

LAW
to promote research and innovation

Chapter One

GENERAL

Art. 1. This law regulates the principles, mechanisms and instruments for the formation and implementation of the state policy for the promotion of scientific research and innovation in the Republic of Bulgaria, as well as public relations related to the development of scientific research and innovation activity.

Art. 2. (1) Scientific research includes fundamental and applied scientific research.

(2) Fundamental scientific research is experimental or theoretical work undertaken primarily for the purpose of acquiring new knowledge about the causes of phenomena or observable facts without expected direct commercial application or use.

(3) Applied scientific research is industrial scientific research, experimental development or a combination of both.

(4) Innovation activity includes a series of actions undertaken with the aim of creating innovation for the benefit of the economy and society, which can be research, experimental development, improvement or creation of new technological and organizational processes, products and services, as well as financial and commercial activities of enterprises or organizations expected to lead to innovation.

(5) An innovation is a new or improved product, process or service, or a combination thereof, which differs significantly from its previous state and which is made available for use by potential users or commissioned.

Art. 3. This law aims:

1. To create conditions for the promotion and development of research and innovation activities for obtaining new knowledge, achieving scientific results and creating innovations for the benefit of society;

2. To create conditions for effective interaction in the field of scientific research and innovation between the state, higher education institutions and scientific organizations, local self-government bodies and local administration, business and civil society;

3. To increase the efficiency and competitiveness of the country's economy;

4. To provide a favorable environment for access to research infrastructure and its optimal use;

5. To promote the use of current hypotheses, methods, scientific information, results and conclusions of scientific research in the learning process in schools, higher education institutions and scientific organizations;

6. To improve the conditions for the transfer of knowledge and technologies;

7. Active participation of persons engaged in scientific research and innovation activities in the country in international program and project activities and in international networks and partnerships for scientific research and innovation;

8. To increase the number and the competence of persons engaged in research and innovation activities, and to ensure equal access to increase their qualifications;

9. To ensure conditions for sustainable financing of research and innovation activities;

10. To increase the interest of society in science, innovation and the dissemination of scientific knowledge, as well as to stimulate an entrepreneurial culture;

11. To promote open science and improve access to scientific publications while respecting copyright and other intellectual property rights.

Art. 4. (1) Scientific research and innovation are a national priority and have strategic importance for the development of the country.

(2) Research and innovation activities financed with public funds are based on the principles of freedom of implementation, equality, including between women and men, impartiality, partnership and compliance with generally accepted ethical standards at the national and European level and compliance with the policy for the protection of personal data.

Art. 5. (1) Scientific research activity financed with public funds is based on the principle of open science, without contradicting the principles of intellectual property protection.

(2) Open science is the transfer of knowledge by providing access to research data and wide dissemination of the results of research for which public funding has been provided.

Art. 6. (1) The state policy for the promotion of scientific research and innovation is aimed at providing favorable conditions for the creation, development and support of scientific research and innovation and is based on the principles of publicity and efficiency.

(2) The state policy for the promotion of research and innovation activities covers:

1. the financial promotion of scientific research and innovation with public funds;

2. the creation of conditions for the use of research and innovation potential and for their development in accordance with the priority guidelines for the development of the country;

3. the creation of conditions for the protection of intellectual property obtained on the basis of scientific results and knowledge and innovations;

4. the creation of conditions for the realization of scientific knowledge, scientific results and innovations, as well as supporting their dissemination in all areas of public life;

5. the stimulation of international cooperation in the field of scientific research and innovation, participation in European and trans-European scientific programs and networks, as well as participation in the European research area;

6. the creation of conditions for free access to the results of scientific research, fully or partially financed with public funds, as well as an effective system for providing, storing, sharing and using scientific information in electronic form.

(3) Within the framework of the approved funds for the development of scientific research and innovation under the law on the state budget for the relevant year and for the period of the relevant updated medium-term budget forecast, the Minister of Education and Science and the Minister of Innovation and Growth allocate and coordinate the approved funds by activities and directions.

Chapter Two

FORMATION OF THE STATE POLICY IN THE FIELD OF SCIENTIFIC RESEARCH AND INNOVATION

Art. 7. The state forms and implements the policy for the promotion of scientific research and innovation by:

1. determining the national and regional strategic goals and priorities and ensuring their achievement;
2. creating conditions for coherence of policies in the field of education, science and innovation and other sectoral policies and monitoring, evaluating and controlling their implementation;
3. stimulating research and innovation activity, entrepreneurship related to the creation of innovations, the application of emerging technologies and the development of innovation capacity;
4. providing access to electronic databases with scientific information;
5. creating conditions for increasing the amount of financial resources to fulfill the goals and priorities under item 1, including by attracting investments from private legal entities;
6. providing sustainable funding to scientific organizations and higher education institutions for conducting scientific research, for attracting and developing qualified human resources and for securing the material base;
7. ensuring the financing and supervising the implementation of national programs and projects in the field of scientific research and innovation;
8. promoting applicant activity and supporting activities related to the protection of intellectual property on objects that are the result of scientific research and innovation activity;
9. supporting technological transfer;
10. supporting participation in international programs and initiatives in the field of scientific research and innovation, including on the principle of shared funding;
11. supporting the promotion of science and innovation;
12. creating and maintaining favorable economic, administrative and financial conditions for carrying out scientific research and innovation activities under the conditions and according to the procedure defined in a normative act;

13. supporting innovation activity by easing or eliminating regulatory regimes, as well as by other financial or non-financial mechanisms and measures aimed at improving the business environment;

14. supporting the construction and functioning of scientific research infrastructure, scientific and technological parks and facilities and access to international and European scientific research infrastructures and databases;

15. creating conditions for attracting students and young scientists to scientific developments and dissemination of knowledge;

16. creating conditions for the preparation, career development and qualification of personnel in the field of scientific research and innovation;

17. supporting participation in the international exchange of knowledge through implementation of joint projects and programs and other forms of cooperation;

18. creating conditions for free access to the results of scientific research, financed in whole or in part with public funds, as well as coordinating the construction and maintenance of a reliable and effective system for providing, storing, sharing, publishing and using digital scientific data and information.

Art. 8. (1) The state policy for the promotion of scientific research and innovation is carried out by the Council of Ministers, by the Minister of Education and Science and by the Minister of Innovation and Growth.

(2) The state policy under para. 1 is also carried out by other ministers in the sphere of their competence through various measures and activities in the relevant sector and in coordination with the strategic documents under Art. 9.

Art. 9. (1) The Council of Ministers implements the state policy for the promotion of scientific research and innovation by:

1. adopting a National Strategy for the Development of Scientific Research;

2. adopting an Innovation Strategy for Intelligent Specialization;

3. adopting the Framework Program for Scientific Research and Innovation;

4. adopting a National Road Map for Scientific Research Infrastructure;

5. adopting national programs in the field of science and in the field of innovation;

6. adopting other strategic documents, which define the goals and relevant measures and activities by the state for the development of scientific research and innovation in accordance with the goals and priorities of the European research area, as well as with other community policies.

(2) The National Strategy for the Development of Scientific Research is a strategic document that defines the goals and relevant measures and activities of the state for the development of scientific research.

(3) The Innovation Strategy for Intelligent Specialization is a strategic document for sustainable development of the country based on scientific research and innovation.

(4) The Framework Program for Scientific Research and Innovation determines the scope, areas and activities for the promotion and financing of scientific research and innovation in accordance with the National Strategy for the Development of Scientific Research and the Innovation Strategy for Intelligent Specialization and contributes to their implementation. The Program also determines the planned funding by year and the bodies for its implementation.

(5) The development of the country's scientific research infrastructure is planned through the National Road Map for Scientific Research Infrastructure. It contains a list and description of research infrastructures of national and European importance at higher education institutions, scientific organizations or their associations.

(6) National programs in the field of science and in the field of innovation are developed to solve strategic goals and challenges and are financed in whole or in part with funds from the state budget for the development of scientific research and innovation.

(7) The strategies under para. 2 and 3 and the program under para. 4 are adopted for a period of 7 years, which is in line with the Framework Program for Scientific Research and Innovation of the European Union.

Art. 10. (1) Planning, monitoring and evaluation of the implementation of the National Road Map for Scientific Research Infrastructure are carried out by a Standing Committee as an advisory body to the Minister of Education and Science.

(2) The Standing Committee consists of representatives of the scientific community, employer organizations, ministries and independent experts, appointed by order of the Minister of Education and Science.

Art. 11. (1) The National Road Map for Research Infrastructure is prepared by subjects and can be updated by a decision of the Council of Ministers on the proposal of the Minister of Education and Science.

(2) An evaluation of objects to be included and excluded in the Map under para.1 is made by independent experts in its various subjects, determined by order of the Minister of Education and Science. The order defines indicators and methodology for the implementation of criteria for evaluating the objects on the Map.

(3) The assessment for the inclusion of new objects is carried out on the basis of the following criteria:

1. capacity and quality of the research infrastructure;
2. added value in the field of scientific research and innovation in the country, the European and international research space and potential for integration into European and international associations for scientific research infrastructure;
3. requested funds and ensured sustainability.

(4) The evaluation in case of exclusion of objects is carried out on the basis of the following criteria:

1. degree of construction;
2. implementation of the construction and operation plan;

3. provided services to external users.

(5) The assessment under para. 2 is presented to the Minister of Education and Science through the Standing Committee under Art. 10.

Art. 12. The Minister of Education and Science implements and coordinates the state policy for the promotion of scientific research by:

1. developing and proposing for adoption the National Strategy for the Development of Scientific Research and is responsible for the monitoring and reporting of its implementation;

2. developing and proposing for adoption the National Road Map for Scientific Research Infrastructure;

3. Developing and proposing for adoption national programs in the field of science;

4. establishing awards for contributions and achievements in the field of scientific research, which are awarded under the conditions and according to the order determined in the act for their establishment;

5. submitting for approval by the Council of Ministers a report on the implementation of the National Strategy for the Development of Scientific Research after the completion of each stage of it, as well as a plan for the implementation of the next stage;

6. developing and proposing to the Council of Ministers for adoption a National Program for Open Science, and controlling the implementation of measures to promote open science;

7. performing other functions assigned to him by law, related to the conduct of policy in the field of science and scientific research.

Art. 13. The Minister of Innovation and Growth implements and coordinates the state policy to promote innovation by:

1. developing and proposing for adoption the Innovation Strategy for Intelligent Specialization and is responsible for monitoring and reporting its implementation;

2. developing and proposing for adoption national programs in the field of innovation;

3. submitting for approval by the Council of Ministers a three-year plan for the implementation of the Innovation Strategy for Intelligent Specialization;

4. submitting for approval by the Council of Ministers annual progress reports on the planned activities in the Implementation Plan of the Innovation Strategy for Intelligent Specialization, as well as an interim and final monitoring report;

5. establishing and giving awards for contributions and achievements in the field of innovation, which are awarded under conditions and according to the order determined in the act of their establishment;

6. performing other functions related to the implementation of innovation policy.

Art. 14. (1) The Minister of Education and Science and the Minister of Innovation and Growth develop and submit for approval by the Council of Ministers the Framework Program for Scientific Research and Innovation.

(2) The Minister of Education and Science and the Minister of Innovation and Growth develop and submit for approval by the Council of Ministers a report on the implementation of the program under para. 1 for the previous two financial years, and if necessary - a justified proposal for its update.

(3) The Minister of Education and Science and the Minister of Innovation and Growth ensure and coordinate the country's participation in the European Union Framework Program for Scientific Research and Innovation through a national network of experts in the various subjects of the program. The network is led by a National Coordinator who organizes, coordinates, monitors and reports on its activities.

(4) The manager and experts from the network under para. 3 are determined by the Minister of Education and Science after consultation with the Minister of Innovation and Growth.

(5) The activity of the network under para. 3 is provided by the Ministry of Education and Science and the Ministry of Innovation and Growth.

Art. 15. (1) The bodies of local self-government and local administration may define policies to promote scientific research and innovation at the municipal level.

(2) The Municipal Council may:

1. adopt strategies, programs and plans containing measures, goals and priorities for the development of scientific research and innovation;

2. create conditions for the implementation of research and innovation activities within the municipality;

3. adopt programs and plans for building and maintaining scientific research infrastructure on the territory of the municipality;

4. provide conditions for training and qualification of persons in the field of science, innovation and technological transfer.

(3) The mayor of the municipality may:

1. promote the partnership between business, citizens, higher education institutions, scientific organizations and the non-governmental sector;

2. support the promotion of activities related to science and innovation;

3. promote innovative activity, entrepreneurship related to the creation of innovations, the application of emerging technologies and the development of innovation capacity in the municipality.

Art. 16. (1) In carrying out the state policy for the promotion of scientific research and innovation, the Minister of Education and Science and the Minister of Innovation and Growth are assisted by the Innovation and Science Research Council.

(2) The Innovation and Science Research Council is an advisory body to the ministers under para. 1, which supports the coordination of the state policy for the promotion of scientific research and innovation with other national policies and strategies.

Art. 17. The Innovation and Science Research Council:

1. participates in the development of national strategic documents and programs in the field of scientific research and innovation;
2. gives opinions on the participation of the Republic of Bulgaria in international scientific cooperation;
3. makes recommendations regarding the participation of the Republic of Bulgaria in the European Research Area and the implementation of the European Innovation Program adopted by the European Commission;
4. gives recommendations and opinions on various issues in the field of scientific research and innovation;
5. gives opinions on projects of normative acts and strategic documents in the field of scientific research and innovation;
6. participates in the process of monitoring the implementation of the Innovation Strategy for Intelligent Specialization;
7. at the request of the Minister of Education and Science and the Minister of Innovation and Growth, gives opinions on other issues related to scientific research and innovation.

Art. 18. (1) The composition of the Innovation and Science Research Council includes the Minister of Education and Science, the Minister of Innovation and Growth and 15 members, of which:

1. six representatives of higher education institutions and scientific organizations;
2. seven business representatives;
3. two experts in intellectual property or with experience in technology transfer.

(2) The Minister of Education and Science and the Minister of Innovation and Growth are co-chairmen of the Innovation and Science Research Council.

(3) The Minister of Education and Science and the Minister of Innovation and Growth determine the members of the Innovation and Science Research Council by joint order. The order is published on the websites of the Ministry of Education and Science and the Ministry of Innovation and Growth.

(4) The members of the council under para. 1, items 1 - 3 are determined for a period of 5 years with the right to one more term.

(5) For participation in the work of the Innovation and Science Research Council, its members do not receive remuneration.

Art. 19. (1) Established Bulgarian and international scientists in various fields of higher education - qualified persons from the country and abroad, proposed by higher education institutions and scientific organizations are designated as members of the Innovation and Science Research Council under Art. 18, para. 1, item 1.

(2) The members of the council under Art. 18, para. 1, item 2 must have proven experience in the implementation of innovation projects in the last 5 years.

(3) The members of the council under Art. 18, para. 1, item 3 must have proven experience in the field of intellectual property or technology transfer in the last 5 years.

Art. 20. (1) The activity and organization of work of the Innovation and Science Research Council, as well as the conditions and procedure for determining its members, are determined by regulations issued by the Minister of Education and Science and the Minister of Innovation and Growth.

(2) The regulations are published on the website of the Ministry of Education and Science and the Ministry of Innovation and Growth.

Art. 21. The technical and administrative support of the activities of the Innovation and Science Research Council is carried out by a secretariat, which consists of employees of the Ministry of Education and Science and the Ministry of Innovation and Growth.

Art. 22. (1) In order to implement and coordinate the state policy for the promotion of scientific research and innovation, the departments whose policy areas include measures and activities related to the implementation of the state policy for the promotion of scientific research and innovation shall determine at least one official acting as Science and Innovation Coordinator.

(2) The Coordinators under para. 1 support:

1. the integration of the policy for the promotion of scientific research and innovation in sectoral policies and strategic documents;

2. the process of collecting and verifying the data regarding the indicators for the implementation of the National Strategy for the Development of Scientific Research and the Innovation Strategy for Intelligent Specialization;

3. the reporting of the implementation of strategic documents and programs for the promotion of scientific research and innovation in the area of competence of the relevant department.

(3) In fulfillment of their functions, the coordinators under para. 1 cooperate with the Minister of Education and Science and the Minister of Innovation and Growth.

(4) The functional duties of the employees performing the functions of coordinators are defined in their job descriptions or by an order of the appointing authority.

Chapter Three

FINANCIAL PROMOTION OF SCIENTIFIC RESEARCH

Section I.

General

Art. 23. (1) The financial promotion of scientific research is expressed in full or partial funding with funds from the state budget, from the European Union and under international programs and agreements,

from donations and from other sources in accordance with the goals and priorities defined in national or sectoral strategic documents for the development and promotion of scientific research.

The activities that are the subject of state policy are fully or partially financed with funds from the state budget.

1. national programs in the field of science;
2. The National Research Infrastructure Road Map;
3. The Framework Program for Research and Innovation;
4. research projects on a competitive basis;
5. programs for international and intersectoral mobility of scientists and doctoral students.

(3) With funds from the European Union and under international agreements and programs, activities for the implementation of:

1. scientific research projects;
2. programs for international and intersectoral mobility of scientists and doctoral students;
3. projects and agreements for the construction and operation of research infrastructure;
4. bilateral and multilateral international agreements and programs;
5. European and trans-European scientific programs.

(4) Funds from the state budget may co-finance activities under para. 3.

Art. 24. (1) The promotion of the development of scientific research through funding from the state budget is carried out under the conditions and according to the procedure of this law.

(2) The promotion of the development of scientific research through financing with funds from the state budget can also be carried out under the conditions and according to the order of special laws for the implementation of sectoral policies.

(3) The promotion of the development of scientific research through financing with funds from the European Union and under international agreements is carried out under the conditions and according to the order defined in the law of the European Union, national law and international agreements.

(4) The financing and promotion of economic activities of higher education institutions and scientific organizations with funds from the state budget for carrying out scientific research and innovation activities in accordance with this law are admissible in compliance with the European rules in the field of state aid and in compliance with the conditions and the order of the State Aid Act.

Section II.

Scientific Research Fund

Art. 25. The Scientific Research Fund, hereinafter referred to as "the Fund", is a legal entity with its seat in the city of Sofia. The manager of the fund is a second level budget institution under the budget of the Ministry of Education and Science.

Art. 26. The Scientific Research Fund:

1. finances projects, programs and activities for the promotion and development of scientific research and the scientific research infrastructure and for the career development of scientists in accordance with the strategic documents for scientific research and innovation of the Republic of Bulgaria and the European Union;
2. financially supports the participation of scientific organizations and higher education institutions in European and other international programs, projects and bilateral agreements for scientific research and finances the participation of Bulgarian scientific teams in them;
3. also works in coordination with other organizations funding scientific research and innovation and supports the dissemination of scientific knowledge.

Art. 27. The management and activities of the fund are carried out in accordance with regulations adopted by the Council of Ministers on the proposal of the Minister of Education and Science.

Art. 28. (1) Management bodies of the Scientific Research Fund are:

1. executive board;
2. chairman of the executive board;
3. manager.

(2) The positions of Minister of Education and Science, Deputy Minister of Education and Science whose department is Scientific Research, Chairman of the Executive Board of the Fund, Manager of the Fund and Executive Director of the Executive Agency Educational Program cannot be held at the same time, as well as any two of them, by qualified persons from the same professional field.

(3) The Executive Board carries out the scientific research part of the management of the Fund's activities by directing and conducting the planning, organizing and evaluation activities of the Fund's scientific competitions.

(4) The Executive Board consists of qualified persons, proposed under the conditions and according to the order defined in the regulations of the Scientific Research Fund, representatives of the Ministry of Education and Science, as well as a representative of the Ministry of Innovation and Growth. The composition of the Executive Board is determined by an order of the Minister of Education and Science. The mandate of its members is 4 years with the right to one more mandate.

(5) The chairperson of the Executive Council is elected from among its members for the term of the mandate of the Council.

(6) In carrying out their functions, the Chairperson of the Executive Board is assisted by a Deputy Chairman, who is elected according to para. 5. The Deputy performs the functions of the Chairperson of the Executive Board in cases of their absence.

(7) The Manager of the Fund is responsible for the administrative and financial management of the Fund and for the legality of its decisions.

(8) The Minister of Education and Science conducts a competition for the Manager of the Fund in accordance with the procedure specified in the regulations under Art. 27, after which he concludes a management contract with them.

(9) The positions under para. 1 cannot be occupied by:

1. rectors, vice-rectors and deans of faculties in higher education institutions;
2. chairperson, vice-chairpersons and scientific secretaries of the Bulgarian Academy of Sciences and the Agricultural Academy;
3. directors and deputy directors of scientific institutes, national centers for public health and analysis or heads of other scientific organizations and their deputies;
4. persons convicted to deprivation of liberty for an intentional crime of a general nature;
5. persons placed under injunction;
6. persons who culpably caused property damage to the Fund;
7. heads or members of a scientific team of current projects financed by the Fund.

(10) The mandate of the persons in the governing bodies under para. 1 is terminated early in the event of:

1. submission of a written application by the person occupying the position;
2. de facto inability of the person to fulfill their obligations, lasting more than 6 months, or systematic non-fulfillment of the same;
3. occurrence of any of the circumstances under para. 9;
4. entry into force of an act establishing a conflict of interest under the Anti-Corruption Act;
5. death of the person.

(11) Except in the cases under para. 10, the management contract with the Fund Manager may be terminated by the Minister of Education and Science at their discretion.

(12) In the event of any of the circumstances under para. 10 and 11, a person is elected or appointed to finish the mandate of the respective position.

(13) For one mandate is considered the time over two years, during which the person has held the respective position.

(14) The specific conditions and procedure for determining the management bodies under para. 1 are governed by the regulations of the Scientific Research Fund.

Art. 29. (1) Temporary and permanent scientific expert committees consisting of qualified persons are established for the Scientific Research Fund.

(2) The temporary scientific expert committees organize the evaluation and carry out the ranking of scientific research projects in the competitions held by the Fund.

(3) The permanent scientific expert committees perform analysis and evaluation of the implementation of the funded competition projects in the relevant scientific fields.

(4) The members of the scientific expert committees are determined by a decision of the Executive Board under the conditions and according to the procedure defined in the regulations of the Fund.

(5) For implementation of activities under the Framework Program under Art. 9, para. 4 the Fund Manager can create expert working groups for specific tasks after a decision of the Executive Board.

Art. 30. (1) The members of the Executive Board and the scientific expert committees, with the exception of the representatives of the Ministry of Education and Science, the representative of the Ministry of Innovation and Growth and the Manager of the Fund, receive remuneration in the amount determined by the regulations of the Fund. They are entitled to remuneration only for the months during which they participated in meetings.

(2) The members of the Executive Board shall be jointly and severally liable for the property damage that they culpably caused to the Fund.

(3) The chairman and the members of the Executive Board may not participate in, or apply for, projects and programs financed by the Fund for the duration of their powers.

Art. 31. (1) The Fund implements a three-year operational program.

(2) The program contains objectives, performance indicators and a plan for the upcoming activities for the period and their corresponding financing based on clear and measurable objectives and policies in the course of the budget procedure and in the medium term, which will contribute to the optimal management of financial resources, within the general budget parameters for the relevant year and for the period of the relevant medium-term budget forecast.

(3) The Minister of Education and Science determines the general guidelines for priorities in the program based on the recommendations and opinions of the Innovation and Science Research Council.

(4) The program is approved by the Minister of Education and Science on the proposal of the Executive Board of the Fund after coordination with the Minister of Innovation and Growth.

(5) The agreement under para. 4 is carried out within 7 days of receiving the program. It is considered to have been agreed when no opinion has been sent within the specified period.

Art. 32. The Fund's income is provided by:

1. funds from the state budget;
2. funds based on agreements, donations and assistance from national and international financial institutions and organizations and funds under international agreements;
3. donations from individuals and legal entities;

4. funds under programs of the European Union and the countries of the European Economic Area.

Art. 33. (1) The funds of the Fund are spent on:

1. implementation of the National Strategy for the Development of Scientific Research;

2. targeted funding of national scientific programs;

3. funding of fundamental and applied scientific research;

4. construction and maintenance of research infrastructure;

5. full or partial funding of scientific research projects of Bulgarian higher education institutions or scientific organizations that received an assessment above the threshold in the approved application guidelines under the procedures of the Framework Program for Scientific Research and Innovation of the European Union;

6. providing full or partial funding for the implementation of or participation in projects and programs related to scientific research of higher education institutions, scientific organizations, scientists, young scientists, postdoctoral students or groups of scientists from higher education institutions or scientific organizations;

7. supporting the publication of peer-reviewed and indexed Bulgarian scientific periodicals with the aim of spreading scientific knowledge;

8. organizing and holding forums related to the exchange of scientific knowledge;

9. acquisition and maintenance of intellectual property rights as a result of research activity, including expenses related to acquisition and maintenance of patents of higher education institutions and scientific organizations;

10. maintenance for the activity of the Fund.

(2) The financing under para. 1 can also be implemented in partnership with other institutions, organizations and funding bodies.

(3) The acquisition of intellectual property rights by scientific organizations and higher education institutions on objects, the creation of which is the result of scientific research financed with funds from the Fund, is regulated by a contract between the parties that received funding and the Fund.

Art. 34. (1) The Fund supports projects for the promotion and development of scientific research by providing targeted financial resources based on a competition held under the conditions and in accordance with the procedure of this law.

(2) The provision of financial resources from the Fund can be carried out without conducting a tender procedure for the implementation of:

1. national scientific programs by decision of the Council of Ministers;

2. research projects of Bulgarian higher education institutions or scientific organizations that received an assessment above the threshold in the approved guidelines for applications under the procedures of the Framework Program for Scientific Research and Innovation of the European Union.

(3) The provision of financial resources from the Fund on the basis of a competition is carried out according to the conditions of the Framework for State Aid for Scientific Research, Development and Innovation and according to the conditions of Chapter III, Section 4 of Regulation (EU) No. 651/2014 of the Commission of 17 June 2014 declaring certain categories of aid compatible with the internal market pursuant to Articles 107 and 108 of the Treaty (OJ L 187/1 of 26 June 2014), hereinafter referred to as "Regulation (EU) No 651/2014".

Art. 35. (1) The tender procedure is opened by order of the Manager of the Fund after a decision of the Executive Board.

(2) With the decision, the Executive Board approves the tender documentation, which contains:

1. invitation to candidates for participation in the competition;
2. guidelines for applying to the competition and evaluation methodology;
3. templates for application documents.

(3) The Manager's order contains:

1. name of the competition;
2. the total amount of financial resources to be provided;
3. deadline for submitting the documents;
4. amount of the minimum and maximum financing of individual projects;
5. eligibility criteria for applicants and activities;
6. regime of state aid under which the financing is granted;
7. evaluation criteria and indicators;
8. additional requirements for applicants and their projects, if such are provided for in the guidelines.

Art. 36. The invitation to the candidates to participate in the competition procedure is published on the website of the Scientific Research Fund and on the website of the Ministry of Education and Science. It must contain information about the circumstances under Art. 35, para. 3.

Art. 37. Competitive research projects must contain at least:

1. analysis of the state of research on the problem;
2. project goals and working hypotheses;
3. means and methods for achieving the goals;
4. work plan of the research and of the activities performed by the participants in the project and the members of the scientific team;
5. expected results;

6. a justified financial plan;
7. plan for implementation and dissemination of the results of the scientific project;
8. description of the scientific team, the project leader and the scientific organization;
9. indication of base organization when a project is implemented jointly by several organizations;
10. measures to comply with the principle of open science under Art. 5.

Art. 38. (1) Candidates participate in the competitive procedure with projects that are evaluated according to the following criteria:

1. direction of research in accordance with the national strategic documents for the development of scientific research;
2. relevance and significance of the scientific issues;
3. relevance to regional, national and European priorities in the field of scientific research;
4. quality of the scientific research that is the subject of the project;
5. expected results related to the acquisition of new knowledge and the possibilities for their practical application or for solving social problems;
6. capacity of the scientific team, the project manager and the scientific organization to carry out the planned scientific research;
7. realism of the work program;
8. legality, economy, expediency and balance of costs.

(2) A mandatory condition for admission to financing is the absence of payable public obligations of the applicants to receive financial means from the Fund, which is established in accordance with the procedure of Art. 87, para. 11 of the Tax and Insurance Procedural Code.

Art. 39. The evaluation and ranking of the project proposals are carried out in accordance with the evaluation methodology under Art. 35, para. 2, item 2 and the criteria under Art. 38, para. 1 under the conditions and according to the procedure defined in the regulations of the Scientific Research Fund.

Art. 40. (1) Competition projects are evaluated by national or international evaluators.

(2) Evaluators are selected based on their scientific competence in the given scientific field and receive remuneration for their scientific research expertise based on a contract concluded with the Manager of the Scientific Research Fund.

(3) The evaluators determine the type of scientific research in accordance with Art. 2 for each project evaluated by them.

(4) The organization of the evaluation and ranking of the project competitions is carried out by the temporary scientific expert commissions. They present to the Executive Board the results of the conducted competitions and the ranked projects according to the received evaluations.

(5) Based on the ranking for each competition, carried out in accordance with Art. 39, the Executive Board by decision determines the projects that will be financed and the amount of funds provided to them, within the total amount of funds determined for the competition.

(6) Based on the decision under para. 5 the Manager of the Scientific Research Fund concludes an administrative contract, which determines the conditions for financing and implementation of each of the projects designated for financing in accordance with the application guidelines.

(7) The conclusion, execution, amendment and termination of the contract, in cases where the funds provided with it are not state aid, shall be challenged before the court in accordance with the procedure for contesting an individual administrative act. Challenging the decision under para. 5 and the contract under para. 6 does not suspend their implementation in cases of state aid, unless the court orders otherwise.

Art. 41. (1) Persons who are members of the team or are related to the team members of the project they are evaluating may not be selected as project evaluators.

(2) An evaluator may not evaluate projects in a given subject or scientific field of a competition when he participates as a leader or member of a scientific team of a project proposal in the same subject or scientific field of the competition.

(3) The absence of the circumstances under para. 1 is established by a declaration completed by the evaluators.

(4) In the event of establishing false content of the declaration under para. 3 the evaluator loses the right to evaluate project proposals and participate in projects financed by the Fund for a period of 5 years.

Art. 42. (1) The analysis and evaluation of the implementation of the financed competition projects is carried out by the permanent scientific and expert committees.

(2) The scientific expert commissions organize an intermediate and final evaluation of the implementation of the projects and propose it for acceptance by the executive board according to the procedure defined in the rules of the Fund and based on rules and criteria adopted by the executive board.

Art. 43. (1) The members of the temporary scientific expert committees cannot apply with projects independently or as leaders or members of scientific collectives for funding from the Fund in competitions for which they organize the evaluation.

(2) The members of the permanent scientific expert committees cannot evaluate the implementation of projects in which they participate independently or as members of scientific collectives.

(3) The members of the Executive Board, of the temporary and of the permanent scientific expert committees cannot be evaluators of project proposals during their mandate.

(4) Members of the Executive Board cannot be evaluators of project reports during their mandate.

Art. 44. (1) Each project is financed independently of other projects, and their unification or separation is not allowed.

(2) The financial statements of the projects are checked for eligibility for the funds spent by an auditor certified accountant. The way to determine an auditor is specified in the guidelines for applying to the competition.

(3) The auditor prepares a motivated report to the Manager of the Fund and to the relevant permanent scientific expert committee, in which he gives an assessment of the expenses incurred.

(4) The permanent scientific expert committee submits to the Executive Board a proposal for the final amount of the approved costs of the project, agreed with the manager of the Fund. The Executive Board adopts a decision approving the final amount of approved expenses.

(5) The Manager of the Fund shall notify the head of the scientific team and the base organization of the decision under para. 4. An objection to a refund decision can be filed in cases where the auditor of the financial statement is appointed by the Fund. Upon submission of such an objection, the Manager, after consultation with the chairman of the relevant permanent scientific expert committee, appoints an independent auditor who prepares an opinion on the admissibility of only the funds to which the objection is made. Based on the opinion of the independent auditor, the Executive Board confirms or changes its decision under para. 4.

(6) In the event of a finding in the report under para. 3 and with a decision under para. 4 illegal or improper spending of funds provided by the Fund, the right arises in favor of the state to receive them from the defaulting party together with the legal interest from the date of the decision under para. 4, respectively, from its confirmation.

(7) Claims under para. 6 are public state claims and are established by a public claim establishment act issued by the Manager of the Scientific Research Fund in accordance with the Administrative Procedure Code.

(8) The act under para. 7 is subject to judicial appeal in accordance with the Administrative Procedure Code, and the appeal does not stop its implementation.

(9) Established receivables are collected by the National Revenue Agency in accordance with the Tax and Insurance Procedural Code.

(10) The specific conditions and the procedure for reporting the funds received and for establishing whether the funds were spent illegally or not for the intended purpose are determined in the regulations of the Scientific Research Fund and in the contract under Art. 40, para. 6.

Art. 45. The Manager of the Scientific Research Fund prepares and, after approval by the Executive Board, proposes for adoption by the Minister of Education and Science an annual report on the activities of the Fund within the period specified in its regulations.

Section III.

Creation of associations of higher education institutions and scientific organizations

Art. 46. (1) For the implementation of activities under the National Road Map for Scientific Research Infrastructure and obtaining public funding under it, as well as for conducting joint scientific research, higher education institutions or scientific organizations may create associations based on an agreement between them.

(2) With the agreement for implementation of activities under the National Road Map for Scientific Research Infrastructure under para. 1, the participants agree to carry out joint activities for the construction, maintenance and development of scientific research infrastructure, which creates conditions for carrying out scientific research or innovation activity, including the implementation of programs with subject the Innovation Strategy for Intelligent Specialization.

(3) The agreement under para. 1 shall be concluded in writing and shall contain:

1. name of the association written in Bulgarian;
2. purpose of the association;
3. rights and obligations of the participants;
4. leading and partner organizations and the manner of their representation;
5. rules for the use of scientific research infrastructure by the participants in the association;
6. rules for distributing intellectual property rights and revenues from them among the participants in the association;
7. property relations between the participants and the manner of use of the acquired property.

Art. 47. (1) In order to increase the public importance of scientific research and the effectiveness of invested public funds, higher education institutions and/or scientific organizations may join or may create institutes.

(2) The institutes under para. 1 may be established in accordance with the Law on Higher Education, the Law on the Bulgarian Academy of Sciences, the Law on the Agricultural Academy or as institutes of two or more higher education institutions and/or scientific organizations.

(3) The institute of two or more higher education institutions and/or scientific organizations is established as a legal entity by an act of the Council of Ministers on a joint initiative of the respective higher education institutions and/or scientific organizations.

(4) The statute and rules for joint management and financing of the institute are regulated with the act of the Council of Ministers under para. 3 on the proposal of the relevant higher education institutions and/or scientific organizations.

(5) For the purpose of economic realization of the results of scientific research, of innovation activity or of rights on objects of intellectual property, as well as to obtain public financing for innovation activity, the participants in the union/association under para. 1 – higher education institutions and/or scientific organizations owning intellectual property rights or scientific results, as well as the institutes under para. 1

and 2 can also create commercial companies under conditions and according to the procedure determined by an act of the Council of Ministers.

Chapter Four

PROMOTING INNOVATIONS

Section I.

General

Art. 48. (1) The promotion of innovations is carried out through financial and non-financial instruments and mechanisms under the conditions and according to the procedure defined in this law, as well as under the conditions and according to the procedure of the relevant special laws and by-laws.

(2) The financial and non-financial mechanisms and instruments under para. 1 include:

1. grants;
2. subsidies, direct bargaining, collective schemes;
3. vouchers;
4. loans and loan guarantees;
5. incentive measures and awards;
6. administrative measures;
7. others.

Art. 49. (1) The financial promotion of innovations is expressed in full or partial financing with funds from the state budget, from the European Union and under international programs and agreements, from donations and from other sources in accordance with the goals and priorities defined in national, including sectoral strategic documents for the development and promotion of innovation.

(2) The promotion of innovations through financing with funds from the state budget is carried out under the conditions and according to the procedure defined in this law.

(3) Promotion through financing with funds from the state budget can also be carried out under the conditions and according to the order of special laws for the implementation of sectoral policies.

(4) Promotion of innovations through financing with funds from the European Union and according to international agreements is carried out under the conditions and according to the order defined in the law of the European Union, national law and international agreements.

(5) The financing under para. 1 is carried out under the conditions of non-violation of competition and the rules in the field of state aid and in a way that guarantees effectiveness, efficiency and transparency in spending the funds.

Art. 50. (1) The following activities that are the subject of state policy are fully or partially financed with funds from the state budget:

1. national programs in the field of innovation;
2. The Innovation Strategy for Smart Specialization;
3. The Framework Program for Research and Innovation;
4. innovation projects on a competitive basis.

(2) Funds from the European Union and under international agreements and programs finance activities for the implementation of:

1. bilateral and multilateral international agreements and programs;
2. European and trans-European innovation programs;
3. innovation projects.

(3) Funds from the state budget may co-finance activities under para. 2.

Art. 51. (1) The financing of innovations with funds from the state budget is carried out through the Ministry of Innovation and Growth.

(2) Funding from the state budget for the implementation of activities under the Innovation Strategy for Intelligent Specialization is provided according to its subjects.

(3) The financing under para. 1 is aimed at:

1. higher education institutions and scientific organizations;
2. commercial companies under Art. 21, para. 1, item 15 of the Law on Higher Education and other commercial companies established with the participation of higher education institutions and scientific organizations;
3. research infrastructures;
4. non-profit legal entities;
5. companies under the Law on Obligations and Contracts;
6. natural persons performing innovation activity;
7. science and technology parks;
8. traders and consortia;
9. technological transfer units;
10. municipalities.

Section II.

National Innovation Fund

Art. 52. The National Innovation Fund is established as a legal entity with its seat in the city of Sofia. The Manager of the Fund is a second level budget institution under the budget of the Ministry of Innovations and Growth.

Art. 53. The National Innovation Fund:

1. supports cooperation and joint programs between higher education institutions and scientific organizations and businesses in the field of scientific research, innovation, development of new technologies, technology transfer, building entrepreneurial skills and promoting innovation and technology;

2. finances projects, programs and activities of enterprises for the promotion and development of innovations in accordance with the national innovation policy and implements measures for the development of innovations laid down in the strategic documents;

3. supports participation in European and other international programs for scientific research and innovation, finances participation in bilateral and multilateral projects and programs;

4. works in coordination with other organizations and structures financing scientific research and innovation.

Art. 54. The management and activity of the National Innovation Fund is carried out in accordance with regulations adopted by the Council of Ministers on the proposal of the Minister of Innovation and Growth.

Art. 55. (1) Management bodies of the National Innovation Fund are:

1. executive board;

2. chairman of the executive board;

3. manager.

(2) The Executive Board manages the activity of the Fund, directly related to the activity of promoting innovations, by directing and carrying out the activities of planning, organizing and evaluating competitions of the Fund.

(3) The Executive Board consists of representatives of the Ministry of Innovation and Growth, the business, higher education institutions and scientific organizations, civil society, as well as a representative of the Ministry of Education and Science. The composition of the Executive Board is determined by order of the Minister of Innovation and Growth. The mandate of its members is 4 years with the right to another mandate.

(4) The chairperson of the Executive Council is elected from among its members for the term of the mandate of the Council.

(5) In carrying out their functions, the Chairperson of the Executive Board is assisted by a Deputy Chairman, who is elected according to para. 4. The Deputy performs the functions of the Chairperson of the Executive Board in cases of their absence.

(6) The Manager of the Fund is responsible for the administrative and financial management of the Fund and for the legality of its decisions.

(7) The Minister of Innovation and Growth conducts a competition for the Manager of the Fund in accordance with the procedure specified in the regulations under Art. 54, after which he concludes a management contract with them.

(8) The positions under para. 1 cannot be occupied by:

1. persons convicted to deprivation of liberty for an intentional crime of a general nature;
2. persons placed under injunction;
3. persons who culpably caused property damage to the National Innovation Fund;
4. managers of ongoing projects financed by the National Innovation Fund.

(9) The mandate of the persons in the governing bodies under para. 1 is terminated early in the event of:

1. submission of a written application by the person occupying the position;
2. de facto inability of the person to fulfill their obligations, lasting more than 6 months, or systematic non-fulfillment of the same;
3. occurrence of any of the circumstances under para. 8;
4. entry into force of an act establishing a conflict of interest under the Anti-Corruption Act;
5. death of the person.

(10) Except in the cases under para. 9, the management contract with the Fund Manager may be terminated by the Minister of Innovations and Growth at their discretion.

(11) In the event of any of the circumstances under para. 9 and 10, a person is elected or appointed to finish the mandate of the respective position.

(12) For one mandate is considered the time over two years, during which the person has held the respective position.

(13) The specific conditions and procedure for selecting the governing bodies under para. 1 are regulated in the regulations of the National Innovation Fund.

Art. 56. (1) The members of the Executive Board, with the exception of the representatives of the Ministry of Innovation and Growth, the representative of the Ministry of Education and Science and the manager of the National Innovation Fund, receive remuneration in the amount determined by the regulations of the Fund. They are entitled to remuneration only for the months during which they participated in meetings.

(2) The members of the Executive Board are jointly and severally liable for the property damage they have culpably caused to the National Innovation Fund.

(3) The chairperson and the members of the Executive Board, for the duration of their powers, may not participate in projects and programs financed by the National Innovation Fund, or apply for such projects.

Art. 57. (1) The National Innovation Fund implements a three-year operational program.

(2) The program contains objectives, performance indicators and a plan for the upcoming activities for the period and their corresponding financing based on clear and measurable objectives and policies in the course of the budget procedure and in the medium term, which will contribute to the optimal management

of financial resources, within the general budget parameters for the relevant year and for the period of the relevant medium-term budget forecast.

(3) The program is approved by the Minister of Innovation and Growth on the proposal of the Executive Board of the National Innovation Fund after consultation with the Minister of Education and Science.

(4) The agreement under para. 3 is carried out within 7 days of receiving the program. It is considered to have been agreed when no opinion has been sent within the specified period.

Art. 58. The revenues of the National Innovation Fund are provided by:

1. funds from the state budget;
2. funds based on agreements, donations and assistance from national and international financial institutions and organizations and funds under international agreements;
3. donations from individuals and legal entities;
4. funds under joint programs with public and private Bulgarian and foreign funds for risk financing;
5. funds under programs of the European Union and the countries of the European Economic Area.

Art. 59. (1) The funds of the National Innovation Fund are spent on:

1. implementation of the Innovation Strategy for Intelligent Specialization;
2. targeted funding for innovation and technology transfer;
3. financing of innovation projects and programs;
4. construction and maintenance of research infrastructure and science and technology parks;
5. support of activities, projects and programs aimed at cooperation between science and business, including municipalities, as well as participation in international projects and programs in the field of innovation;
6. programs to support the technological development of innovations;
7. activities and information campaigns to prepare and encourage small and medium-sized enterprises to participate in programs and projects for scientific research, innovation, entrepreneurship and technology transfer;
8. funding of projects based on research funding programs with the participation of business as the recipient of the scientific product;
9. supporting start-ups through programs and initiatives aimed at accelerating their development at an early stage, supporting their growth and expanding their activities;
10. programs or initiatives that aim to support innovative ideas from the concept stage to their implementation on the market and beyond;
11. programs or initiatives that provide funding, mentoring and networking opportunities to support start-ups and small and medium-sized enterprises that are at an early stage of development and expansion;
12. support of the network of technological transfer units;

13. support of activities, projects and programs aimed at cooperation between science and business, as well as for participation in international projects and programs in the field of innovation;

14. scientific research and innovation activities initiated and implemented in enterprises, independently or in cooperation with higher education institutions and scientific organizations;

15. provision of full or partial financing of national programs and projects of strategic importance in connection with a decision of state bodies or in fulfillment of an international agreement;

16. acquisition and maintenance of intellectual property rights on objects resulting from innovation activity, including acquisition and maintenance of patents;

17. support for the activities of the National Innovation Fund.

(2) The financing under para. 1 is primarily aimed at start-ups under para. 1, item 9, as well as at merchants and consortia that prove expenses for research and development activity of not less than 2 percent of their total expenses for each of the last three years.

(3) The financing under para. 1 can also be implemented in partnership with other institutions, organizations and funding bodies.

(4) The acquisition of intellectual property rights on objects, the creation of which is the result of innovation activity financed with the funds of the National Innovation Fund, is regulated by a contract between the parties that received funding and the fund.

Art. 60. (1) The National Innovation Fund supports projects by providing targeted financial resources based on a competition held under the conditions and in accordance with the procedure of this law.

(2) The provision of financial resources from the National Innovation Fund can be carried out without holding a competitive procedure for the implementation of:

1. national programs in the field of innovation by decision of the Council of Ministers;

2. projects of Bulgarian enterprises that received an assessment above the threshold in the approved guidelines for application under the procedures of the Framework Program for Scientific Research and Innovation of the European Union;

3. innovation projects of strategic importance for the country following a decision of state bodies or in fulfillment of an international agreement;

4. technological transfer activities for innovations that occurred during and as a result of the implementation of projects financed by the National Innovation Fund.

(3) The provision of financial resources from the National Innovation Fund is carried out according to the terms of the Framework for State Aid for Scientific Research, Development and Innovation and according to the terms of Chapter III, Section 4 of Regulation (EU) No. 651/2014.

Art. 61. (1) Tender procedures are opened by order of the Manager of the National Innovation Fund following a decision of the Executive Board.

(2) For each separate procedure, the Executive Board approves the tender documentation, the financing conditions, the eligibility requirements of the candidates and the tender projects and the project evaluation criteria. A mandatory condition for admission to financing is the absence of payable public obligations of the applicants for receiving financial resources from the National Innovation Fund, which is established in accordance with the procedure of Art. 87, para. 11 of the Tax and Insurance Procedural Code.

(3) The invitation to the candidates to participate in the tender is published on the website of the National Innovation Fund and on the website of the Ministry of Innovation and Growth. It must contain information about the circumstances under para. 2.

Art. 62. The regulations of the National Innovation Fund regulate the conditions and procedure for evaluating and ranking project proposals, the conclusion of financing contracts and the mechanisms for control, monitoring and evaluation of project implementation.

Art. 63. (1) Competition projects are evaluated by national or international evaluators.

(2) The evaluators determine the type of scientific research in accordance with Art. 2 for each project evaluated by them. Evaluators are remunerated based on a contract concluded with the Manager of the National Innovation Fund.

(3) The Executive Board, by decision, determines the projects approved for financing and the amount of funds to be provided, within the total amount of funds determined for the tender.

(4) Based on the decision under para. 3, the Manager of the National Innovation Fund concludes an administrative contract, which determines the conditions for financing and implementation of each of the projects designated for financing.

(5) The conclusion, execution, amendment and termination of the contract shall be challenged before a court in accordance with the procedure for contesting an individual administrative act. Challenging the decision under para. 3 and of the contract under para. 4 does not suspend their execution, unless the court orders otherwise.

Art. 64. (1) Persons who are members of or are related to members of the team of the project they are evaluating may not be selected as project evaluators.

(2) The absence of the circumstances under para. 1 is established by a declaration completed by the evaluators.

(3) In the event of establishing false content of the declaration under para. 2 the evaluator loses the right to evaluate project proposals and participate in projects financed by the National Innovation Fund for a period of 5 years.

Art. 65. (1) Each project is financed independently of other projects.

(2) In the case of discovered illegal or improper spending of funds provided by the National Innovation Fund, the right to receive them from the defaulting party arises in favor of the state.

(3) Claims under para. 2 are public state receivables, which are established by the Manager of the National Innovation Fund in accordance with Art. 44, para. 3 - 8 and are collected in accordance with Art. 44, para. 9.

(4) The specific conditions and procedure for reporting the funds received and for establishing whether the funds were spent illegally or not for their intended purpose are determined in the regulations of the National Innovation Fund and in the contract under Art. 63, para. 4.

Art. 66. Following a decision of the Executive Board, the Manager of the National Innovation Fund concludes contracts for co-financing international projects and innovation programs with financing organizations abroad in accordance with intergovernmental agreements or programs.

Art. 67. The Manager of the National Innovation Fund prepares and submits for the approval of the Executive Board an annual report on the activities of the fund within a period specified in the regulations of the fund.

Art. 68. (1) The National Innovation Fund works in coordination with the Scientific Research Fund.

(2) For the purpose of interaction and coordination in the implementation of the policy for financial promotion of scientific research and innovation, the executive boards of the two funds hold joint meetings at least twice a year.

(3) The National Innovation Fund and the Scientific Research Fund jointly carry out the activity of implementing the framework program under Art. 9, para. 4.

Art. 69. The National Innovation Fund and the Scientific Research Fund may carry out joint tender procedures for financing projects and programs for the promotion of scientific research and innovation under conditions and according to the order determined jointly by the executive boards of the two funds, subject to the order under Art. 35, and the invitation to the candidates to participate in the competition procedure is published on the websites of the two funds, as well as on the websites of the Ministry of Education and Science and the Ministry of Innovation and Growth.

Chapter Five

PROMOTION OF TECHNOLOGY TRANSFER

Art. 70. (1) The promotion of technology transfer includes activities through which conditions are created for the development of the life cycle of technology from the idea of its creation to its industrial and market realization.

(2) The promotion of technology transfer includes public financing as well as measures for the protection of intellectual property and its economic realization. The financing of the technology transfer is carried out in compliance with the conditions of the Framework for State Aid for Scientific Research, Development and Innovation and of Chapter III, Section 4 of Regulation (EU) No. 651/2014.

(3) The author or co-authors of the technology, the scientific organization or the university and the other organizations and persons under Art. 71 participate jointly in the process under para. 1.

Art. 71. The measures provided for the promotion of technology transfer under the conditions and in accordance with the procedure of this law may be used by:

1. higher education institutions and scientific organizations;
2. commercial companies under Art. 21, para. 1, item 15 of the Law on Higher Education and other commercial companies established with the participation of higher education institutions and scientific organizations;
3. research infrastructures;
4. non-profit legal entities;
5. companies established under the Law on Obligations and Contracts;
6. natural persons performing innovation activity;
7. science and technology parks;
8. traders and consortia;
9. units implementing technology transfer.

Art. 72. (1) higher education institutions create structures for the realization of the results of scientific research and other objects of intellectual property according to Art. 17, para. 2, item 10 of the Law on Higher Education.

(2) Higher education institutions may establish commercial companies for the purposes of the economic realization of research results and objects of intellectual property according to Art. 21, para. 1, item 15 of the Law on Higher Education.

(3) Technology transfer is carried out by the structures under para. 1, which are service units of higher education institutions according to Art. 25, para. 3 of the Law on Higher Education, as well as from specialized units to scientific organizations and science and technology parks under Art. 71, item 7.

Art. 73. (1) The protection of intellectual property on scientific research results obtained with funding from the Scientific Research Fund can be carried out with funds from the Fund.

(2) The protection of intellectual property on objects obtained as a result of innovation activity financed by the National Innovation Fund may be carried out with funds of the Fund.

(3) The promotion of technology transfer through financing with funds from the European Union and under international agreements is carried out under the conditions and according to the order defined in the law of the European Union, national law and international agreements.

Art. 74. (1) The conditions and procedure for the protection and management of intellectual property on research results and objects of intellectual property created in higher education institutions shall be governed by regulations for the protection and management of intellectual property pursuant to Art. 17, para. 2, item

10 of the Law on Higher Education. The Regulations govern the emergence and exercise of various types of intellectual property rights and measures to promote open science.

(2) The conditions and procedure for protection and management of intellectual property on scientific research results and objects of intellectual property created in the scientific organizations and science and technology parks under Art. 71, item 7, are regulated by adopting rules for the realization of the results of scientific research and protection of intellectual property. The rules govern the emergence and exercise of different types of intellectual property rights and measures to promote open science.

(3) The existence of regulations under para. 1 or the rules under para. 2 on the protection and management of intellectual property is a condition for receiving public funds for the implementation of projects and programs related to scientific research or innovation.

(4) The existence of regulations or rules for technology transfer and a structure for the realization of the results of scientific research and other objects of intellectual property is a condition for receiving public funds for technology transfer from the National Innovation Fund.

(5) The acquisition of intellectual property rights by natural persons on objects or products, for the creation of which public funds were used, is regulated by a contract between the author or co-authors, on the one hand, and the scientific organization or university, or a representative of the business, on the other hand, where the contract cannot contradict the regulations under para. 1 or the rules under para. 2.

(6) If, within three months of the creation of the object of intellectual property, the organization under para. 5 does not take action for its protection or rejects the request for protection, the right to do so passes to the author/creator of the intellectual product.

Art. 75. (1) The order and manner of settling the relations between the participants in the research and innovation activity are determined with the regulations under Art. 74, para. 1, the rules under Art. 74, para. 2 and the contract under Art. 74, para. 5.

(2) Income from the realization of intellectual property rights is distributed between the author or co-authors and the university or scientific organization. The higher education institution or the scientific organization uses the income to promote research and innovation activities, as well as for administrative costs of the structure under Art. 72, para. 1.

Chapter Six

PROMOTING OPEN SCIENCE

Art. 76. The Minister of Education and Science, higher education institutions and scientific organizations promote open science by creating conditions for free access to published results of scientific research, financed in whole or in part with public funds, as well as the use of these results.

Art. 77. (1) Higher education institutions create structures to promote open science as part of the structures under Art. 17, para. 2, item 10 of the Law on Higher Education.

(2) The Bulgarian Academy of Sciences, the Agricultural Academy and budget-supported scientific organizations create structures to promote open science as part of the units under Art. 71, para. 3.

Art. 78. (1) The Ministry of Education and Science, through the National Center for Information and Documentation, creates and maintains a Bulgarian portal for open science.

(2) The Bulgarian portal for open science is a national repository of scientific information, the result of scientific research, financed in whole or in part with public funds, as well as a single point of access to such information.

(3) For the purposes of para. 2 the National Center for Information and Documentation creates and maintains an electronic connection with the institutional repositories in the portal under para. 1.

(4) The procedure for publication and storage of the data and publications in the portal under para. 1 is determined by an ordinance of the Minister of Education and Science.

Art. 79. Higher education institutions and scientific organizations, in implementation of the measures to promote open science, can create and manage their own institutional repositories in which they deposit, organize, share under the conditions of open access and store long-term data, publications and other results of scientific research, financed in whole or in part with public funds.

Art. 80. (1) The contracts between the organizations financing scientific research and the organizations carrying out scientific research contain the conditions and terms under which the results of scientific research are published in compliance with the principles of free access.

(2) Authors of publications created as a result of publicly funded scientific research shall provide for publication a digital copy of the publication or its version in the repository under Art. 78, para. 2.

Chapter Seven

PUBLICITY AND MONITORING

Art. 81. (1) The Ministry of Education and Science, through the National Center for Information and Documentation (NACID), maintains a public register as an electronic database for research activities in the Republic of Bulgaria, which contains the following data and circumstances:

1. scientific organizations and higher education institutions;
2. scientists in the Republic of Bulgaria;
3. research infrastructures;
4. national and international scientific programs financed by the Bulgarian state, in which the organizations under item 1 participate;
5. national and international research projects carried out by the organizations under item 1, the source of funding and the project managers;
6. scientific achievements and results of the organizations under item 1 and the persons under item 2 – publications, patents and products;

7. organizations funding scientific research.

(2) The conditions and procedure for keeping the register, the requisites and the circumstances subject to entry are determined by an ordinance of the Minister of Education and Science.

Art. 82. (1) The organizations under Art. 81, para. 1, items 1 and 7 declare to NACID the data and circumstances subject to entry in the register, under the conditions and according to the order of the regulation under Art. 81, para. 2.

(2) The data and circumstances entered in the register are publicly available. Data that constitute classified information shall not be entered in the register.

Art. 83. (1) The executive director of NACID refuses entry in the register when it is established that:

1. the data and circumstances requested for entry are untrue;
2. the attached official documents were not issued in the form established by law;
3. the registration requirements specified in the regulation under Art. 81, para. 2. were not met.

(2) The refusal under para. 1 may be appealed under the terms and conditions of the Administrative Procedure Code.

Art. 84. The National Center for Information and Documentation creates and maintains an electronic environment for connection between the registers and databases of higher education institutions and scientific organizations, the Scientific Research Fund and the National Innovation Fund.

Art. 85. (1) The Minister of Education and Science shall issue regulations for the monitoring and evaluation of the scientific research activities carried out by higher education institutions and scientific organizations, as well as the activities of the Scientific Research Fund.

(2) The scientific research activity of the higher education institutions and scientific organizations, as well as the activity of the Scientific Research Fund, are evaluated periodically on the basis of criteria and under the conditions and according to the order determined by the regulations under para. 1.

Art. 86. The activity of the National Innovation Fund is evaluated periodically on the basis of criteria and under conditions and according to the order defined in the regulations for monitoring and evaluation issued by the Minister of Innovation and Growth.

Chapter Eight

CONTROL

Art. 87. The Minister of Education and Science supervises the activities of the Scientific Research Fund by:

1. monitoring the activities of the fund and giving written recommendations and instructions in case of need;
2. carrying out control through the Inspectorate of the Ministry of Education and Science;
3. accepting the annual report on the activities of the Scientific Research Fund;

4. dismissing the composition of the Executive Board and the manager of the Scientific Research Fund in the event of violations of the provisions of this law or after receiving an unsatisfactory assessment of the Fund's activity in accordance with the rules for monitoring and evaluation under Art. 85, para. 1.

Art. 88. The Minister of Innovation and Growth exercises control over the activities of the National Innovation Fund by:

1. monitoring the activities of the fund and giving written recommendations and instructions in case of need;

2. carrying out control through the Inspectorate of the Ministry of Innovation and Growth;

3. accepting the annual report on the activities of the National Innovation Fund;

4. dismissing the composition of the Executive Board and the manager of the National Innovation Fund in case of detected violations of the provisions of this law or after receiving an unsatisfactory assessment of the Fund's activity in accordance with the regulations for monitoring and evaluation under Art. 86.

Art. 89. Grant Administrators for the provision of state or minimum aid are the Scientific Research Fund and the National Innovation Fund, where the contracts under Art. 40, para. 6 and Art. 63, para. 4 are acts for the provision of aid within the meaning of the Law on State Aid.

ADDITIONAL PROVISION

§ 1. Pursuant to this law:

1. A scientific organization is:

a) an organization under Art. 47, para. 1 of the Law on Higher Education;

b) another legal entity for which the following conditions are simultaneously present:

aa) carries out scientific research activity for which it has reported more than half of its expenses in each of the last three years;

bb) has scientific publications in indexed and referenced scientific publications;

cc) at least 7 persons who have acquired the educational and scientific degree "doctor" are appointed to an employment relationship to carry out scientific research.

2. A scientist is a person who holds an academic position or has obtained an educational and scientific degree "doctor" and carries out scientific research, or is engaged in scientific research by virtue of law.

3. A young scientist is a person who carries out scientific research and educational activities in a higher school or scientific organization after acquiring the first educational and qualification degree "Master", but no more than 10 years after its acquisition. This period does not include the time during which the person is taking leave due to pregnancy and childbirth, raising a child or due to temporary incapacity for work lasting more than 6 months without interruption, and is objectively unable to carry out research and scientific educational activities.

4. A doctoral student is a person who holds a master's degree and is in the process of acquiring a doctorate.

5. A postdoctoral student is a person who has obtained the first educational and scientific degree "doctor", but not more than 8 years after its acquisition. This period does not include the time during which the person uses leave due to pregnancy and childbirth, raising a child or due to temporary incapacity for work, which lasted more than 6 months without interruption, and is objectively unable to carry out research and scientific-educational activities.

6. Research infrastructure is a set of facilities, equipment and resources, including relevant human resources, used to carry out scientific research, including scientific equipment or a set of tools, expertise and knowledge-based means, related activities, structured scientific information, as well as all other possibilities and methods allowing conducting scientific research; where appropriate, they may be used for purposes other than research, such as for educational purposes or for public service.

7. Start-up enterprise is a commercial company that has a high potential for development, carries out innovative activity and was created with the aim of developing, introducing and realizing on the market innovative products or services.

8. Science and technology park is a legal entity that builds, manages and develops research infrastructure, laboratory complexes or technology transfer units, as well as carries out other activities with the aim of creating a favorable environment for carrying out economic activities related to the development or introduction of technology and innovation.

9. Equality is the non-allowance of discrimination or restrictions based on sex, race, nationality, origin, ethnicity, religion or belief, convictions, political affiliation, personal and social position or property status, disability, sexual orientation, marital status or other signs established in a law or in an international treaty to which the Republic of Bulgaria is a party, in the implementation of scientific research or innovation activity financed with public funds.

10. Impartiality is the conscientious implementation of scientific research or innovation activity financed with public funds, without allowing the imposition of ideological, religious, party or political doctrines that would influence the objectivity of the activity.

11. Effectiveness is the degree of achievement of the objectives of the research or innovation activity financed with public funds, when comparing the actual and expected results of this activity.

12. Cost effectiveness is the acquisition with the smallest costs of the necessary resources for the implementation of scientific research or innovation activity while complying with the requirements for the quality of the resources.

13. Freedom of implementation is the right to choose a subject and methods for conducting scientific research in compliance with current legislation and generally accepted ethical standards.

14. Technology transfer includes the transfer of knowledge and technology, the purpose of which is to acquire, gather and share specific and potential knowledge, including skills and competences in relation to both economic and non-economic activities, such as scientific cooperation, consultancy, development of the life cycle of technology from the idea of its creation to its industrial and market realization, as well as taking measures to protect it with intellectual property rights, licensing, setting up new organizations, publications and mobility of researchers and other employees involved in these activities. In addition to scientific and technological knowledge, this covers other types of knowledge, including the use of standards and rules in which they are contained and the conditions in a real operating environment and methods of organizational innovation, as well as knowledge management related to the establishment, acquisition, defense, protection and use of intangible assets.

15. Research project covers one or several categories of fundamental or applied scientific research of a precisely defined economic, scientific or technical nature, with clear and predetermined objectives, research methods and expected results, which serve to establish the degree of achievement of the objectives and their compliance with applied methods.

16. An institutional repository is an online database providing the ability to store, host, process and retrieve information maintained by an organization conducting or funding scientific research.

17. Related parties are:

- a) spouses, relatives by direct line without restrictions, by collateral line up to the fourth degree inclusive, and relatives by matchmaking up to the third degree inclusive, or in de facto cohabitation;
- b) persons in employment relations;
- c) persons one of whom participates in the management of the other's company;
- d) partners;
- e) persons whose activity is controlled directly or indirectly by a third party, with the exception of the institutes of the Bulgarian Academy of Sciences and the Agricultural Academy;
- f) persons who jointly control directly or indirectly a third party;
- g) persons one of whom is a commercial representative of the other;
- h) persons one of whom made a donation in favor of the other;
- i) persons who have joint scientific publications or a joint project financed by the National Innovation Fund with the head or with a member of the scientific team of the project in the last 5 years.

TRANSITIONAL AND FINAL PROVISIONS

§ 2. This law repeals the Law on Promotion of Scientific Research (promulgated, SG No. 92 of 2003; amend., No 36 of 2008, No 74 and 82 of 2009, No 83 of 2010, No 99 of 2011, No 82 of 2012, No 15 and 68 of 2013, No 107 of 2014, No 14 of 2015, No 16 of 2016, No 58 of 2017, No 77 of 2018, No 102 of 2022, and No 102 of 2023).

§ 3. (1) The Scientific Research Fund under this Law continues the activity of the Scientific Research Fund from the repealed Law on Promotion of Scientific Research.

(2) The property, the archive, as well as all rights and obligations, including membership relationships in national, European and international organizations, pass to the Scientific Research Fund under this Law.

(3) The chairperson and the members of the Executive Board of the Scientific Research Fund complete their mandate until its term expires.

(4) The elected Manager of the Scientific Research Fund continues to hold the position until the term of the management contract expires.

(5) The employment relationships of the persons in the Scientific Research Fund are regulated according to Art. 123 of the Labor Code.

(6) The competitive procedures of the Scientific Research Fund and the National Innovation Fund, opened before the entry into force of this Law, as well as the concluded financing contracts, continue to operate according to the previous conditions and order.

(7) Cases pending before the entry into force of this Law shall be continued by the Scientific Research Fund until their completion before all instances.

§ 4. The activity of the National Innovation Fund, established by Decision No. 723 of the Council of Ministers of 2004, continues to be carried out by the National Innovation Fund under this Law.

§ 5. (1) The strategic documents and national programs adopted before the entry into force of this Law shall continue to be implemented until their completion under the conditions and in the manner in which they were adopted.

(2) The strategic documents and national programs under Art. 9, para. 1 are developed and accepted after the expiry of the period of the documents under para. 1 with the exception of the framework program under Art. 9, para. 1, item 3, which is adopted within a period of up to one year from the entry into force of the law.

§ 6. Within 12 months from the entry into force of the Law the scientific organizations entered in the register of the scientific activity of the National Center for Information and Documentation before the entry into force of this Law, with the exception of budget-supported organizations, should submit an application according to a template approved by the executive director of NACID, with information on the fulfillment of the conditions under § 1, item 1.

§ 7. (1) The existing centers of excellence and centers of competence, built and financed under the Operational Program Science and Education for Intelligent Growth 2014-2020 and included in the National Road Map for Research Infrastructure, which existed at the time this Law entered into force, continue to carry out their activity. They can be transformed into institutes in accordance with Art. 47, para. 1 and 2.

(2) The participants in a center under para. 1 – higher education institutions or scientific organizations may also establish commercial companies under the conditions and in accordance with Art. 47, para. 5.

§ 8. The by-laws provided for in this Law shall be adopted, respectively issued within three months after the entry into force of the Law.

The Law was adopted by the 49th National Assembly on April 24, 2024 and was stamped with the official seal of the National Assembly.

For the Chairperson of the National Assembly: **Rositsa Kirova**