,237.69	369,102.04
33	351	Stolichna Municipality, region "Vitosha"	"Improving energy efficiency in "Akademik Emilian Stanev" school"	in "Akademik Emilian Stanev" school - Stolichna Municipality, region "Vitosha"	520,482.07	442,409.76
34	331	Municipality Momchilgrad	"Integrating measures for energy efficiency in "Buket" kindergarten - Raven village, Municipality Momchilgrad"	"Buket" kindergarten - Raven village, Municipality Momchilgrad	249,647.44	212,200.32

35	370	Municipality Primorsko	"Improving energy efficiency in "Hristo Botev" school - Novo Panicharevo village, Municipality Primorsko"	"Hristo Botev" school - Novo Panicharevo village	483,716.01	411,158.61
36	326	Municipality Petrich	"Building of energy saving street lighting in Petrich, Municipality Petrich"	Street lighting in Petrich	2,350,515.00	1,997,937.75
37	423	Municipality Kazanlak	"Integrating measures for energy efficiency in administrative building of Municipality Kazanlak, provided for social services"	Administrative building of Municipality Kazanlak, provided for social services	204,760.28	174,046.24
38	435	Municipality Madan	"Application of measures for energy efficiency in 2 buildings - public property"	"Mir" kindergarten - Varbina village	1,044,579.65	887,892.70
39	418	Ministry of justice - General directorate execution of penalties	"Integration of energy efficient measures in Pleven prison"	Public administration - Madan	629,470.08	535,049.57
40	355	Municipality Gotse Delchev	"Execution of packet of measures for improving the energy efficiency of buildings "Prolet" kindergarten in Musomishte village, "Ivan Vazov" school in Bukovo village and "Slance" kindergarten in Gotse Delchev town, Municipality Gotse Delchev"	Pleven prison	1,242,700.49	1,056,295.42
41	431	Devnya	"Reconstruction and modernization of street lighting system of Devnya municipality"	"Prolet" kindergarten in Musomishte village		
42	401	Municipality Sliven	"Remediating of building of "Zvezditsa" kindergarten, "Dame Gruiev" district - Sliven"	Ivan Vazov" school in Bukovo village	874,800.00	743,580.00
43	323	Municipality Avren	"Building energy saving street lighting in Priseltsi village, Municipality Avren:	"Slance" kindergarten in Gotse Delchev town		
44	408	Municipality Venets	"Implementing energy efficient measures in public building in RLP V - 234, district 24 - Venets village"	Street lighting in Priseltsi village, Municipality Avren	1,774,044.00	1,507,937.40
45	420	Municipality Kaspichan	"Implementing energy saving measures in National community center "Hristo Botev-1892" - Markovo village"	Zvezditsa" kindergarten, "Dame Gruiev" district - Sliven	447,543.18	380,411.70
46	404	BAS - Institute of Organic chemistry	"Improving energy efficiency in the Institute of Organic chemistry"	Street lighting in Priseltsi village, Municipality Avren	556,117.31	472,699.71
47	369	Municipality Zlatograd	"Energy efficient measures for "Sv. Sv. Kiril I Metodyi" - Dolen village, Municipality Zlatograd"	Public building in RLP V - 234, district 24 - Venets village	617,146.10	524,574.19
				National community center		
				"Hristo Botev-1892" - Markovo village	270,790.01	230,171.51
				Institute of Organic chemistry - BAS	397,000.00	337,450.00
				"Sv. Sv. Kiril I Metodyi" - Dolen village, Municipality Zlatograd	279,732.05	237,772.24

48	370	Municipality Primorsko	"Improving energy efficiency in building of "Hristo Botev" school - Novo Panicharevo village, Primorsko region"	"Hristo Botev" school - Novo Panicharevo village	483,716.01	411,158.61
49	443	NP Rila	"Improving energy efficiency in administration building "NP Rila" - Blagoevgrad"	Management "NP Rila" - Blagoevgrad	90,414.00	76,851.90
50	424	Municipality Kazanlak	"Integration of energy efficient measures in building of healthcare service in Dunavtsi village, Municipality Kazanlak"	Healthcare service in Dunavtsi village, Municipality Kazanlak	131,548.10	111,815.89
51	447	Municipality Stara Zagora	"Execution of energy efficient measures, RIEW - Stara Zagora, "Stara Planina" street №2"	RIEW - Stara Zagora	331,617.00	281,874.45
52	396	Municipality Dimitrovgrad	"Improving energy efficiency in project Full day daycare kindergarten №5 - affiliate Yabalkovo village"	project Full day daycare kindergarten №5 - affiliate Yabalkovo village	108,197.57	91,967.93
53	414	RIEW - Veliko Tarnovo	"Improving energy efficiency in RIEW - Veliko Tarnovo building"	RIEW - Veliko Tarnovo	505,656.57	429,808.08
54	406	University of Technology - Gabrovo	"Application of ESM in buildings of study complex of UT - Gabrovo"	Study complex of UT - Gabrovo	1,222,077.00	1,038,765.45
55	422	University of Economics - Varna	"Overhaul repair of heating system in study block 2 of University of Economics - Varna"	University of Economics - Varna	472,202.60	401,372.21
56	395	Municipality Dimitrovgrad	"Improving energy efficiency in project Elementary school "Dimitar Matevski" - Merchleri"	Elementary school "Dimitar Matevski" - Merchleri	377,284.14	320,691.52
57	366	Medical institute of Mol	"Improving energy efficiency in hospital for prolonged treatment and rehabilitation in Hisarya, affiliate of Medical institute of Mol"	in hospital for prolonged treatment and rehabilitation in Hisarya, affiliate of Medical institute of Mol	2,144,883.73	1,823,151.17
58	429	Municipality Kaspichan	"Implementing measures for energy efficiency in National community center "Vasil Levski - 1924" in Varvyane village - Kaspichan municipality, region Shumen"	National community center "Vasil Levski - 1924" in Varvyane village	155,612.99	132,271.04
59	430	Municipality Kaspichan	"Implementing measures for energy efficiency in National community center "Vasil Levski - 1927" in Zlatna niva village - Kaspichan municipality, region Shumen"	National community center "Vasil Levski - 1927" in Zlatna niva village - Kaspichan municipality, region Shumen	205,811.15	174,939.48

Table 1.3

**PROJECTS RECEIVED FOR APPROVAL THROUGH THE PILOT PROGRAM FOR ENCOURAGING
THE USE OF ELECTRIC VEHICLES**

No	Beneficiary	Type automobile
1	Ministry of Environment and Water of Bulgaria	1 pcs. fully electrical and 1 pcs. Plug in
2	Municipality Asenovgrad	2 pcs. - fully electrical
3	Municipality Burgas	2 pcs. fully electrical
4	Municipality Gorna Oryahovitsa	1 pcs. fully electrical
5	Ministry of Economics	1 pcs. fully electrical
6	Ministry of Labour and Social Politics	3 pcs.. Plug in
7	Municipality Plovdiv	2 pcs. fully electrical
8	Municipality Samokov	2 pcs. fully electrical
9	Municipality Gabrovo	1 pcs. fully electrical
10	Municipality Slivnitsa	1 pcs. fully electrical
11	Municipality Smolyan	1 pcs. fully electrical
12	Municipality Nesebar	2 pcs. fully electrical
13	Municipality Malko Tarnovo	1 pcs. Plug in
14	General Labour Inspectorate Executive Agency	3 pcs. electrical
15	Municipality Razlog	1 pcs. fully electrical
16	Municipality Pomorie	3 pcs. - Plug in
17	Municipality Stara Zagora	1 pcs. fully electrical
18	Municipality Maglizh	1 pcs. fully electrical
19	Municipality Tran	1 pcs. fully electrical
20	Municipality Nikola Kozlevo	1 pcs. fully electrical
21	Municipality Popovo	1 pcs. fully electrical
22	Municipality Pleven	2 pcs. Plug in
23	Municipality Banite	1 pcs. fully electrical
24	Municipality Sliven	1 pcs. fully electrical
25	Municipality Varna	3 pcs. fully electrical
26	Municipality Vidin	3 pcs. fully electrical

Table 1.4

**PROJECTS RECEIVED FOR APPROVAL THROUGH
THE PILOT INVESTMENT PROGRAM "MINERAL WATERS"**

No in order	No	Beneficiary	Entry. № / Date of entry	Project value	Required subsidy	Type of project
1	MB-001	Municipality Mineralnibi bani, Haskovo region	MB-001/15.XII.2016	597 881,31	298 940,66	Pump station, piping 2 and collecting tank
2	MB-002	Municipality Polski Trambesh	MB-002/16.XII.2016	253 782,97	126 891,49	Pump station
3	MB-003	Municipality Sapareva Banya	MB-003/16.XII.2016	905 560,15	452 780,08	Collecting tank
4	MB-004	Municipality Panagyurishte	MB-004/16.XII.2016	353 694,46	176 847,23	Piping, collecting tank and CO3 girdle A
5	MB-005	Municipality Burgas	MB-005/16.XII.2016	1 405 248,70	702 624,35	Piping 2, pump station 2, feeler 2 and land area of intake structures
6	MB-006	Municipality Razlog	MB-006/16.XII.2016	281 881,60	140 940,80	Piping, pump station, collecting tank and water meters for water sources
7	MB-007	Municipality Berkovitsa	MB-007/16.12.2016	1 040 109,82	520 054,91	Piping
8	MB-008	Municipality Velingrad	MB-008/16.XII.2016	664 777,07	332 388,54	Piping, land area and equipment, intake structures and reconstructions of measuring chamber
9	MB-009	Municipality Septemvri	MB-009/16.XII.2016	418 769,81	209 384,91	Piping 2

PROJECTS, APPROVED BY THE MB THE MEETING HELD ON 29.III.2016

№	Entry №	Beneficiary	Project
1	329	Stolichna Municipality – Poduyane district	School
2	368	Kazanlak	School
3	378	Gorna Oryahovitsa	Kindergarten
4	387	Basin management "Black Sea region" - Varna	Administrative building

PROJECTS, APPROVED BY THE MB THE MEETING HELD ON 14.VI.2016

№	Entry №	Beneficiary	Project
1	376	Municipality Beloslav	Street lighting
2	397	Municipality Dupnitsa	Kindergarten
3	389	Municipality Burgas	Street lighting
4	297	Bratia Daskalovi	Administration building
5	212	Municipality Kaspichan	Social building
6	380	Municipality Tran	Kindergarten
7	382	Municipality Haskovo	Kindergarten
8	392	Mol - CDFSCP	Administration building
9	359	Stolichna Municipality, "Vitosha region"	School
10	394	Municipality Beloslav	School
11	384	Municipality Beloslav	Kindergarten
12	383	Municipality Beloslav	Kindergarten
13	388	Stolichna Municipality	School
14	377	University "Prof. Dr Asen Zlatarov" - Burgas	University building

PROJECTS, APPROVED BY THE MB THE MEETING HELD ON 28.VII.2016

№	Entry №	Beneficiary	Project
1	365	Municipality Chavdar	Community center and postal office
2	321	Municipality Burgas	Administration building
3	363	Municipality Vetrino	Street lighting
4	327	Municipality Balchik	Street lighting
5	398	UNWE	University building
6	330	Municipality Momchilgrad	School
7	400	Municipality Rakovski	Community center
8	320	Municipality Ruse	4 schools
9	390	Municipality Burgas	ДКЦ
10	409	Municipality Dupnitsa	Kindergarten
11	163	Municipality Rakovski	Administration building
12	351	Sofia Municipality, region "Vitosha"	School
13	331	Municipality Momhilovgrad	Kindergarten

PROJECTS, APPROVED BY THE MB THE MEETING HELD ON 14.XII.2016

№	Project №	Beneficiary	Project
1	326	Municipality Petrich	Street lighting in settlements in Municipality Petrich
2	423	Municipality Kazanlak	Municipality Kazanlak, provided for social services
3	435	Municipality Madan	Kindergarten and Town Hall - Madan
4	418	Ministry of Justice – General directorate execution of penalties	Prison in Pleven
5	355	Municipality Gotse Delchev	"Prolet" kindergarten in Musomishte village, "Ivan Vazov" school in Bukovo village and kindergarten № 6 "Slance" in Gotse Delchev town
6	431	Municipality Devnya	Street lighting
7	401	Municipality Sliven	"Zvezditsa" kindergarten, "Dame Gruev" district, Sliven
8	323	Municipality Avren	Street lighting in Priselci village
9	408	Municipality Venets	Administration building for administrative and social services
10	420	Kaspichan	National Community Center "Hristo Botev-1892" - Markovo village
11	404	BAS	Institute of Organic chemistry
12	369	Municipality Zlatograd	"Sv. Sv. Kiril I Metodyi " school - Dolen villaga
13	370	Municipality Primorsko	"Hristo Botev" - Novo Panicharevo village
14	443	Management "NP Rila"	Administration building of Management "NP Rila"
15	424	Municipality Kazanlak	Здравна служба в с. Дунавци
16	447	RIEW - Stara Zagora	RIEW - Stara Zagora
17	396	Municipality Dimitrovgrad	Full day kindergarten №5 - affiliate Yabalkovo village
18	414	RIEW - Veliko Tarnovo	RIEW building – Veliko Tarnovo
19	406	University of Technology - Gabrovo	Study complex
20	422	University of Economics - Varna	Block 2 of University of Economics - Varna
21	395	Municipality Dimitrovgrad	Elementary school "Dimitar Matevski" - Merichleri
22	366	Medical Center of MOI	Sanatorium in Hisarya

ANNEX 3

Table 3.1

IMPLEMENTATION OF THE BUDGET FOR FINANCING OTHER PROGRAMS AND ADMINISTRATIVE SUPPORT OF NTEF TO 31.XII.2016

FUNDS FLOW	ANNUAL REPORT (2016) IN BGN									
	Plan - Total	Statement - Total	Implementation - Total	Administrative maintenance - Plan	Administrative maintenance ICP - Statement	Implementation - ICP in %	Administrative maintenance MW - Plan	Administrative maintenance MW - Statement	Implementation - n - MW in %	Plan - DE Statement - DE
	in BGN	in BGN	in %							
Part A - INVESTMENTS	7 000	5 460	78	7 000	5 460	0	0	0	0	0
1. Tangible fixed assets	5 000	5 460	109	5 000	5 460	109			0	0
2. Intangible fixed assets	2 000	0	0	2 000	0	0			0	0
Part B - INSTITUTIONAL DEVELOPMENT	10 000	0	0	10 000	5 882	0	0	0	0	0
1. Consultancy services on Institutional development	5 000	0	0	5 000	0	0	0	0	0	0
2. Other expenses on Institutional development	5 000	0	0	5 000	5 882	0	0	0	0	0
Part C - OPERATING EXPENDITURE	1 045 581	808 351	77	917 696	726 346	79	60 000	54 886	91	67 885
1. Updating of skills of the EB, remuneration, social and health insurance	313 011	293 175	94	301 517	289 845	96	0	0	0	11 494
a. Staff training	5 000	5 205	104	5 000	5 205	0				
b. Salaries	254 423	237 654	93	244 847	234 826	96				9 576
c. Social and Healthcare insurance	42 793	39 861	93	40 875	39 359	96				1 918
d. Social benefits under Employment Code	10 795	10 455	97	10 795	10 455	97				0
2. Consultancy services	249 856	179 650	72	160 000	122 324	76	60 000	54 886	91	29 856
2a. Administrative costs Reserve	0	0	0	0	0	0				0
3. Maintenance and office expenses	145 200	105 822	73	145 000	105 561	73	0	0	0	200
a. Electricity, heating, water, telephones, e-mail, other	60 000	36 504	61	60 000	36 504	61				0
b. SML and vehicle maintenance	20 200	11 942	59	20 000	11 681	58				200
c. Insurances and estate security	10 000	6 211	62	10 000	6 211	62				0
d. Office consumables and services	55 000	51 165	93	55 000	51 165	93				0
4. Administrative and management costs	312 514	206 652	66	286 179	185 564	65	0	0	0	26 335
a. Business trips	41 835	29 562	71	30 000	13 774	46				11 835
b. Presentation expenses	0	0	0	0	0	0	0	0	0	0
c. Public Relations	160 379	81 114	51	146 179	75 814	52				14 200
d. Administrative and financial expenses (incl. audit)	110 300	95 976	87	110 000	95 976	87				300
	25 000	23 052	92	25 000	23 052	92				0
Part D - RESERVE	0	0	0	0	0	0	0	0	0	0
TOTAL	1 062 581	813 811	77	934 696	737 688	79	60 000	54 886	91	67 885
										27 119

Table 3.2

FUNDS FLOW	Previous year (2015)			Reporting year (2016)		
	Plan in BGN	Statement in BGN	Implementation in %	Plan in BGN	Statement in BGN	Implementation in %
PART A - INVESTMENTS	69 250	92 737	0	7 000	5 460	78
1. Tangible fixed assets	64 450	54 937	85	5 000	5 460	109
2. Intangible fixed assets	4 800	37 800	788	2 000	0	0
PART B - INSTITUTIONAL DEVELOPMENT	59 660	12 000	20	10 000	0	0
1. Consultancy services on Institutional development	59 660	12 000	20	5 000	0	0
2. Other expenses on Institutional development		0		5 000	0	0
PART C- RUNNING COSTS	1 005 313	752 019	75	1 045 581	808 351	77
1. Updating of skills of the EB, remuneration, social and health insurance	279 269	234 314	84	313 011	293 175	94
a. Staff training	31 545	28 612	0	5 000	5 205	0
b. Salaries	203 492	170 760	84	254 423	237 654	93
c. Social and healthcare insurance	33 097	28 102	85	42 793	39 861	93
d. Social benefits under Employment code	11 135	6 840	61	10 795	10 455	97
Consulting services in the selection and implementation of projects	156 519	138 676	89	249 856	179 650	72
	143 927					
3. Maintenance and office costs - overhead	91 882	92 482	101	145 200	105 822	73
a. Electricity, heating, water, telephones, e-mail, other	46 000	37 661	82	60 000	36 504	61
b. SML and vehicle maintenance	12 882	9 396	0	20 200	11 942	0
	4 000	4 278	107	10 000	6 211	62
d. Office consumatives and services	29 000	41 147	142	55 000	51 165	93
4. Administrative and management costs	307 716	263 044	85	312 514	206 652	66
a. Business trips	27 117	27 514	101	41 835	29 562	71
b. Presentation expenses	0	0	0	0	0	0
c. Public Relations	146 749	163 688	112	160 379	81 114	51
d. Administrative	133 850	71 842	54	110 300	95 976	87
5. Operating expenses of the Board	26 000	23 503	90	25 000	23 052	92
Part D - RESERVE [4% of(A+B+C)]	0	0	0	0	0	0
TOTAL COSTS	1 134 223	856 756	76	1 062 581	813 811	77
Net expenses:	1 134 223	856 756	76	1 062 581	813 811	77

NDEF's FUNDS TOWARDS 31.XII.2016 REFERENCE

2 263 540.00 BGN

13 308 825.00 BGN

15 572 365.00 BGN

Available funds in NTEF bank accounts and cash

Total of deposited funds in BGN, according to Table 1

Total amount in BGN towards 31.XII.2016

Table 1: Monthly deposits in BGN

No of deposit account	Date of deposit	Principal	Expected interest for the period	Maturity date	Annual % interest for the period
70002522574086	23.IX.2016	5 003 750.00	1 250.94	23.03.2017	0.10%
70002522602514	22/X/2016	6 004 500.00	1 501.13	22.04.2017	0.10%
70002522602528	22/X/2016	2 300 575.00	57.51	22.01.2017	0.01%
TOTAL:		13 308 825.00	2 752.06		

Prepared by



/Antonia Todorova/



INDEPENDENT AUDITOR'S REPORT



The project “I am learning how to teach” of a team of students from the Tourism professional high school “Dr. Vasil Beron” in Veliko Tarnovo was granted a special award in the Mimi Pramatarova competition for 2015. In 2016 the students visited the waste treatment factory in Sofia, met experts at MoEW, and after that created speaking waste containers for separate waste collection and gave them away to primary schools.





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**To the Managing Board of
National Trust Ecofund
Sofia, Bulgaria**

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of National Trust Ecofund (the Fund), which comprise the statement of financial position as at 31 December 2016 and the statement of profit or loss and other comprehensive income and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and Bulgarian legislation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements of Bulgarian Independent Financial Audit Act, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual management report, prepared in accordance with Bulgarian Accountancy Act, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or whether our knowledge obtained in the audit may indicate that there is a material misstatement or otherwise the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and Bulgarian legislation, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and Bulgarian Independent Financial Audit Act will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In addition to our responsibilities for reporting under ISAs, described above in section “Information Other than the Financial Statements and Auditor’s Report Thereon”, regarding annual management report, we have performed the additional procedures contained in the Guidelines of the professional organisation of certified public accountants and registered auditors in Bulgaria - Institute of Certified Public Accountants (ICPA), issued on 29 November 2016. The procedures on the existence, form and contents of the other information have been carried out in order to state whether the other information includes the elements and disclosures in accordance with Chapter Seven of Bulgarian Accountancy Act.

Statement Pursuant to Article 37, Paragraph (6) of Bulgarian Accountancy Act

Based on the procedures performed, we describe the outcome of our work:

- the information in the management report is consistent with the financial statements for the same reporting period;
- the management report is prepared in accordance with the applicable legal requirements; and
- as a result of the acquired knowledge and understanding of the activities of the Fund and the environment in which it operates, we have found no cases of material misrepresentation in the management report.

Mariy Apostolov
Managing partner

Grant Thornton Ltd.
Audit firm

30 March 2017
Bulgaria, Sofia



Vladislav Mihaylov
Registered auditor responsible for the audit



*In the frame of the project “I am learning how to teach”
the high school students delivered a class to the young children
and after that stood in a line to test
the speaking waste containers.*





FINANCIAL STATEMENTS



*In the frame of the project “I am learning how to teach”
the high school students delivered a class to the young children
and after that stood in a line to test
the speaking waste containers.*



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

Assets	Note	2016 BGN '000	2015 BGN '000
Non-current			
Intangible assets	5	21	33
Plant and equipment	6	37	46
Non-current assets		58	79
Current			
Receivables	7	3	3
Cash and cash equivalents	8	15 572	8 813
Current assets		15 575	8 816
Total assets		15 633	8 895

	Note	2016 BGN '000	2015 BGN '000
Liabilities			
Financing	9	15 596	8 866
Pension and other employee obligations	10.2	33	24
Trade and other payables	11	4	5
Total liabilities		15 633	8 895

Prepared by: 
(Antonia Todorova)

Director of
the Executive Bureau: 
(Kamelia Georgieva)

Date: 16 January 2015

Audited according
to the auditor's report dated
30 March 2017

Mariy Apostolov
Managing partner



Grant Thornton Ltd.
Auditing Company

Vladislav Mihaylov
Registered auditor responsible for the audit



The accompanying notes on pages from 70 to 88 form an integral part of the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER

	Note	2016 BGN '000	2015 BGN '000
Administrative and institutional development expenses financing income	12	794	671
Non-current assets financing income	5,6,12	27	14
Projects financing income for other programs – DE	12	15	115
Projects financing income	12	13 576	7 682
Projects funding costs	13	(13 576)	(7 682)
Cost of materials	14	(27)	(48)
Hired services expenses	15	(442)	(477)
Employee benefits expense	10.1	(301)	(242)
Depreciation of non-financial assets	5,6	(27)	(14)
Other expenses	16	(37)	(13)
Finance costs	17	(2)	(6)
Finance income	17	19	21
Net result for the year		19	21
Total comprehensive income		19	21

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Managing partner



Vladislav Mihaylov
Registered auditor responsible for the audit

Grant Thornton Ltd.
Auditing Company

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

	Note	2016 BGN '000	2015 BGN '000
Operating activities			
NGIS financing received	9	-	4 105
Received targeted funding Aviation quotas	9	2 609	-
ICP financing received	9	15 000	12 935
MW program financing received	9	3 500	122
Other financing received	9	14	124
Cash paid for project financing	13	(13 576)	(7 682)
Cash paid for institutional development		(6)	(113)
Cash paid for programs DE		(30)	(130)
Cash paid to suppliers		(429)	(305)
Cash paid for program MW		(55)	-
Cash paid to employees and for social security		(271)	(212)
Other payments, net		(8)	(6)
Cash flow from operating activities		6 748	8 838
Investing activities			
Purchase for acquisition of non-current assets	5,6	(6)	(92)
Interest received	17	17	20
Cash flow from investing activities		11	(72)
Net change in cash and cash equivalents		6 759	8 766
Cash and cash equivalents, beginning of year		8 813	47
Cash and cash equivalents, end of year	8	15 572	8 813

Prepared by: 
(Antonia Todorova)

Director of
the Executive Bureau: 
(Kamelia Georgieva)

Date: 16 January 2015

Audited according
to the auditor's report dated
30 March 2017

Mariy Apostolov
Managing partner

Grant Thornton Ltd.
Auditing Company



Vladislav Mihaylov
Registered auditor responsible for the audit

The accompanying notes on pages from 70 to 88 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Background information about the Fund

The National Trust EcoFund ('the Fund') is a non-profit legal entity, established pursuant to:

- 'Debt-for-Environment' and 'Debt-for-Nature' International Swap Agreements between the Governments of the Republic of Bulgaria and the Swiss Confederation, signed on 23 October 1995.
- Art. 3b of the Environment Protection Act Amendments (State Gazette No. 63/14 July 1995) and Articles 66, 67, 68 and 142 a-h of the currently effective Environment Protection Act (State Gazette 91/25 September 2002, amended by Council of Ministers (State Gazette No. 46/18 June 2010)
- Regulation on Organization and Activities of the National Trust EcoFund enacted by Council of Ministers' Decree No. 163 of 14 August 1995 (State Gazette No. 74/22 August 1995), amended by Council of Ministers' Decree No. 96 of 10 May 2004 (State Gazette No. 41/18.05.2004), amended by Council of Ministers' Decree No. 185 of 02 September 2010 (State Gazette No.71/10 September 2010) and Decree No. 301 of 19 September 2014 (State Gazette No.81/30 September 2014)

The Fund has been created with the objective of managing funds provided under the 'Debt-for-Environment' and 'Debt-for-Nature' swaps, funds generated from international trade with greenhouse-gas Assigned Amount Units (AAUs), from sale of aircraft greenhouse-gas emission quotas, as well as funds provided by governments, international financial institutions and other donors aimed at environmental protection in the Republic of Bulgaria. While performing its activities, the National Trust EcoFund acts independently and is only subject to the local legislation and the international agreements in which Bulgaria is a party.

The registered office of the Fund is at 1574 Sofia, 67 B, Shipchenski Prohod Blvd.

1.1. Ownership and Management

The managing bodies of the Fund are the Managing Board, the Advisory Committee and the Executive Bureau.

In accordance with the Regulation on Organization and Activities of the National Trust EcoFund of 10 May 2004 CMD No. 96, amended by Council of Ministers' Decree No. 185 of 02 September 2010 (State Gazette No.71/10 September 2010), The Managing Board has been comprised of seven members, including a Chairman and two Deputy Chairmen and four regular members as well as three alternative members.

The Advisory Committee consists of representatives of the governments and other institutions, which are sources of financing or which support the Fund's activities; the Executive Bureau organises the activities of the National Trust EcoFund.

The key managing personnel as at 31 December 2016 comprises of:

Managing Board:

- Chairman of MB of NTEF – Assoc. Prof. Irena Georgieva, chosen by the Ministry Council of the Republic of Bulgaria (Decision № 799 of the Ministry Council 14/10/2015).
- Representative of the Ministry of Environment and Water (MEOW) - Deputy Minister Atanaska Nikolova - Vice Chairman (until November 20, 2016).
- Representative of the Ministry of Finance (MOF) - Deputy Minister Kiril Ananiev replaced on February 10, 2016 Deputy Minister Karina Karaivanova and August 10, 2016 - from Marinela Petrova ;

- Representative of the Ministry of Energy - Deputy Minister Anton Pavlov to his dismissal in October 2015;
- Representative of the Bulgarian Academy of Sciences (BAS) - Prof. Naum Yakimov, Deputy Chairman of the Board ;
- Representative of the National Association of Municipalities in Bulgaria (NAMB) - Mrs. Ginka Chavdarova, executive director of NAMB.
- Representative of environmental NGOs - Ms Lubomira Kolcheva - Director of the "EcoObshtnost";

Executive Bureau:

EB Director	Kamelia Georgieva
Chief Accountant	Antonia Todorova
Accountant	Margarita Manolova
Chief technical expert – Project Manager	Ivaylo Tsekov
Expert programs management	Валентина Стоянова
Chief Expert project management	eng. Mihail Denkov
Expert project management	eng. Galina Veleva
Expert project management	eng. Alexander Berov
Technical assistant	Elena Mihayova
Driver	Bozhidar Valchkov

The Fund is represented and managed by the Chairman of MB – Assoc. Prof. Irena Georgieva, PhD. The operational activities are managed by the Director of the Executive Bureau Kamelia Georgieva - Nikolova.

As at 31 December the total number of personnel is 10 (31 December 2015 - 8).

1.2. Scope of activities

The Fund performs its activities pursuant to the Regulation on Organization and Activities of the National Trust EcoFund. The funds are used for financing and co-financing of ecological projects and activities in accordance with the conditions of the donors and with the priorities of the national ecological strategies and programs.

The activities of the Fund are focused on the following main areas:

- Clean-up of past environmental pollution and damage ;
- Reduction of air pollution and limitation of climate change;
- Clean water protection;
- Protection of biodiversity ;
- Other main areas, included in the national policy of environmental protection.

The main sources of financing as at 31 December 2016 include:

- target funding of the Investment Climate Programme (ICP) in CMD № 201 / 26.03.2015 and 80/11.02.2016;
- target funding for pilot scheme of Investment programme "Mineral Waters" in CMD №322/24.11.2016;
- Revenues in accordance with Regulation №1 / 04.03.2015 laying down the terms and procedures for spending of proceeds from the sale of quotas for emissions from aviation activities by tender.

2. Basis for the preparation of the financial statements

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and

The accompanying notes on pages from 70 to 88 form an integral part of the financial statements.

approved by the European Union (EU). For the purposes of paragraph 1, item 8 of the Supplementary Provisions of the accounting applicable in Bulgaria, the term "IFRS as adopted by the EU" represent the International Accounting Standards (IAS) adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and Council

The financial statements are presented in Bulgarian leva (BGN), which is also the functional currency of the Fund. All amounts are presented in thousand Bulgarian leva (BGN'000) (including comparative information for 2015) unless otherwise stated.

The financial statements are prepared under the going concern principle.

As of the date of the financial statement the management have made assessment for the ability of the Fund to continue as a going concern based on the information available. After making enquiries, the management has a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The Investment Climate Programme starts based on Decision of the Council of Ministers (201/26 March 2015) with the provision of funds pursuant to § 4 of the transitional and final provisions of the Act to limit climate change. In 2016 with a Ministry Council Decision No 80 / 11.02.2016 were allocated additional funds amounting to BGN 15 million to NTEF. The funds were intended for funding projects to improve the energy efficiency of state and municipal sites (BGN 14 million) and to promote the use of electric and hybrid vehicles by public institutions (BGN 1 million).

In 2016 continued the receiving of projects proposals set forth by the Operations manual of the Investment Climate Programme. Accepting applications for expressions of interest is a constant process. No invitations with fixed deadlines are published. The application forms that include full project proposals shall be submitted by the beneficiaries after receiving the letter for approval by the Commission for selection and reporting of project implementation Request for expressions of interest without putting deadlines.

- During the year a total of 111 applications have been received for expression of interest for financing measures to improve the energy efficiency of public facilities

By decision of Managing Board of NTEF from 29.3.2016 were approved amendments to the Operational management of ICP that enabled the start of the Pilot scheme to promote the use of electric vehicles in the public sector. The deadline for submission of forms was 31.05.2016. In the frame of the invitation 26 forms were received where beneficiaries applied for the purchase of 34 electric and 10 electric hybrid cars.

Investment program "Mineral water" started on the basis of Decree № 322 / 24.11.2016 the Ministry Council, by which NTEF is assigned to administer funds amounting to BGN 3.5 million to finance projects leading to the recovery of heat mineral waters and as a result - directly or indirectly reduce greenhouse gas emissions.

Based on the accumulated experience from the implementation of two programs (National Green Investment Scheme and Investment Climate Program), the EB, prepare and submit for approval by the Board of NTEF Field manual for new investment program "Mineral water" containing the corresponding addendums. For this purpose, with the help of an expert team a survey was conducted among 111 municipalities that have been granted the right to free use of mineral water for a period of 25 years and municipalities, which have their own such deposits. It was prepared analysis of the needs of municipalities, their willingness to implement such projects, as well as the legal framework of the program. The new Field Manual include the development of detailed guidelines and requirements for the actions of beneficiaries at each stage of project implementation - application forms, contracts, requirements for investment projects forms of interim and final financial and technical reports, etc. Operational Manual was adopted by the Board of NTEF on August 31, 2016.

In 2016 NTEF in partnership with the Berlin independent Institute for Environment (UfU), Romanian organization Environ with the support of the Federal Ministry of Environment of the

Republic of Germany have started a project to improve the behavior of energy users in Bulgarian schools. The project includes two schools in the district Lyulin of Metropolitan Municipality and two schools in the Municipality of Samokov.

Believing that the behavior of the younger generation is crucial both at school and at home, the project aims to raise awareness among students on the topic of energy efficiency and encourage them to save energy in schools. It is practical, allowing students to be directly involved in the evaluation and improvement of energy use in their schools.

3. Changes in Accounting Policies

3.1. New standards, amendments and interpretations to IFRS, effective from 1 January 2016

The Company has adopted the following new interpretations, revisions and amendments to IFRS issued by the International Accounting Standards Board, which are relevant to and effective for the Company's financial statements for the annual period beginning 1 January 2016.:

IAS 1 „Presentation of financial statements” (amended) – Disclosure Initiative, effective from 1 January 2016, adopted by the EU

These amendments are as part of the IASB initiative to improve presentation and disclosure in financial reports. They clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

Annual Improvements to IFRSs 2012 - 2014 Cycle effective from 1 January 2016, adopted by the EU

This set of amendments impacts 4 standards:

- IFRS 7, ‘Financial instruments: Disclosures’, (with consequential amendments to IFRS 1) regarding servicing contracts;
- IAS 19, ‘Employee benefits’ regarding discount rates;
- IAS 34, ‘Interim financial reporting’ regarding disclosure of information

3.2. Standards, amendments and interpretations to existing standards, that are not yet effective and have not been adopted early by the Fund

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued, but are not effective or adopted by the EU for the financial year beginning on 1 January 2016 and have not been adopted early by the Fund. Information on those expected to be relevant to the Fund’s financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Fund’s accounting policies for the first period beginning after the effective date of the pronouncement.

The amendments concern the following standards:

- IFRS 2 “Share Based Payments” (amended) effective from 1 January 2018, not yet adopted by the EU
- IFRS 4 “Insurance contracts” (amended) effective from 1 January 2018, not yet adopted by the EU
- IFRS 9 “Financial Instruments” effective from 1 January 2018, adopted by the EU
- IFRS 9 “Financial Instruments” (amended) – Hedge accounting, effective from 1 January 2018, not yet adopted by the EU
- IFRS 10 “Consolidated financial statements” and IAS 28 “Investments in associates and joint ventures” (amended), effective date to be determined, not yet adopted by the EU
- IFRS 14 “Regulatory deferral accounts” effective from 1 January 2016, not yet adopted by the EU
- IFRS 15 “Revenue from Contracts with Customers” effective from 1 January 2018, adopted by the EU

- IFRS 15 “Revenue from Contracts with Customers” (amended) effective from 1 January 2018, adopted by the EU
- IFRS 16 “Leases” effective from 1 January 2019, not yet adopted by the EU
- IAS 7 “Statement of Cash Flows” (amended) effective from 1 January 2017, not yet adopted by the EU
- IAS 12 “Income Taxes” (amended) effective from 1 January 2017, not yet adopted by the EU
- IAS 40 “Investment property” (amended) - Transfers of Investment Property effective from 1 January 2018, not yet adopted by the EU
- IFRIC 22 “Foreign Currency Transactions and Advance Consideration” effective from 1 January 2018, not yet adopted by the EU
- Annual Improvements to IFRS Standards 2014-2016 Cycle.

4. Summary of accounting policies

4.1. Overall considerations

The most significant accounting policies that have been used in the preparation of these financial statements are summarized below.

The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used for the preparation of the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

4.2. Presentation of the financial statements

The financial statements are presented in accordance with IAS 1 “Presentation of Financial Statements”. The Fund has elected to present the statement of profit or loss and other comprehensive income in a single statement.

Two comparative periods are presented for the statement of financial position when the Fund :

- applies an accounting policy retrospectively ;
- makes a retrospective restatement of items in its financial statements ; or
- reclassifies items in the financial statements.

4.3. Foreign currency translation

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate as published by the Bulgarian National Bank). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

4.4. Grant income

In correspondence with IAS 20 the grant income is recognised systematically and rationally as revenue in the statement of profit or loss and other comprehensive income for the periods in which are made the expenses on funding of projects for environmental protection, institutional development and the operating expenses of the Fund over the reporting period. Grants related to depreciable assets are recognized as income over the periods in proportion to the accrual of depreciation.

4.5. Interest income

Interest income is reported on an accrual basis using the effective interest method.

4.6. Operating expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin.

4.7. Intangible assets

The Fund's intangible assets comprise of software and internet portal. They are recorded at cost of acquisition, including all import duties, non-refundable taxes and direct costs associated with preparing the asset for use where the capitalized costs are amortized based on the straight-line method over the estimated useful lives of the assets as It is believing that he is limited.

Subsequent measurement is carried at cost of acquisition less accumulated depreciation and impairment losses. The impairments are recorded as an expense and are recognized in the profit or loss/profit or loss and other comprehensive income for the period.

Subsequent expenses incurred in connection with intangible assets subsequent to their initial recognition are recognized in the profit or loss and other comprehensive income for the period they occur, unless thanks to them asset can generate more than initially expected future economic benefits when these costs can be measured reliably and attributed to the asset. If these conditions are met, the costs are added to the cost of an asset.

Residual values and useful lives of intangible assets are reviewed at each reporting date.

Depreciation is calculated using the straight-line method over the estimated useful life of individual assets as follows:

- Software 2 years
- Other 3 years

Amortization included in the profit or loss and other comprehensive income within "Depreciation of non-financial assets".

Gains or losses arising on the disposal of intangible assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'Profit/(Loss) from sale of non-current assets'.

The recognition threshold adopted by the Fund for intangible assets amounts to BGN 700.

4.8. Plant and equipment

Plant and equipment are initially measured at cost, which comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use .

After initial recognition, the plant and equipment is carried at its cost less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. Impairment losses are recognized in the income statement for the respective period.

Subsequent expenditure relating to an item of plant and equipment is added to the carrying amount of the asset when it is probable that this expenditure will enable the asset to generate future economic benefits in excess of the its' originally assessed standard of performance. All other subsequent expenditure is recognized as incurred.

Material residual value estimates and estimates of useful life are updated as at every reporting date.

Plant and equipment acquired under finance lease agreement, are depreciated based on their expected useful life, determined by reference to comparable assets or based on the period of the lease contract, if shorter.

Depreciation is calculated using the straight-line method over the estimated useful life of individual assets as follows:

- Fixtures & Fittings – 6 – 7 years;
- IT equipment – 2 – 3 years;
- Vehicles – 4 years.

Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'Profit/(Loss) from sale of non-current assets'.

The recognition threshold adopted by the Fund for plant and equipment amounts to BGN 700.

4.9. Impairment testing of plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All assets and cash-generating units are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Fund's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by management.

Impairment losses for cash-generating units reduce the carrying amount of the assets allocated to that cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

4.10. Financial instruments

Financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

All financial assets are recognized on their transaction date.

Financial assets and financial liabilities are subsequently measured as described below.

4.10.1. Financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the category Loans and receivables upon initial recognition.

Financial assets are assigned to the different categories, depending on the purpose for which the investments were acquired. The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income of the Fund. All financial assets except for those at fair value through profit or loss are subject to

review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within 'Finance costs', 'Finance income' or 'Other financial items', except for impairment of trade receivables which is presented within 'Other expenses'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortized cost using the effective interest method, less provision for impairment. Any change in their value is recognized in profit or loss. The Fund's cash and cash equivalents, trade and most other receivables of the Fund fall into this category of financial instruments. Discounting is omitted where the effect of discounting is immaterial.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other available feature of shared credit risk characteristics. The percentage of the write down is then based on recent historical counterparty default rates for each identified group. Impairment of trade receivables are presented within "Other expenses".

4.10.2. Financial liabilities

The Fund's financial liabilities include trade and other payables.

Financial liabilities are recognized when the Fund becomes a party to the contractual agreements for payment of cash amounts or another financial asset to another company or contractual liability for exchange of financial instruments with another company under unfavorable terms. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within "Finance costs" or "Finance income".

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognized in profit or loss.

Trade payables are recognized initially at their nominal value and subsequently measured at amortized cost less settlement payments.

4.11. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, current bank accounts, demand deposits and deposits up to 3 months.

4.12. Post-employment and short term employee benefits

The Fund reports short term payables relating to unutilized paid leaves, which shall be compensated in case it is expected the leaves to occur within 12 months after the end of the accounting period during which the employees have performed the work related to those leaves. The short-term payables to personnel include wages, salaries and related social security payments.

The Fund has not developed and implemented post-employment benefit plans.

Short term employee benefits, including holiday entitlement, are current liabilities included in "pension and other employee obligations", measured at the undiscounted amount that the Fund expects to pay as a result of the unused entitlement.

4.13. Provisions, contingent liabilities and contingent assets

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Fund and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Restructuring provisions are recognized only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Fund can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized. Contingent liabilities are measured by the higher value between the mentioned above comparable provision and the initial recognized value, decreased with the accumulated depreciation.

Possible inflows of economic benefits to the Fund that do not yet meet the recognition criteria of an asset are considered contingent assets.

4.14. Estimation uncertainty

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

4.14.1. Impairment

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Fund's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

4.14.2. Useful life of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date.

As at 31 December 2016 the Management assesses that the useful lives represent the expected utility of the assets to the Fund. The carrying amounts are analyzed in note **Error! Reference**

source not found. and 6. Actual results, however, may vary due to technical obsolescence, particularly relating to IT equipment.

5. Intangible assets

The Fund's intangible assets comprise of software and internet portal. The carrying amounts for the reporting periods under review can be analyzed as follows:

	Internet portal BGN '000	Software BGN '000	Total BGN '000
Gross carrying amount			
Balance at 1 January 2016	38	-	38
Additions, separately acquired	-	1	1
Disposals	-	-	-
Balance at 31 December 2016	38	1	39
Amortization			
Balance at 1 January 2016	(5)	-	(5)
Amortization	(13)	-	(13)
Balance at 31 December 2016	(18)	-	(18)
Carrying amount at 31 December 2016	20	1	21

6. Plant and equipment

Fund's plant and equipment comprise IT equipment, vehicles and office equipment. The carrying amount can be analyzed as follows:

	IT equipment BGN '000	Vehicles BGN '000	Fixture and fittings BGN '000	Software BGN '000	Total 'BGN '000
Gross carrying amount					
Balance at 1 January 2016	43	38	17	3	101
Additions, separately acquired	5	-	-	-	5
Disposals	-	-	-	-	-
Balance at 31 December 2016	48	38	17	3	106
Amortization					
Balance at 1 January 2016	(29)	(6)	(17)	(3)	(55)
Amortization	(5)	(9)	-	-	(14)
Disposals	-	-	0	-	-
Balance at 31 December 2016	(34)	(15)	(17)	(3)	(69)
Carrying amount at 31 December 2016	14	23	-	-	37

All depreciation charges are included within 'Depreciation of non-financial assets' in Statement of profit or loss and other comprehensive income.

The Fund has no plant and equipment pledged as security for its liabilities.

7. Other receivables

As at 31 December 2016 other receivables comprise of interest receivables amounting to BGN 3 thousand.

8. Cash and cash equivalents

Cash and cash equivalents include the following components:

	2016 BGN '000	2015 BGN '000
Bank deposits	13 309	6 020
Cash at bank	2 262	2 791
Cash in hand	1	2
Cash and cash equivalents	15 572	8 813

The Fund has no blocked cash and cash equivalents.

9. Conditional Financing

The conditional financing includes:

	31.XII.2016 BGN '000	31. XII.2015 BGN '000
Undrawn portion of grants for funding of operations, including:	15 577	8 845
- Undrawn portion of grant for funding of operations – ICP	9 466	8 759
- Undrawn portion of grant for funding of operations – DE	-	7
- Undrawn portion of grant for funding of operations - MW	3 445	
- Undrawn portion of grant for funding of operations – Aviation quotas	2 609	
- financing for purchasing of non-current assets	57	79
Result of operating activities for the year	19	21
Carrying amount at 31 December	15 596	8 866

Undrawn portion of the funding of operations includes:

	31. XII.2016 BGN '000	31. XII.2015 BGN '000
Carrying value at 1 January	8 866	42
Recognized revenue from financing in the statement of profit or loss and other comprehensive income	(14 412)	(8 483)
Recognized financing during the period	21 123	17 286
Carrying amount at 31 December	15 577	8 845

The main sources of funding of the Fund's activities include:

- Provided targeted funding from ICP at the amount of BGN 15 000 thousand for finance investment projects and administrative activities of NTEF.
- Provided targeted funding of the pilot scheme IPMW amounted to BGN 3500 thousand to finance investment projects.
- Provided funding for spending of proceeds from the sale of aviation quotas in the amount of BGN 2609 thousand.

10. Employee remuneration

10.1. Employee benefit expenses

Expenses recognized for employee benefits include:

	2016 BGN '000	2015 BGN '000
Wages, salaries	(260)	(208)
Social security costs	(41)	(34)
Employee benefits expenses	(301)	(242)

10.2. Pension and other employee obligations

The liabilities for pension and other employee obligations recognized in the statement of financial position consist of the following amounts:

	2016 BGN '000	2015 BGN '000
Current:		
Employee obligations	17	18
Unused holiday leaves	8	6
Social security obligations	8	
Current pension and other employee obligations	33	24

11. Trade and other payables

Trade payables recognized in the statement of financial position can be analyzed as follows:

	2016 'BGN '000	2015 BGN '000
Current:		
Payables for legal and other services	-	3
Payables for income tax and others	4	2
	4	5

12. Conditional grant income

The conditional grant income amounts to BGN 14 412 thousand. (2015: BGN 8 482 thousand) and is equal to the amount of the reported expenses on operating activities during the year, including expenses for project financing – BGN 13 576 thousand (2015: BGN 7 682 thousand), administrative expenses and institutional development – BGN 794 thousand (2015: BGN 671 thousand), expenses for program DE – BGN 15 thousand and BGN 27 thousand – for non-current assets (2015: BGN 14 thousand).

13. Project funding costs

Financing of public projects is realized based on two programs:

13.1. Financing of public projects under the Investment Climate Programme (ICP)

Spending resources on this program is based on the Decision of the Council of Ministers № 80/February 11, 2016. These resources have to finance projects to improve the energy efficiency of sites - public state and / or municipal property, as BGN 1 000 thousand are for promoting the use of electric and hybrid cars.

Payments under the contracts for funding ICP concluded between NTEF and beneficiaries are made by bank transfer from an account NTEF. In 2016 actual amounts disbursed to Beneficiaries by projects of that program amounted to BGN 13 576 thousand.

Detailed description of the reported costs in 2016 for project financing of ICP is provided in the table below:

Project №	Beneficiary / Project/ Name	Amount under a Grant agreement with NTEF (Total incl. VAT)	Amount under a Grant agreement with NTEF (85 % of total incl. VAT)	Actual amount of funding during the reporting year 2016 (financing 85%)
155	Modernization and implementation of energy efficiency measures at 146 BS "Patriarh Evtimii", Voluyak village, " Vrabnitsa " region – Metropolitan Municipality	324,746.51	276,034.53	256,802.47
156***	Modernization and implementation of energy efficiency measures at school "Kuzman Shapkarev", „ Serdica “ region – Metropolitan Municipality	370,398.26	314,838.52	0.00
170	Improving the energy efficiency in the House of Culture – Rudozem city – Rudozem Municipality	428,890.87	364,557.24	359,561.50
171	Implementation of energy efficiency measures in kindergarten №4 "Breza", XIII School "Paisiy Hilendarski" and school "Georgi Raichev", Stara Zagora city - subject PS "Georgi Raichev" – Stara Zagora Municipality	170,799.04	145,179.18	145,179.18
176**	Implementation of energy efficiency measures at the educational infrastructure of Lukovit Municipality through major repair and renovation of DN "Shastlivo Detstvo", PS "Eng. Valkov" and the municipal administration building – Lukovit Municipality	603,399.47	512,889.55	42,182.32
177	Improvement of the energy efficiency at BS "Hristo Botev", Dabnitsa Municipality and CCCF "Detelina", Ognyanovo village – Garmen Municipality	392,372.87	333,516.94	304,041.68
179	Introduction of energy efficiency measures in a hall for acrobatics, light athletics and boxing at Sport Complex "Hristo Botev", Gabrovo city – Gabrovo Municipality	1,274,066.44	1,082,956.47	1,009,854.57

180**	Implementation of highly effective energy efficiency measures for municipality-owned buildings at Dalgopol Municipality – Dalgopol Municipality	831,952.20	707,159.37	578,700.21
192	Improving the energy efficiency and reducing the greenhouse gas emissions in the local health care infrastructure on the territory of Pavlikeni Municipality – Pavlikeni Municipality	1,167,292.63	992,198.74	928,241.91
196 1	Improving energy efficiency in school "Hr. Botev "in UPI VIII - school in district 27 village Tserovo – Lesichovo Municipality	365,664.66	310,814.96	307,795.60
196 2	Improving energy efficiency in school "Hr. Botev "in UPI VIII - school in district 63 village Kalugerovo, Lesichovo Municipality, Pazardzhik - Lesichovo Municipality	743,137.92	631,667.23	577,946.03
202	Reducing greenhouse gas emissions through the implementation of energy efficiency measures in the administrative building of the Municipality Ardino – Municipality Ardino	285,482.64	242,660.24	242,270.82
211**	Modernization and implementation of energy efficiency measures at VSSET "At. Dimitrov" - VSSET "At. Dimitrov"	759,464.64	645,544.94	335,639.86
214*	Modernization of street lighting in the Municipality Kaolinovo - Municipality Kaolinovo	2,705,591.14	2,299,752.47	1,001,364.28
216	Implementation of energy efficiency measures at FTK "Chuchuliga" and FTK "Radost", Ruse city – Ruse Municipality	411,846.89	350,069.86	334,825.46
220	Implementation package to improve energy efficiency covered running track at the Sports Complex "Hr. Botev " Vratsa city – Municipality Vratsa	739,570.98	628,635.33	624,568.13
222*	Perform repairs related to improving the energy efficiency of housing 2 building of RDMIA- Veliko Tarnovo city	595,141.61	505,870.37	49,397.12
225	Implementation of a package of measures for improving the energy efficiency of student's dormitory building - block 14 of TU – Sofia – Technical University - Sofia	1,227,925.20	1,043,736.42	1,043,219.52
228**	Implementation of a package of measures for improving the energy efficiency of FTK "Mir" in Iskra village – Sitovo Municipality	467,309.06	397,212.70	2,053.46
233**	Improvement of the energy efficiency and reduction of the harmful greenhouse gases of PS "Otets Paisii", Dobrotica village, PS "G. Rakovski", Sitovo village and OY "St. Karadja", Iskra village – Sitovo Municipality	1,738,615.70	1,477,823.35	527,667.28
240	Reducing the emissions of harmful greenhouse gases through introduction of energy saving measures at Day Nursery – Berkovitsa city – Berkovitsa Municipality	212,785.94	180,868.05	173,097.00
241	Implementation of energy efficiency measures in the building of Primary School Hristo Botev - village Krepost – Dimitrovgrad Municipality	468,796.33	398,476.88	352,530.97
247	Implementation of energy efficiency measures in the building of "Saznanie 1907" town Slivnitsa – Slivnitsa Municipality	587,436.82	499,321.30	489,076.87
262	Increasing the energy efficiency of buildings NU "Vasil Levski" Harmanli city – Harmanli Municipality	220,786.97	187,668.92	186,221.94

The accompanying notes on pages from 70 to 88 form an integral part of the financial statements.

267	Implementation of energy efficiency measures in the building of Primary school "St. Cyril and Methodius", Dolni Dabnik city - Dolni Dabnik Municipality	410,957.77	349,314.10	347,460.65
268	Implementation of energy efficiency measures in the building of Primary school "St. Cyril and Methodius" building 2, Dolni Dabnik city - Dolni Dabnik Municipality	127,178.81	108,101.99	103,392.10
269	Implementation of energy efficiency measures in the building of Primary school "St. Cyril and Methodius", Dolni Dabnik city - Dolni Dabnik Municipality	570,878.39	485,246.63	475,915.24
270	Implementation of energy efficiency measures in the administrative building Pensioners' Club, village Sadovets - Dolni Dabnik Municipality	138,927.86	118,088.68	114,568.90
278	Implementation of energy efficiency measures in buildings of the school "Hristo Botev" Base 1 and Base 2– Aitos Municipality	160,968.06	136,822.85	136,181.82
285***	Implementation of energy efficiency measures in the building 90 School "Gen. José de San Martín - district" Lyulin " - Metropolitan Municipality	954,243.68	811,107.13	0.00
287***	Reducing emissions and improving the energy efficiency of buildings and facilities on campus Dormitory 2 - UT „ Todor Kableshev “	1,040,890.55	884,756.97	0.00
291*	Implementation of energy efficiency measures in the building of the school "Vasil Levski", town of Vetovo – Vetovo Municipality	478,694.95	406,890.71	137,645.77
301	Energy efficiency measures of the administrative building of the Municipality Chernoochene, District of Kardzhali – Chernoochene Municipality	163,590.42	139,051.86	127,452.06
340	Renovation - Repair for the introduction of energy efficiency measures in buildings School and High School Jordan Yovkov K. Preslavski - Burgas – Burgas Municipality	1,378,205.88	1,171,475.00	1,115,981.52
349	Thermal insulation and accompanying measures of building IOMT of BAS – IOMT of BAS	328,095.09	278,880.83	263,469.14
352	Rehabilitation and improvement of energy efficiency Community Center St. Kiril I Metodi, Rakovski city – Rakovski Municipality	313,827.41	266,753.30	255,440.64
356	Implementation of energy efficiency measures in the building of "St. Paisiy Hilendarski " – Kazanluk Municipality	247,823.08	210,649.62	208,325.59
358***	Overhaul of Community Center "Otets Paisii-1905" in the town. P.Trambesh - Municipality Polski Trambesh	300,843.37	255,716.86	0.00
361	Implementation of energy efficiency measures at school "Kulata", Kazanlak city – Kazanluk Municipality	389,889.23	331,405.85	328,362.89
387***	Repair and introduction of energy efficiency measures in the building of BSBD - Basin "Black Sea Region"	604,571.39	513,885.68	0.00
	Public projects - ICP	24,703,060.73	20,997,601.62	13,486,434.50
	ELECTRIC CARS			
001	Project to promote the use of electric MOEW	120,991.20	30,000.00	30,000.00
002	Project to promote the use of electric vehicles Plovdiv Municipality	123,960.00	40,000.00	40,000.00
003	Project to promote the use of electric vehicles - Asenovgrad Municipality	119,996.40	40,000.00	0.00

The accompanying notes on pages from 70 to 88 form an integral part of the financial statements.

004	Project to promote the use of electric vehicles Samokov Municipality	119,009.00	40,000.00	0.00
005	Project to promote the use of electric vehicles – G. Oryahovitsa Municipality	68,000.00	20,000.00	20,000.00
006	Project to promote the use of electric vehicles - Ministry of Economy	68,268.00	20,000.00	0.00
007	Project to promote the use of electric vehicles Burgas Municipality	107,856.00	40,000.00	0.00
008	Project to promote the use of electric vehicles Slivnitsa Municipality	58,000.00	20,000.00	0.00
009	Project to promote the use of electric vehicles MLSP	191,280.00	30,000.00	0.00
	Public Projects - IPC electric vehicles	977,360.60	280,000.00	90,000.00

* Projects partly paid in 2016, and final payment due in 2017.

** Projects partly paid in 2015 and completed in 2016.

*** Projects with payments is due in 2017.

13.2. Financing of public projects under a pilot scheme Investment Program for mineral waters.

Spending money on this program is based on MC Decree № 322 / 24.11.2016. They are for financing environmental municipality projects, leading to the use of the thermal energy of mineral water.

Due to the launch of the program in late 2016 virtually no payments on it. By decision of the Board funds are transferred to next year.

14. Cost of materials

	2016 BGN '000	2015 BGN '000
Heating	(1)	(3)
Electricity	(3)	(3)
Stationery	(3)	(30)
Others	(20)	(12)
	(27)	(48)

15. Hired services expenses

Hired services expenses include:

	2016 BGN '000	2015 BGN '000
Consulting fees	(179)	(334)
Telecommunication	(89)	(39)
Insurance and security	(17)	(11)
Service-station fees	(51)	(13)
Audit services, including of the project financed	(94)	(66)
Others	(12)	(14)
	(442)	(477)

16. Other expenses

Other expenses include:

	2016 BGN '000	2015 BGN '000
Business trip expenses	(30)	(13)
Others	(7)	-
	(37)	(13)

17. Finance costs and finance income

During the reporting period the accounted financial income are interest on deposits, their amount is BGN 19 thousand (including BGN 3 thousand accounted to 31.12.2016). Financial expenses, including cost of bank fees and expenses in foreign operations and their amount is BGN 2 thousand (2014 – BGN 6 thousand).

18. Related party transactions

Related parties of the Fund include key management personnel.

Unless otherwise stated, transactions with related parties were not performed under special conditions and not given or received any guarantees.

Key management personnel comprise Management Board members. Remuneration of key management personnel include the following costs:

	2016 BGN '000	2015 BGN '000
Short-term remunerations:		
Remunerations	12	14
Total short-term remunerations	12	14
Total remunerations	12	14

19. Categories of financial assets and liabilities

The carrying values of financial assets and liabilities of the Fund may be submitted in the following categories:

Financial assets	Note	2016 BGN '000	2015 BGN '000
Loans and receivables:			
Trade and other receivables	7	3	3
Cash and cash equivalents	8	15 572	8 813
		15 575	8 816

Financial liabilities	Note	2016 BGN '000	2015 BGN '000
Financial liabilities at amortized cost:			
Trade and other payables	11	4	5
		4	5

20. Major risks related to the Fund.

20.1. Risks related to operating activities

NTEF is managed by a Management Board composed of a Chairman, two Vice Chairmen and four other members. Three ministries are represented at the level of deputy minister and representatives of three non-governmental institutions - the National Association of Municipalities in Bulgaria, BAS and NGO in the field of environmental protection. Ordinance on the structure and activity of the Fund provides for the determination of alternative board members with voting power from the three ministries in cases where deputy ministers can not participate in meetings. Thus, the risk of being unable to conduct the meetings of the Board of NTEF is minimized.

Regarding the cases of control of NTEF by various supervisory bodies can predict risks, as through all of its years of existence the Fund maintains a high degree of organization of its records. In any case of controls by different bodies the Fund has provided the required documentation and have implemented the relevant prescriptions. In this sense, it cannot be considered that a risk to the Fund exist.

In terms of expenses, necessary for the successful operation of the Fund, it should be noted that they are always depending on the implementation of the programs of investment character and there is no need to cover costs that are not bound by appropriate funding for projects. NTEF optimize their operating costs as a policy of conservative decisions regarding the necessity and appropriateness of each expense. In this sense, it can be considered that there are risks in terms of costs necessary for the operational functioning of NTEF.

20.2. Risks, related to financial instruments

Objectives and policy management with regard to risk management

There are various risks with respect to financial instruments. For more information on financial assets and liabilities by category Fund see note 19. Financial risks that may arise for the Fund are market risk, credit risk and liquidity risk.

Risk management of the Fund is carried out by the central administration of the Fund in cooperation with the Board. Priority management is to provide short- and medium-term cash flows by minimizing the exposure to financial markets.

Financial risks to which it is possible to be exposed Fund are listed below.

20.2.1. Market risk analysis

Consequently, the use of financial instruments the Fund may be exposed to market risk and in particular to the risk of changes in currency exchange rates and interest rate risk.

Currency risk

The majority of the operations of the Fund are carried out in Bulgarian lev. Transactions of the Fund in foreign currencies do not expose the Fund to currency risk.

Interest risk

The Fund's Policy is directed towards minimizing the interest risk. As at 31 December 2016 the Fund is not exposed to a risk of change in market interest rates.

20.2.2. Credit risk analysis

Credit risk is the risk that a counterparty fails to pay its obligation to the Fund. Exposing the Fund to credit risk is limited to the carrying amount of financial assets recognized in the reporting period as indicated below:

	2016 BGN '000	2015 BGN '000
Groups of financial assets - carrying amounts:		
Trade and other receivables	3	3
Cash and cash equivalents	15 572	8 813
Carrying amount	15 575	8 816

The accompanying notes on pages from 70 to 88 form an integral part of the financial statements.

The fund does not provide its financial assets as collateral.

The credit risk on cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

20.2.3. Analysis of liquidity risk

Liquidity risk is the risk that the Fund cannot meet its obligations. The Fund meets the needs of its liquidity, taking care of incoming and outgoing cash flows arising in the course of operations. Liquidity needs are monitored in various current periods. Liquidity needs in the short, medium and long term are budgeted.

21. Commitments in connection with the Investment Climate Programme (ICP)

At the end of 2016 NTEF had been signed contracts for financing 8 public projects, that are yet to be completed, totaling BGN 7 050 thousand. The maximum amount of financing through NTEF under these projects is BGN 4, 711 thousand, as BGN 190 thousand are for the promotion of use of electric cars.

During the period 01.01.2016 – 31.12.2016 a total of 28 investment projects have been completed, including 3 under the pilot scheme of promoting the use of electric cars.

During the 2016 NTEF operations in connection with the implementation of public projects on ICP are focused on the following directions:

- Preliminary control of technical projects and tendering procedures for such projects. The Ecofund performs preliminary control on tendering of all public projects by performing preliminary review and agrees all tender documentation of the procedures as well as the technical projects. Upon successful completion of this procedure and after selecting contractors, the Fund enters into contracts with beneficiaries.
- Control the actual implementation and payments. Fund carries out on-the-spot checks during the implementation of projects in order to minimize the risks of failure. After verification and acceptance of works and a secondary documentary check is carried out, followed by payments to beneficiaries. Payments under contract for financing under ICP concluded between NTEF and beneficiaries are performed through bank.

Available and unused funds under ICP in 2016 will be used in 2017 to finance public projects for energy efficiency and administrative needs of the Fund.

22. Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization.

23. Authorization of the financial statements

The financial statements for the year ended 31 December 2016 (including comparatives) were approved by the Management on 28th March 2017.

“The NTEF is a well-managed and highly effective public institution, environmental financing institution with few weaknesses and many strengths, making it uniquely valuable institution in bulgaria.

With clear and tangible government support the fund has the potential to perform a much greater role in mobilizing and managing the financial resources needed to meet the environmental challenges of eu accession.”

*From “**Review and Assessment of the National Trust EcoFund**”, submitted by **Æquilibrium Consulting GmbH** upon an order of the German Federal Ministry for Economic Cooperation and Development (September 2003), under the Stability Pact.*

„Due to“ to a large extent the ntef has performed very well in terms of: relevance, effectiveness, efficiency, sustainability, and impact reaching. The activities of the ntef were also largely in line with the good practices of public environmental expenditure management. What is truly impressive is that the fund managed to maintain high professionalism and achieve its objectives in a very complicated context, which is endemic for all countries in transition.

Its performance the ntef built an impressive reputation among international institutions and donors”

*From “**Assessment of the National Trust EcoFund and the Debt-for-Environment Swap Agreement**” submitted by **ECORYS SEE Research and Consulting** (January 2011)*

“All activities, allowed or supported as greening activities, are performed in compliance with the sustainable development principles and with the applicable international and national laws, regulations, rules, guidelines amd standards, including art. 87, 88 And 89 from the treaty establishing the european community, related to the state aid.”

*From “**Final independent audit report for expressing certainty regarding the implementation of projects, financed within the framework of the National Green Investment Scheme**”, prepared by Grant Thornton OOD (December, 2015)*

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