

# ФОНДАЦИЯ "РЕСУРСЕН ЦЕНТЪР" Resource Center Foundation

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## Informational bulletin

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evaluation**



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Foundation "Time - Eco projects"

Tel.: 980 90 07; 980 82 01

e-mail: time@sf.icn.bg

**In the issue:**

- ⇒ **Competitions**
- ⇒ **Training**
- ⇒ **Supported projects**

### USEFUL INFORMATION

## A Pilot Program for Public Funds and Social Enterprises

Counterpart – Bulgaria

### Notice

NGOs Competition for a participation in the project  
"Social Enterprises"

*The Conditions of participation in the competition are as follows:*

- NGO to be designated to perform activities in public benefit;
- NGO to offers social services to marginal groups such as: disabled people, children in risk, adults, women, ethnic minorities, youth, drugs addicted people, prisoners;
- NGO to have no less than one year experience in providing social services to marginal groups;
- Potential and capacity of the organization for an implementation of business activities, connected with the mission and the goals of the organization itself.

*25 organizations will be chosen with the help of procedures and criteria of Counterpart Int. These organizations will be offered: trainings in business capacity formation and consultations help. The best 10-15 organizations will have an access to interest-free loans.*

**For more information:**

Tel.: 944 10 71, 944 73 39; e-mail: office@counterpart-bg.org

www.counterpart-bg.org

The applications deadline is:

May 26th, 2002 at 4 p.m.

Free dissemination



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## Not Profit Legal Entities (NPLE) and the Public Procurement Act

**O**n April 11th, 2002 the Parliament adopted on second reading Amendments and Supplements to the Public Procurement Act.

It is an essential amendment to the Act in its part concerning the group of persons, who can be candidates for executors on a contract for an assignment of public errands, since it has been expanded. NPLE, no matter if they are designated to perform activities in public benefit or in mutual benefit, are included in it. According to the acting law so far an executor of such a contract could only be a trader regis-

tered under the Commercial Act. The adopted amendment provides that an executor on a contract for public errands assignment could be a legal entity, which performs scientific research or/and business activity in compliance with a special Act.



Търсете новото месечно списание "ЕвроБизнес"

... за да печелите повече!

According to Art. 3, para.1 from the NPLEA, which in this case is the special law in relation to, the Public Procurement Act, NPLEs are permitted to perform supplementary business activity according. Thus, after the amendments, executors on a contract for assignment of a public errand could be NPLE based on Art. 5, para.2 from the Public Procurement Act and, Art.3, para.3 from the NPLEA . Another important amendment, concerning the legal frame of NGOs in the sphere of the public errands, has been adopted

in the amended Art.4, para.1 from the Public Procurement Act according to which, NGOs can be assignors of public errands, together with the state bodies, mayors of the municipalities, high schools and healthcare institutions (NGOs, which administer the funds from the state budget and extrabudget accounts, the municipality budget and funds or remised budget incomes. A new State Agency for Public Errands at the Council of Ministers has been established with the amendments to the Act. It is established for conducting the state policy in the sphere of the Public errands – a policy, which has been conducted by the Minister of the State Administration until the moment.

The rubric is prepared by the BCNL

For more information: BCNL

Tel.: 981 66 17

# Legal and Tax Environment of Not Profit Legal Entities (NPLE)

The BCNL and the Resource Center Foundation organized the first of the series of seminar-discussions on the subject: "Legal and Tax Environment of Not Profit Legal Entities". The seminar took place on April 10, 2002 in the hall "Mati-D" of the National Palace of Culture. Many representatives from more than 40 NGOs took part in the discussions.

## The first part of the seminar

was focused on the basic provisions regarding taxation of NPLE and taxation of donors to NPLE and was presented by experts from the General Tax Department. The main subjects, which were presented and discussed concerned the legal frame of taxation according to the Corporate Income Tax Act (CITA) and to the Value Added Tax Act (VATA). Regarding the due by the NPLE profit tax and the tax for municipalities, the differences in the taxation were explained in details according to the fact whether the chargeable basis is formed by incomes from the main – non profit activity or by the supplemental business activity. The legal regime of taxation of the activity expenditures was delimited from the one for the social expenditures. The differences concerning the cases of taxation of rewards, paid to officers of NGOs (according to the fact whether they are employees under Labor or Civil Contract) were also explained.

The last amendments to the Value Added Tax Act /VATA/ in force from January 01, 2001 with relation to NPLE were also discussed during the lecture

about the taxation with the value added tax.

An analysis of the amendments to the Corporate Income Tax Act /CITA/, to the Taxation of the Income of Natural Persons Act and to the Local Taxes and Fees Act, connected with the encouragement of the charity toward NPLE was carried out after the discussions.

Some proposals for new amendments of the tax laws for improvement of the legal regime of taxation of NPLE were introduced during the seminar together with the proposals for a development of the hypothesis under which tax relieves in case of donations, given in favor of NPLE could be used.

## The second part

A lecture for the legal regime of the Associations and Foundations according to the Not Profit Legal Entities Act was delivered in the second part of the seminar. The meaning of the concept "business activity" and "the public ben-

efit activity of NPLE" was explained. The basic issues, which were discussed during the seminar, regarded the enforcement of the law into practice – 15 months after its becoming valid.

The seminar was concluded with discussions on problems, caused by the practice of some courts concerning registration and re-registration of the NGOs.

Some conclusions for the necessity of bringing forward new amendments and supplements to the law, connected with the improvement of the legislation were drawn.

The number of seminars on the subject "Legal and Tax Environment of NPLE" goes on. A seminar will be carried out at the end of April in Plovdiv.

Seminars in Smoljan and Burgas will be carried out in May as well.

**For more information about the seminars: tel.: 926 50 65; R. Timcheva, Resource Center Foundation**

## THE FINAL RESULTS

*The Foundation "Time Eco-projects" would like to represent to you the final results from the carried out elections for NGO representatives at the Interagency Committee for Control and Coordination of the implementation of the "National Strategy for the Environment of the Republic of Bulgaria and the Action plan 2000-2006" and the Supreme Ecological Council of Experts at the Ministry of Environment and Waters.*

*Plamena Borisova from the Institute for Environment Strategies has been elected after the ballot for a representative at the Interagency Committee for Control and Coordination of the implementation of the "National Strategy for the Environment of the Republic of Bulgaria and the Action plan 2000-2006". Dimitar Georgiev from BSHPOB has been elected for a representative at the Supreme Ecological Council of Experts at the Ministry of Environment and Waters.*

## Projects financed by "Bulgarian Charities Aid Foundation" (BCAF)

We would like to present you the financed projects in the last tour for grant giving conducted by the Bulgarian Charities Aid Foundation. The tour has been performed with the financial support of the Institute for Sustainable Communities /DemNet Program/.

Additional funds have been granted to the following 15 organizations for additional activities connected with current projects in the following spheres:

### Economic Development

1. The organization "Bulgarian Association of Balneology" – Pomorie – 1000 lv.
2. AURRI "Shumen" – 515 lv.
3. Association "Partners for Local Development" – Devin – 2000 lv.

### Environment Protection

1. Meo "Eco-mission" – Varna – 500 lv.
2. Public Fund for Development of Community of Lovech municipality" – 750 lv.

### Establishment of Networks for Social Protection

1. Association "Trust" – Burgas –

- 1035,15 lv.
2. Foundation "Compassion" – Varna – 1978 lv.
3. Foundation "Psychological support" – Sofia – 1850 lv.
4. Association for Youth Initiatives "Ikar" – Haskovo – 1445 lv.
5. Association "Center Open Door" – Pleven – 1400 lv.
6. Association "Philanthropy" – Pazardzhik – 1905
7. Women's Club "Armmis" – 1600 lv.

### Establishment of Networks for Social Protection

1. Women's Union "Proksen" – Kazanluk – 2000 lv.
2. Club "Social Development" – Dobrich
3. School Board of the Secondary School "D. Talev" – Dobrich – 1998,16 lv.

### Projects, financed in the 6th tour of the program

### Establishment of Networks for Social Protection

1. IMKA – Plovdiv – 5995 lv.

2. "Open Society" Club – Blagoevgrad – 5996 lv.
3. Free Youth Center – Vidin – 5694 lv.
4. Bulgarian Association for Intellectually Disabled People – Pleven – 5386,10 lv.
5. Science and Technics House – Vratsa – 4000 lv.

### Economic Development

1. Club "Friends of the Park "Vrachanski Balkan" – 5350,41
2. Traditional Culture and Sustainable Development – Chepelare – 5989lv.
3. School Board of the Secondary School "St. St. Kiril and Metodii" – Satovcha village – 5900,38 lv.
4. Association "Homeland" – Kjustendil – 5319 lv.

### The extension of the following successful projects has also been financed

### Establishment of Networks for Social Protection

1. National Center for Social Rehabilitation – Burgas department – 3983 lv.

### Democracy Strengthening

1. Charity Company "Mercy" – 3983 lv.

### Nature and Environment Protection

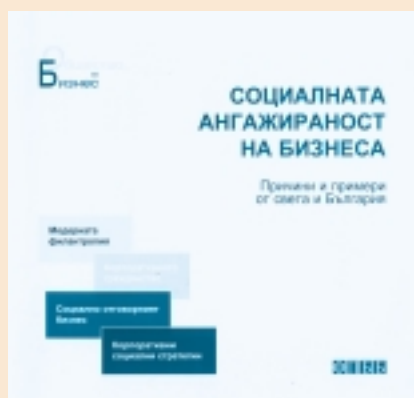
1. Cultural Club "Light" – Pomorie – 3586 lv.
2. Public Center for Urbanism and Environment – Blagoevgrad – 4000 lv.

### Economic Development

1. Association "Agrilink" – 4000 lv.
2. Bulgarian National Customers Association – Rousse department – 3405,4 lv.
3. Informational and Training Ecology Center – Chiprovtsi – 3993 lv.

We would like to offer you the new issue of the BCAF - "Business Social Engagement. Reasons and examples from the World and Bulgaria".

In the issue you could find answers to the following questions: Must Business grant?; How and why does Business grant?; May the Business earn, while granting?; Is the State a obstacle or does the State help for charity de-velopment?.



Some parts from the book "Corporative Social Engagement", written by De-laine Roy have been included in the Issue. The book was published by CAF – Great Britain in 1999. 15 firms in Bulgaria have also been represented. They have already had experience and history in the corporative charity. The Issue is distributed free.

For more information:

BCAF;  
tel.: 981 19 01

# Open Society Club – Varna

**72 projects in the region of Varna, Dobrich, Shumen and Turgovishte were supported with grants by the Open Society Club – Varna for the last two years of the program, financed by the ISC /DemNet of AAMP/. The distributed funds are at the amount of 545 478,69 BGN. The program priority areas are: "Improving the Network for Social Protection", "Economic Development", "Democracy Sustainability" and "Environment Protection".**

We would like to offer you the financed projects from the 3rd and the 4th rounds, conducted respectively in September, 2001 and in January, 2002.

## The 3rd round – September 2001

1. "Coppersmith's trade – a traditional craft of the Gypsies" – Center for Political Processes Researches", Shumen – financed with 3252,8 BGN
2. Initiative for activating the civil society in the municipality of Kaspichan "First Steps" of the Cultural Club "Probuda" – Kaspichan – financed with 1957 BGN
3. "Sustainable Integration of Children from various ethnics groups through cultivating health-care and ecological upbringing and behavior in the civil society" – Cultural Club "Napreduk" – Turgovishte – financed with 2453 BGN
4. "The Nature works for us – we care for the Nature" - "Hope for the Children" – ARGO 21 – Popovo – financed with 3503 BGN
5. "Support for the Third Sector in the

region of Turgovishte" – NGO Club – Turgovishte – financed with 3995 BGN.

6. "New life for the park" – Cultural Club "St. St. Kiril and Metodii" - Popovo – financed with 2730 BGN.
7. "Our new Novi Pazar" – Youth Cultural Organization "Krivata reka" – Novi Pazar – granted funds 3671,6 BGN
8. "Creation of eco-path "Madarski Rider" – Tourist Society "Madarski konnik" – Shumen – granted funds 4000 BGN
9. "The Cultural Club – a partner for achieving ecological-balance" – Cultural Club "Razvitie" – Turgovishte – granted funds 3946,91 BGN

## The 4th round – January 2002

1. "Free Legal Assistance for people with unequal status – 3" – Juridical Council for European Integration – Dobrich – financed with 70052,52 BGN
2. "Summer Sea Academy – 2002" – Sea Club "Friends of the Sea" – Varna – financed with 15495 BGN
3. "The sea is not for one vacation – Lobbying for an active civil stand on the ecological problems of the North Black Sea coast" - "MayDay" Foundation – Varna – financed with 9382 BGN
4. "Creation of a favorable business climate for Sea Industry Development in Bulgaria" – Industrial Business Association – Varna – granted funds 9989,5 BGN
5. "From the other side of the wall – 2" - "Help" Foundation – granted

funds 9655 BGN

6. "Regional network for stimulating the civil society's culture" - "City and Culture" Foundation – Varna – granted funds 3769 BGN
7. "Happy Summer 2002" – Association of the parents of children with cerebral paralysis" – Varna – financed with 9976,65 BGN
8. "Long-lasting social protection through professional qualification" – Cultural Club "Hope" – Vardun village – financed with 4340 BGN
9. "The Cultural Club – a place for a public access to the global informational society" – Cultural Club "Razvitie" – Turgovishte – granted funds 9100 BGN
10. "Development of business profiles for starting up of 20 perspective for the region of Varna micro-businesses" – Business Agency – Varna – granted funds 8026 BGN
11. "Resource card for providing of NGO services" – Public Center for Environment and Sustainable Development – Varna – granted funds 5980 BGN
12. "Hooray! Internet in the village school!" – School Board "St. St. Kliment Ohridski" – Kichevo village
13. "Development of a system for "distance management" and control over the administrative services of Natural Individuals and Legal Entities" – Independent Students' Societies Federation – Varna – granted funds 8990 BGN
14. "Support to young women at a professional crossroad" – Association "To treasure the woman" – Varna – granted funds

# Network Training

The Coalition "Democratic Citizenship" carried out the 1st and the 2nd module from the network training in November 2001.

Many NGO representatives from the little towns and villages in the country participated in the modules. There were as well many representatives with whom we have already carried out training courses in 15 programs for 3 years. The idea for creation of a network, including NGOs from the little towns and villages aroused during the first training course, while discussing the

favours, principles, the stages of the developing of a network among the organizations. The participants had the opportunities to discuss the necessity of developing such network, its structure, functions etc. during the second seminar. They joined hands for the need of establishing an Association of NGOs from the small towns and villages on the bases of similar problems, which the NGO were supposed to solve in the process of their work.

A work group was organized for popu-

larization of the idea among the other organizations in the country.

The 3rd training course will be carried out in June. The participants will be given the chance to prepare the documents, necessary for the registration of the Association.

Everybody, who is interested in the idea for Association of NGOs from the small towns and villages, may receive some additional information by the members of the work group.

The following members are included in the group:

| Name                         | Organization  | Contacts  |
|------------------------------|---|---|
| Peter Peshterski             | Society for Child's Rights Protection                               | Velingrad; tel.:0359/28423; 088 870758; e-mail: peshterski@abv.bg                   |
| Vulko Todorov Stanev         | Center for Human Rights "V. Levski"                                 | Karlovo 4300; tel.0335/3101 and 4968; e-mail:vstanevbg@yahoo.com                    |
| Tsvetko Angelov Naidenov     | Association "Partners for local development"                        | Madan 4900; Obedinenie str., fl.4; tel.: 0308/2050; e-mail: pmr-mad@mbox.infotel.bg |
| Radostina Dimova Pramatarova | Association "The white swallow"                                     | Sredets; Burgas municipality; tel. 05551/2337, 087632398                            |
| Bozhin Kostadinov Dzhinkov   | Association "ARGON"   | Nesebur 8230; Edelvais str.5; tel.:0554/42852; fax:0554/43477; e-mail: argon@abv.bg |
| Diana Stefanova Antonova     | Association "Center- Open World"                                    | Haskovo; Rakovski blvd.11; ap.19; tel.038/34055                                     |
| Julian Petrov Spirov         | Association "The Earth for ever"                                    | Svishtov; tel: 0631/43117; e-mail: spirov_sv@abv.bg; earthforever_sv@abv.bg         |
| Georgi Georgiev              | Association "Novi Pazar – 21 <sup>st</sup> Century"                 | Novi Pazar 9900; tel.:0537/4326 and 3312; 087 474431                                |
| Mariana Avramova Krusteva    | Foundation "Salvation – 97"   | Strazhitsa 5150; tel.: 06161/3578; e-mail: salvation97@abv.bg                       |
| Violina Ivanova Kuneva       | Association "Equal Chance"  | Drjanovo; Buzludzha str. 12; tel.: 0676/5977, 087 617269; e-mail: v-kaneva@mail.bg  |
| Petio Venelinov Nikolov      | Cultural Club "Light"   | Cherven Brjag ; tel.: 0659/4845; e-mail: p_d@abv.bg                                 |
| Maria Staneva Marinova       | Youth Association for a development of the municipality of Etropole | Tel.: 0720/7209 and 82208 e-mail: mariamar@abv.bg                                   |
| Diana Angelova               | "Open Education" Center   | Sofia, 1124; Dobromir Hriz str. 31;tal/fax: 02/9433715; e-mail: oec@internet-bg.net |
| Zhivko Tsirkov               | "Open Education" Center   | Sofia, 1124; Dobromir Hriz str. 31;tal/fax:   |

## Open Society Club – Varna

 From p. 5

- 10 000 BGN
15. "Jailata" – a heritage for the future" – Youth Ecologic Organization" Eco-Mission" – Varna – granted funds **9771,7 BGN**
  16. " Children – active participants in the preserving and stylization of the environment" – Cultural Club "Vasil Levski" – Vasil Levski village – granted funds **4060 BGN**
  17. "Citizens – Police: Public Control and Trust" – Club "Social development" – Dobrich – granted funds **9800 BGN**
  18. "Improvement of the interaction: citizens – local authority in the municipality of Venets" – Center for Researches of the Political Processes" – Shumen – granted funds **6465 BGN**
  19. "Administrative and Legal Services for Disabled People" – Center for Independent Life – Varna – granted funds **9250 BGN**
  20. "Independency through training" – Association for Support of Mentally Disturbed People – Varna – granted funds **9299,52 BGN**
  21. "A window towards the World" – Youth Cultural Organization "Krivata reka" – Novi Pazar – granted funds **7008,75 BGN**
  22. "Raising of the employment and encouraging of the citizens' activity of the population in the municipality of Vurbitsa – Bjala reka village" – Foundation "Visija" – Varna – granted funds **10 000 BGN**
  23. "Authority – use it but don't misuse of it" – Foundation "Family Zone" – Varna – granted funds **7987 BGN**
  24. "Varna – a town for living...(my home, my street, my municipality) – Bulgarian Association for Fair Election and Civil Rights – Varna – granted funds **9633 BGN**
  25. "A Consultative Center for Legal Protection of individuals or families in the lowest income bracket, living in the municipality of Popovo". – Cultural Club "St. St. Kiril and Metodii" – Popovo – granted funds **6856 BGN**
  26. "Educational program on Labor Law and Social-Insurance System" – Center for Youths and Students Initiatives – Shumen – granted funds **6420 BGN**
  27. "Future for unemployed young people" – Association "Han Omurtag 2000" – Omurtag – granted funds **7158 BGN**
  28. "Made in the region of Shumen" – Sustainable Regional Development and Investments Agency – Shumen – granted funds **5040 BGN**
  29. "The Civil Society into the media focus" – NGO Club – Turgovishte – granted funds **9200 BGN**
  30. "Establishment of a partnership for optimizing the environment "A school for everybody" – Center for Education, Culture and Ecology 21" – Varna – granted funds **6510 BGN**
  31. "The Scraps – a wealth for the prudent individuals" – Foundation "Eco Goodwill Fond for Kavarna" – Kavarna – granted funds – **6500 BGN**
  32. "Let's clean our home-land today in order to have where to live tomorrow" – A School Board "Hristo Smirnenski" – Vuglen – granted funds **4144 BGN**



*The Ecologists from the Foundation "MayDay" and OCOSUR give away chocolate power stations as a part of the appeal for energy economy.*

The Open Society Club – Varna celebrated its tenth anniversary with "A Day of the Open Doors" – a Third Sector Exhibition" on February 14, 2002.

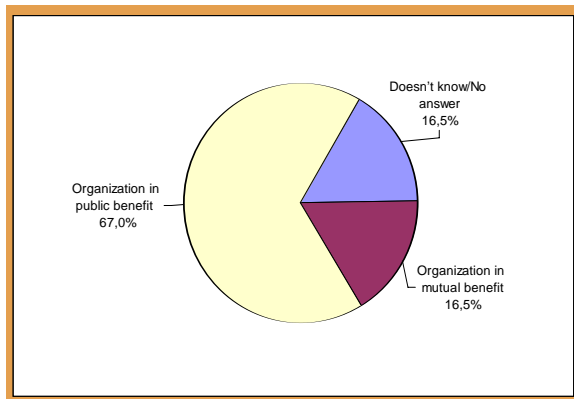
There were many discussions on the following subjects: "Do the journalists tell lies?"; "The price of the gold from the Varna Necropolis"; "The rights of the patient"; "Has the Charity a workday?"; public debate for pupils "Make love, not war"; eco-actions for saving of nature resources and protecting of the environment.

# Sociological Research of NGOs in Bulgaria

Dear readers,  
We started representing the results from the conducted research of NGOs in Bulgaria in the Issue 2 (11) March 2002. Here we will continue the rubric with information about:

- Registered organizations according to the performed activity;
- Organizations, which perform supplemental business activity regarding the goals of the organization itself;
- Forms of business activities;
- Do the organizations have positive financial results for 2000, liable to tax on profits?.

**Graphic 1.** Registered organizations (or in the process of registration), according to the performed activity.



Base N = 85 (organizations, which have been registered or which are in the process of registration under the new Non Profit Legal Entities Act)

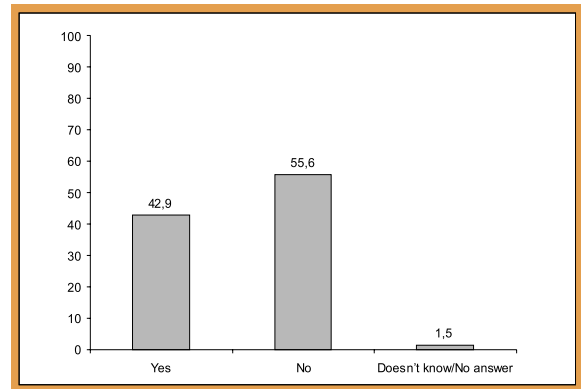
**Table 1.** The organizations, if they register themselves to perform activities in public benefit, will work in the following spheres:

|  |      |
|--|------|
| Development and strengthening of the spiritual values, civil society, healthcares, education, culture, techniques, technologies or sports. | 63.0 |
| Support of the social integration and personal realization   | 8.3  |
| Protection of human's rights or the environment  | 6.5  |
| Support of people in the lowest income bracket, disabled persons   | 4.6  |
| Other  | 13.9 |
| No answer  | 3.7  |

Base N = 108 (organizations, which intend to register themselves to perform activities in public benefit.)

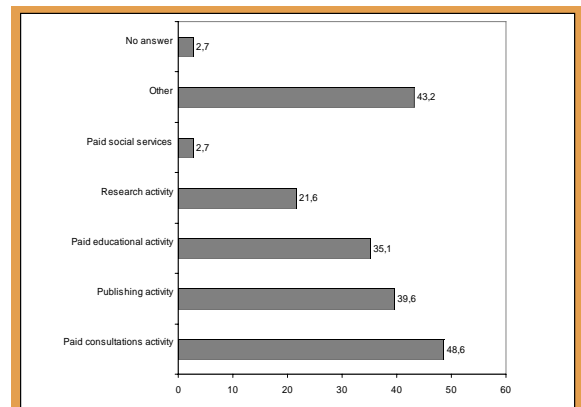
**You can send your recommendations and opinions regarding the Informational Bulletin on the following e-mail: [ani@ngorc.net](mailto:ani@ngorc.net)**

**Graphic 2.** Does your organization perform supplemental business activity, which is connected with the goals of the organization?:



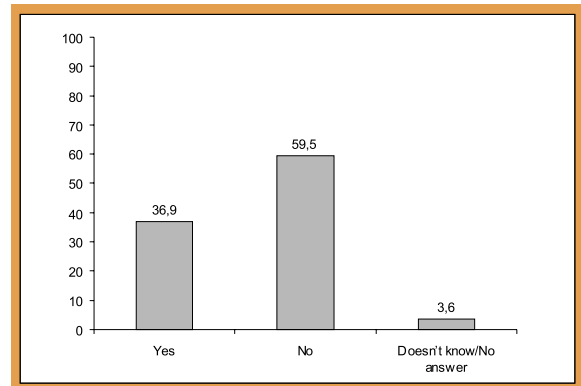
Base N = 259

**Graphic 3.** Forms of business activities



Base N = 111 (organizations, which perform business activity)

**Graphic 4.** Does your organization have a positive result for 2000, liable to tax on profits?



Base N = 111 (organizations, which perform business activity)

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