



**Ministry of State Administration and
Administrative Reform**

Operational Programme Administrative Capacity

2007-2013

September 2007

TABLE OF CONTENTS

| | | |
|--------|---|----|
| I. | INTRODUCTION | 8 |
| II. | PARTNERSHIP PRINCIPLE..... | 10 |
| III. | SITUATION ANALYSIS OF THE STATE ADMINISTRATION | 11 |
| 1. | Legislative framework..... | 11 |
| 1.1. | Regulatory acts..... | 11 |
| 1.2. | Implementation of the legislation..... | 12 |
| 2. | Administrative Structures and Institutional Building..... | 13 |
| 2.1. | Structure of the Administration and Distribution of Functions..... | 13 |
| 2.2. | Rules of Procedure of the Administrative Structures and Changes in the Number of Staff on Payroll, their Structure and Functions..... | 15 |
| 2.3. | Instruments for Monitoring and Reporting on the Development of Administrative Structures..... | 18 |
| 3. | Transparency and integrity of the state administration | 19 |
| 3.1. | Transparency and accountability..... | 19 |
| 3.2. | Anticorruption policy | 22 |
| 3.3. | Control on the activity of the administration..... | 25 |
| 3.3.1. | Internal control | 25 |
| 3.3.2. | External control..... | 27 |
| 3.4. | The role of the Ombudsman..... | 27 |
| 4. | The administration – partner of the business..... | 30 |
| 5. | Policy-making by applying the partnership principle | 34 |
| 5.1. | Policy-making and strategic planning | 34 |
| 5.2. | Consultation and coordination | 35 |
| 5.3. | Preliminary impact assessment | 37 |
| 5.4. | Management of implementation, monitoring and ex-post impact assessment of policies | 38 |
| 6. | Human Resources Management..... | 38 |
| 6.1. | Education and qualifications structure of state administration staff..... | 39 |
| 6.2. | Implementing the gender equality principle within the state administration and preventing discrimination..... | 40 |
| 6.3. | Human Resources Management Policy..... | 41 |
| 6.3.1. | Recruitment and staff in the state administration | 41 |
| 6.3.2. | Career Development..... | 43 |
| 6.3.3. | Single human resources management information system within the state administration | 46 |
| 6.4. | Training organisations to the state administration..... | 47 |
| 6.5. | Institutions delivering training to the state administration..... | 50 |
| 6.5.1. | Institute of Public Administration and European Integration (IPA EI)..... | 50 |
| 6.5.2. | Public Finance Schools to the MoF..... | 52 |
| 6.5.3. | Diplomatic Institute to the Ministry of Foreign Affairs (MFA)..... | 52 |
| 6.5.4. | Institute of Psychology – Ministry of Interior (MoI) | 52 |

| | | |
|--------|--|----|
| 6.5.5. | National Institute of justice with the Supreme Judicial Council (SJC)..... | 52 |
| 7. | Administrative Service Delivery and e-Governance..... | 52 |
| 7.1. | Administrative Service Delivery..... | 53 |
| 7.1.1. | Measurement of the satisfaction of the citizens and the business sector..... | 53 |
| 7.1.2. | Quality Management System..... | 55 |
| 7.1.3. | Customer Charters..... | 57 |
| 7.1.4. | Introduction of the “one-stop-shop” principle..... | 58 |
| 7.1.5. | Service delivery at border crossing points..... | 60 |
| 7.2. | Regulatory regimes..... | 60 |
| 7.3. | e-Governance..... | 61 |
| 7.3.1. | Improvement of the basic legal and strategic basis for e-Governance development..... | 62 |
| 7.3.2. | Organisational capacity and human resources for e-Governance development..... | 62 |
| 7.3.3. | E-governance environment..... | 64 |
| 7.3.4. | Electronic services..... | 66 |
| 7.3.5. | Electronic documents and electronic signature..... | 69 |
| 7.3.6. | Interoperability..... | 71 |
| IV. | ANALYSIS OF THE CAPACITY OF CIVIL SOCIETY STRUCTURES..... | 73 |
| 1. | Legislative Framework..... | 74 |
| 2. | Organisational Structure and Human Resources in CSS..... | 75 |
| 2.1. | Organisational Capacity..... | 75 |
| 2.2. | Training..... | 76 |
| 3. | Financial Stability..... | 76 |
| 4. | Technical Resources..... | 77 |
| 5. | Provision of Services..... | 78 |
| 6. | Cooperation..... | 79 |
| 6.1. | With the State Administration..... | 79 |
| 6.2. | Between civil society structures..... | 79 |
| 6.3. | At an EU level..... | 80 |
| 7. | Image..... | 80 |
| V. | ANALYSIS OF THE STATE OF THE JUDICIAL SYSTEM..... | 82 |
| 1. | Introduction..... | 82 |
| 2. | Legislative Framework..... | 83 |
| 3. | Structures, Institutional Building and Coordination between the Judicial Bodies..... | 84 |
| 3.1. | Court..... | 84 |
| 3.2. | Public Prosecution Office..... | 85 |
| 3.3. | Investigation..... | 86 |
| 3.4. | Supreme Judicial Council..... | 86 |

| | | |
|--------|--|-----|
| 3.5. | Minister of Justice | 87 |
| 3.6. | Registry Agency | 88 |
| 4. | Transparency and Accountability of the Judicial System | 89 |
| 4.1. | Structures for Control and Combating Corruption within the Judicial System..... | 89 |
| 4.2. | Instruments and Measures for Transparency, Combating and Prevention of Corruption in the Judicial System..... | 90 |
| 4.3. | Openness and Control for Greater Effectiveness | 91 |
| 5. | Upgrading of Human Resources in the Judicial System | 93 |
| 5.1. | Legal Status and Number of Employees in the Judicial System | 93 |
| 5.1.1. | Magistrates | 93 |
| 5.1.2. | Court Officials..... | 94 |
| 5.2. | Selection and Career Development | 94 |
| 5.2.1. | Magistrates and Court Officials | 94 |
| 5.2.2. | Performance Evaluation | 95 |
| 5.3. | Training in the Judicial System..... | 96 |
| 5.3.1. | National Institute of Justice..... | 96 |
| 5.3.2. | Trainings | 96 |
| 6. | Development of information technology in the judicial system | 99 |
| 6.1. | Competent authorities on the IT activities within the Judiciary..... | 100 |
| 6.2. | State of the information technology of the judicial system..... | 100 |
| 6.3. | Information systems and registers set up within the judicial system | 101 |
| 6.3.1. | Single Information System for Fight against Crime (SISFAC) | 101 |
| 6.3.2. | Electronic Case Management System (ECSM)..... | 101 |
| 6.3.3. | System for Random Allocation of Cases | 102 |
| 6.3.4. | Integrated System of Registers..... | 102 |
| 6.3.5. | System for the Issuing of Conviction Status Certificates..... | 102 |
| 6.3.6. | Unified Information System (UIS)..... | 102 |
| 6.3.7. | Cadastre and Property Register | 102 |
| 6.3.8. | Unified Information System in the Field of International Judicial Cooperation on Criminal and Civil Cases..... | 103 |
| 6.4. | e-Justice | 103 |
| VI. | SWOT ANALYSIS OF THE STATUS OF THE STATE ADMINISTRATION | 106 |
| VII. | SWOT ANALYSIS OF THE STATUS OF THE STRUCTURES OF THE CIVIL SOCIETY..... | 108 |
| VIII. | SWOT ANALYSIS OF THE STATUS OF THE JUDICIAL SYSTEM | 109 |
| IX. | BASIC CONCLUSIONS OF THE EX-ANTE EVALUATION | 110 |
| 1. | Purpose of the ex-ante evaluation | 110 |
| 2. | Comments of the ex-ante evaluation on the different sections of OPAC..... | 110 |
| 2.1. | OPAC Objective..... | 110 |

| | | |
|--------|---|-----|
| 2.2. | Socio-economic and SWOT analyses | 110 |
| 2.3. | Priority axes, sub-priorities and indicative activities | 111 |
| 2.3.1. | Definition of state administration and role of the judiciary | 111 |
| 2.3.2. | The Role of the Institute for Public Administration and European Integration and other training institutions..... | 111 |
| 2.3.3. | Proposals for amendments in the Strategic Part of the OPAC | 111 |
| 2.3.4. | Monitoring indicators | 112 |
| 2.3.5. | Implementation and monitoring | 112 |
| 2.3.6. | Impact assessment..... | 112 |
| 2.3.7. | Socio-economic impact of OPAC | 113 |
| 2.4. | Impact of the whole OP on the regional and social cohesion..... | 115 |
| X. | STRATEGY OF THE OP “ADMINISTRATIVE CAPACITY” | 116 |
| XI. | PRIORITY AXIS I, SUB-PRIORITIES AND INDICATIVE ACTIVITIES..... | 120 |
| 1. | Sub-priority 1.1. | 123 |
| 2. | Sub-priority 1.2. | 125 |
| 3. | Sub-priority 1.3. | 127 |
| 4. | Sub-priority 1.4. | 129 |
| 5. | Sub-priority 1.5. | 131 |
| 6. | Sub-priority 1.6. | 133 |
| XII. | PRIORITY AXIS II, SUB-PRIORITIES AND INDICATIVE ACTIVITIES | 134 |
| 1. | Sub-priority 2.1. | 137 |
| 2. | Sub-priority 2.2. | 139 |
| 3. | Sub-priority 2.3. | 142 |
| 4. | Sub-priority 2.4. | 143 |
| 5. | Sub-priority 2.5. | 146 |
| XIII. | PRIORITY AXIS III, SUB-PRIORITIES AND INDICATIVE ACTIVITIES | 147 |
| 1. | Sub-priority 3.1. | 150 |
| 2. | Sub-priority 3.2. | 155 |
| 3. | Sub-priority 3.3. | 157 |
| 4. | Sub-priority 3.4. | 159 |
| XIV. | PRIORITY AXIS IV, SUB-PRIORITIES AND INDICATIVE ACTIVITIES..... | 160 |
| 1. | Sub-priority 4.1. | 161 |
| 2. | Sub-priority 4.2. | 163 |
| 3. | Sub-priority 4.3. | 165 |
| XV. | INDICATIVE FINANCIAL FRAMEWORK FOR THE PERIOD 2007-2013 | 166 |
| XVI. | FINANCIAL PLAN FOR THE PERIOD 2007-2013..... | 167 |
| XVII. | COMPLIANCE OF OPAC WITH THE OTHER OPERATIONAL PROGRAMMES | 169 |
| XVIII. | PREVENTION OF OVERLAPPING AND DUPLICATION OF THE FINANCING..... | 172 |

| | | |
|--------|--|-----|
| XIX. | HORIZONTAL PRINCIPLES..... | 173 |
| 1. | Gender equality and prevention of discrimination | 173 |
| 2. | Innovations and Mainstreaming | 174 |
| 3. | Partnership..... | 174 |
| 4. | Sustainable Development..... | 175 |
| XX. | SPECIAL PROVISIONS | 177 |
| XXI. | OPAC IMPLEMENTATION AND MANAGEMENT | 179 |
| 1. | Institutional framework for OPAC management | 179 |
| 1.1. | Managing Authority | 179 |
| 1.2. | Certifying Authority (CA)..... | 181 |
| 1.3. | Audit Authority (AA)..... | 182 |
| 1.4. | Compliance Assessment Body | 183 |
| 1.5. | Monitoring Committee | 183 |
| 2. | Implementation of the Programme..... | 185 |
| 2.1. | Role of the Beneficiary | 185 |
| 2.2. | Selection of Projects for Financing | 185 |
| 2.3. | Financial Management of the OPAC | 186 |
| 2.3.1. | Body responsible for receiving funds from the EC | 186 |
| 2.3.2. | Body responsible for making payments to beneficiaries..... | 186 |
| 2.3.3. | Role of the Managing Authority | 186 |
| 3. | Audit and Control Procedures | 188 |
| 3.1. | Internal Control | 188 |
| 3.2. | Verification of the Activities..... | 189 |
| 3.3. | Audit Trail..... | 189 |
| 3.4. | Ex-ante Control | 189 |
| 3.5. | Internal Audit | 190 |
| 3.6. | Risk Management..... | 190 |
| 3.7. | Irregularity Reporting..... | 190 |
| 4. | Monitoring and Evaluation..... | 190 |
| 4.1. | Monitoring system..... | 190 |
| 4.1.1. | Management Information System (MIS) | 191 |
| 4.1.2. | Financial accounting system – SAP | 192 |
| 4.1.3. | Information system of the EC – SFC2007 | 192 |
| 4.2. | Evaluation | 193 |
| 4.2.1. | Ex-ante Evaluation | 193 |
| 4.2.2. | On-going Evaluation | 194 |
| 4.2.3. | Ex-post Evaluation | 195 |

| | | |
|--------|--|-----|
| 4.2.4. | Management of the on-going evaluation process..... | 195 |
| XXII. | SUMMARY OF THE COMMUNICATION PLAN OF OPAC 2007-2013 | 196 |
| 1. | Objectives and target groups | 196 |
| 1.1. | Objectives..... | 196 |
| 1.1.1. | Main Objective | 196 |
| 1.1.2. | Specific Objectives..... | 196 |
| 1.2. | Target Groups..... | 197 |
| 2. | Content and Strategy of the Communication plan | 197 |
| 2.1. | Strategy | 197 |
| 2.2. | Information and Communication tools..... | 197 |
| 3. | Indicative Budget | 198 |
| 4. | Bodies Responsible for the Implementation of the Information and Publicity Measures..... | 198 |
| 4.1. | Responsibilities of the Managing Authority | 198 |
| 4.2. | Responsibilities of the Communication Officer | 199 |
| 4.3. | Responsibilities of the Beneficiaries | 200 |
| 5. | Adoption and Amendments to the Communication Plan..... | 200 |
| 6. | Monitoring and Evaluation Indicators..... | 201 |
| XXIII. | ABBREVIATIONS | 202 |

I. INTRODUCTION

“How do we improve institutional and administrative capacity? To do this we need to raise the quality of civil servants. We need to make organisations more efficient and fully exploit new emerging technologies. We also need to change how governments interact with social and economic actors.”¹

*Vladimir Špidla
Commissioner for Employment, Social Affairs and Equal Opportunities*

The Operational Programme “Administrative Capacity” (OPAC) is a strategic document for the modernisation of the Bulgarian state administration during the 2007-2013 period. The Programme is financed by the European Social Fund (ESF) and the national budget. It is in line with the recommendations of the Community laid down in the Community Strategic Guidelines on Cohesion, emphasising the need for special actions to strengthen administrative capacity within the “Cohesion” objective.

The Operational Programme “Administrative Capacity” is part of the National Strategic Reference Framework (NSRF), 2007-2013, contributing to the implementation of the Framework’s two strategic objectives: “Increasing the quality of the human capital with a focus on employment” and “Fostering entrepreneurship, favorable business environment and good governance”.

The Operational Programme “Administrative Capacity” has a **horizontal scope, and its strategic objective is:**

Improving the functioning of state administration for an effective implementation of policies, quality service delivery to citizens and businesses, and creating the conditions for sustainable economic growth and employment.

Enhancing the professionalism, transparency and accountability of the judiciary.

OPAC has the following specific objectives:

- **Effective functioning of the administration and the judiciary**
- **Improving human resources management and enhancing the qualification of employees in the state administration, the judiciary and the civil society structures**
- **Modern service delivery provided by the administration and the judiciary.**

¹ Špidla V., Commissioner for Employment, Social Affairs and Equal Opportunities, *Conference on: “The European Social Fund at Work*, Manchester, 14 Oct 2005

Through the implementation of the Operational Programme “Administrative Capacity” common standards and rules will be established for the administrative reform at all levels – central, regional and local. Also, the professionalism of the administration will be enhanced towards better addressing the needs of society at lower administrative costs and in a less bureaucratic way. The Programme will also introduce operational internal and external control mechanisms for better transparency and accountability.

The Programme will also strengthen the capacity of civil society and the bodies of the judiciary to cooperate and conduct a dialogue with the administration. This will enable a more efficient formulation and implementation of policies in application of the partnership principle.

Besides being horizontal, the OPAC has also a sectoral scope, as it addresses the reform of the judiciary, focusing on human resources and transparency. The strengthening of the judiciary is particularly important for the implementation of the Community legislation. An effective and transparent judicial system is an important prerequisite for establishing an enabling business environment and higher economic growth.

Furthermore, transnational and interregional cooperation opportunities will be fully exploited to allow for the exchange of good practices between Bulgaria and other EU Member States in areas of importance to the administrative and judicial reforms process.

In order to achieve its objectives, OPAC will focus on the following priority axes:

Priority axis I: Good governance

Priority axis II: Human resources management

Priority axis III: Quality administrative service delivery and e-Governance development

Priority axis IV: Technical assistance

The Priority axes of this Programme correspond to the areas of intervention eligible under the European Social Fund in compliance with Art.2 of Regulation No 1081/2006 of the European Parliament and of the Council on the European Social Fund.

This Programme has been elaborated taking into consideration all the relevant strategic documents of the European Union (EU), as well as the priorities of national policies and those of the National Reform Programme.

II. PARTNERSHIP PRINCIPLE

This Operational Programme was developed by applying the partnership principle with all the concerned stakeholders, pursuant to Art.11 of Council Regulation (EC) No 1083/2006 of 11 July, 2006². The partnership principle was applied for all the phases of the Programme – development, implementation, monitoring, and evaluation.

With a Minister of State Administration and Administrative Reform Decree dated 27.10.2005, a Working Group was established to elaborate the Operational Programme “Administrative Capacity”. In order to achieve a broad-based consensus on the Programme, the Working Group comprised more than 40 representatives of different state institutions at the central, regional and municipal levels, as well as socio-economic partners (SEPs) and non-governmental organisations (NGOs).³

The SEPs and NGOs were actively involved in the identification of the most important areas for strengthening administrative capacity in Bulgaria. The effective consultations contributed to building mutual confidence and cooperation between state administration and civil society. They allowed different points of view to be expressed and enabled the identification of reform areas requiring further efforts.

In the process of elaboration of the Operational Programme, additional meetings with representatives of all the concerned stakeholders were held. In the period between March and October of 2006, representatives of the Managing Authority of OPAC discussed the Programme with various regional and municipal administrations, SEPs, and NGOs. In the spring and summer of 2007 the MA held a number of specialised meetings with representatives of the SJC, SAC, the Prosecutor’s Office, MJ and NIJ in order to discuss the necessity for strengthening of the capacity of the judiciary. These discussions were used as a basis for the strategic part of OPAC on the judiciary.

The partnership principle will also be applied during Programme implementation and monitoring.

² Council Regulation (EC) No 1083/2006 of 11 July, 2006, laying down general provisions on the European Regional Development Fund, the European Social Fund, and the Cohesion Fund, and repealing Council Regulation No (EC) 1260/1999

³ See Annex No1

III. SITUATION ANALYSIS OF THE STATE ADMINISTRATION

The reform of the state administration started some time before Bulgaria's accession to the EU with the strong support of the European Commission. In the year 2000, one of the key recommendations of the Commission to Bulgaria as a candidate country made in the PHARE 2000 review was that the country should revise and reconsider fundamentally its public administration reform.⁴ Since 2003, following the adoption of key legislation, reforms in various spheres of the administration have been undertaken following the general European trends and good practices, given that at the European level there is no single strategy for strengthening the capacity of the state administration nor is there a unified model for its most effective functioning.

In recent years the reform of the Bulgarian state administration has been relying on national funding as well as on support from the PHARE pre-accession programme. In the 1998-2006 programming period PHARE's support for the reform of Bulgaria's state administration and judicial system totalled about EUR 304 mln. The goals and outcomes expected from this support for the period 2004-2006 were set out in the Multiannual Programming Document of the Ministry of Finance (MF). The focus of support in the area of state administration reform shifted from assistance to amend the legislative framework towards the problems related to its enforcement as well as to anticorruption measures.

Despite the ongoing administrative reform, the EC Monitoring Reports note that more efforts are still needed to improve the capacity of the state administration to meet EU membership requirements.

The opportunities for improving the quality of human resources provided by the EU Cohesion Policy, and in particular by the European Social Fund, will be used for the successful continuation of the administrative reform. This will help improve the business environment and strengthen the competitiveness of the Bulgarian economy.

The analysis provided herewith presents the state of the administration at central, regional and local level and its preparedness to work in the context of EU membership. The analysis depicts the basic tendencies, challenges and prospects in the modernisation of the state administration for the 2007 to 2013 period.

1. Legislative framework

1.1. Regulatory acts

Over the past few years the Bulgarian government adopted and improved the key legal acts on the structure and functions of the administration and the necessary secondary legislation for their implementation⁵. In 2006 important amendments were made to the two basic acts in this sphere: the Law on Administration (LA) and the Law on Civil Servants (LCS). The LA amendments were related to the implementation of the administrative reform: distinguishing the political from the administrative level in the state administration, regulating the policy-making process and creating effective internal control. The LCS amendments continue the process of modernisation of the Bulgarian state administration in the area of human resources management and aim at improving the status of civil servants and increasing their motivation.

⁴ PHARE 2000 Review *Strengthening Preparations for Membership*. Communication from Mr Verheugen. COM(2002)3103/2 October 2000

⁵ See Annex 3

An Administrative Procedure Code (APC) was also adopted in 2006. It constitutes an important step in the establishment of a responsible and transparent state administration. The APC will help to improve administrative service delivery and also responds to the need to create a systematic and unified legal framework regulating the procedures for issuing and appealing against administrative acts. The principles of accessibility, publicity and transparency of administrative proceedings were introduced.

A Law on e-Government was adopted at the end of May 2007. It will lay the ground for a substantial reform in the administration’s work thanks to the introduction of new information technologies and the parallel use of paper and electronic documents. The law envisages the automation of administrative procedures, the introduction of transparency in administrative processes and a reduction in the opportunities for corrupt practices as well as a reduction in administrative costs.

1.2. Implementation of the legislation

Effective and efficient implementation of the legislation is a process which requires well planned activities and coordination between all stakeholders.

The improvement of the legal framework is a necessary step towards increasing the efficiency of the central and territorial administrations, improving administrative services, reducing the costs of the business sector and the citizens for working with the administration and optimising feedback mechanisms.

However, this transformation cannot be done by legislative measures alone. What is also needed is a common understanding of the essence of the changes, the development of an administrative culture and adequate political support. In addition, the effective and efficient implementation of legislation is a process which requires well planned activities and coordination between all stakeholders.

The first step to overcome these obstacles has been the creation of the Ministry of State Administration and Administrative Reform. The Ministry has defined the main priorities based on the principles which were introduced during the previous stages of the reform: training and human resources management in the state administration, improving administrative service delivery and regulation, development of e-Government, continuing modernisation and enhanced transparency and accountability.

The MSAAR has elaborated different instruments with which to support the implementation of these priorities⁶. With the opportunities and resources of OPAC the Ministry has the central task of creating the preconditions for a successful completion of the administrative reform.

The legal framework for the state administration reform has now been to a large extent adopted and its scope is satisfactory. The main challenge will be to ensure its effective enforcement in the coming years. At the same time an efficient system for monitoring the implementation of strategies and the enforcement of legislation needs to be set up.

With a view to improving the enforcement of legislation, the capacity of the administrative structures should be further strengthened, as well as the role of MSAAR as

⁶ For example: The Transparency Programme for the State Administration and the High-Level State Officials Activity, Human Resource Management in the State Administration Strategy, Strategy for Training the Employees in the Administration, Law on e-Governance

the institution responsible for the implementation of the national administrative modernisation policy.

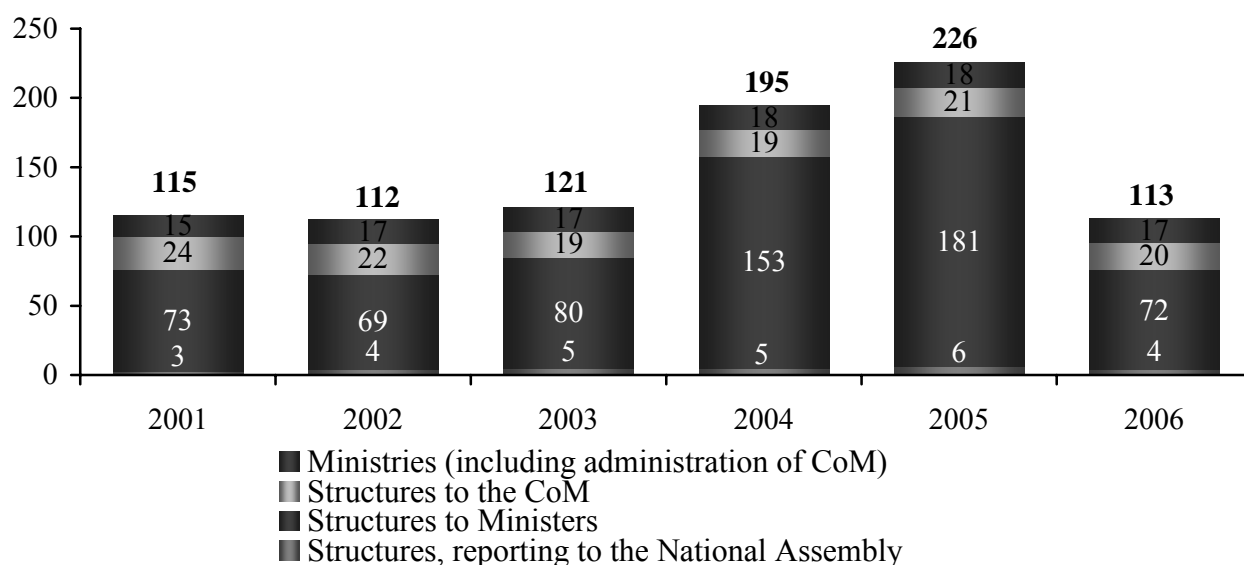
2. Administrative Structures and Institutional Building

The administration cannot function effectively without a clear vision on the institutional building of the administrative structures. At this stage the main priority of the reform in the administration is its **optimisation** at central, regional and municipal levels through modernisation and organisational development. The creation of new administrations, the restructuring of existing ones, the closing down of ineffective structures and units, their optimisation, as well as their organisational development are not aimed at achieving a **larger, but a better organized, more effective and politically neutral administration.**

2.1. Structure of the Administration and Distribution of Functions

The administration of executive power in Bulgaria is performed at **central and territorial levels**⁷. In 2006 the total number of administrative structures was 551. The central administration includes the administration of the Council of Ministers (CoM), the ministries, executive agencies, state commissions, administrative structures established by a regulatory instrument. The territorial administration includes regional, municipal administrations and specialized territorial administrations established as legal entities by a normative instrument. The total number of **administrative structures in the central administration is 113** (including the administration of the CoM)⁸.

Figure 1: Central administration structures



Source: State of the Administration Report, 2006⁹

⁷ Law on Administration (Art. 37) (see Annex No 3)

⁸ For approximation with the European requirements for Nomenclature of the territorial units for statistics (NUTS), Bulgaria is divided into: two non-administrative-territorial units (North and South Bulgaria) at NUTS 1 level; 6 planning regions at NUTS 2 level; 28 regions at NUTS 3 level

⁹ State of the Administration Report, 2006, page 23,

http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

The 28 regional administrations support the activities of the governors. **The governor** is the sole executive body in the region. He/she is appointed with a decision of the CoM to which it reports. He/she exercises state power on the territory of the region, coordinates the work of the executive bodies and their administrations, as well as their interaction with the local authorities, ensuring compatibility between national and local interests in regional policy-making¹⁰. The activities, structure, organisation of the work and the composition of the regional administration are defined in Rules of Procedure adopted by the CoM. **However, mechanisms have not been created yet for the effective performance of the governor’s coordinating role** regarding the deconcentrated administration (the territorial units) of the central executive power.

Bulgaria’s 264 municipalities are the basic administrative-territorial units carrying out local self-government. They are established by the CoM according to a procedure specified in the Law on Administrative and Territorial Structure of the Republic of Bulgaria (LATS RB). Mayoralties and districts are composite administrative – territorial units of municipalities¹¹. **The municipal administration** supports the activities of the municipal councils and the mayors of municipalities, districts and mayoralties. **The mayor** is the executive body in the municipality¹². He/she manages all municipal executive activities, organises the disbursement of the municipal budget and of the implementation of long-term programs, organises the implementation of the municipal council’s acts and participates in its sessions with the right to an advisory vote; approves the Rules of Procedure of the municipal administration.¹³

The territorial units of the central executive power, which are deconcentrated units of the separate ministries, form part of the central administration and are quite different in territorial scope, status and internal structure. Even though they employ around 60% of the total state administration, **until now** the deconcentrated units have remained **outside the scope of the reforms implemented in the country** – since 1998 the administrative reform has focused more on the civil service and the management of human resources.

The lack of effective interaction and links between the territorial units and the municipal administrations has serious negative consequences. The effectiveness of sectoral policies at municipal level, and therefrom at national level, must be improved.

The distribution of responsibilities, rights and resources between the central, regional and municipal level of government is linked to the process of optimisation of the administrative structures. The new strategic approach set out in the **Decentralisation Strategy** of June 2006¹⁴ requires that this distribution be carried out in connection with the other reforms and processes in the country. The Strategy contains commitments for a deepening of the decentralisation process, an increase in the municipalities’ own revenues, an improvement in the quality of services and an increase in the living standard of citizens. The implementation of the Decentralisation Strategy and the Programme for its Implementation for the period 2006-2009 are managed and coordinated by the **Council for Decentralisation of State Governance**. The Decentralisation Strategy is financed by the national budget. The report on the implementation of the Strategy and its Programme in 2006 was adopted in early June 2007.¹⁵

¹⁰ Law on Administration (Art. 29 et seq.) (see Annex No 3)

¹¹ Mayoralties and wards established by law shall be set up by the municipal councils according to the procedure stipulated by the LATS RB; there are a total of 35 areas in the three largest cities, established by the Law on Territorial Division of Sofia Municipality and the Large Cities (LTDSMLC)

¹² Law on Administration (Art. 33) (See Annex No 3)

¹³ Law on Local Self-Governance and Local Administration (Art. 44) (see Annex No 3)

¹⁴ See Annex No 3

¹⁵ According to the report, of 29 measures planned for 2006, 12 have been implemented, 15 – partially implemented and 2 have not been implemented. The financial state of the municipalities has improved significantly in 2006. The actual

Until recently, the major problem faced by the local authorities, and more specifically the municipal administrations, was the discrepancy between their powers and functions on the one hand and the insufficient resources at their disposal on the other. This was changed by the latest amendment to the **Constitution of the Republic of Bulgaria**¹⁶ – a new procedure for establishing taxes and fees and determining their level was introduced whereby municipalities are entrusted with the power to:

- determine the level of local taxes
- determine the level of local fees.

In 2006 the process of **transfer of functions from the central to the municipal administration** continued, for example in the areas of registration of agricultural and forest equipment, administration of local taxes and fees¹⁷, homes for bringing up children deprived of parental care¹⁸.

The main challenges in the reform of administrative structures at the various levels of the executive power are related to:

- **binding the modernisation of the state administration with the decentralisation process**
- **improving the functions and structure of the territorial units of the central executive power**
- **supporting the activities of the governor in ensuring compatibility between the national and local interests and in the role of coordinator of the actions and activities of the heads of territorial units of the central executive power**
- **improving the links between the territorial units of the central executive power and the municipal administrations in the region.**

2.2. Rules of Procedure of the Administrative Structures and Changes in the Number of Staff on Payroll, their Structure and Functions

The number of staff on payroll, the structure, functions and organisation of the work of the administrations are regulated in the regulatory acts by which they were established and by the respective **Rules of Procedure**. The structure and composition of the **Council of Ministers** are approved by a **National Assembly** decision. The Rules of Procedure of each separate **ministry, executive agency, state commission or administrative structure established by a regulatory act**, are adopted by the CoM.

growth in municipal revenue is above 10%, the share of capital expenses of the local authorities reached 21% and the expensed for local services surpasses delegated services by 52.6%. In the past year consensus for Constitutional amendments was reached, which is the first step towards giving tax powers to the local authorities. Also the first changes aimed at consolidating the investment transfers for the municipalities were completed; <http://www.government.bg/cgi-bin/e-cms/vis/vis.pl?s=001&p=0175&n=002330&g=>

¹⁶ Law Amending and Supplementing the Constitution of the Republic of Bulgaria (promulgated SG No 12/06.02.2007) – Fourth amendment (§ 5, § 11) (see Annex No 3)

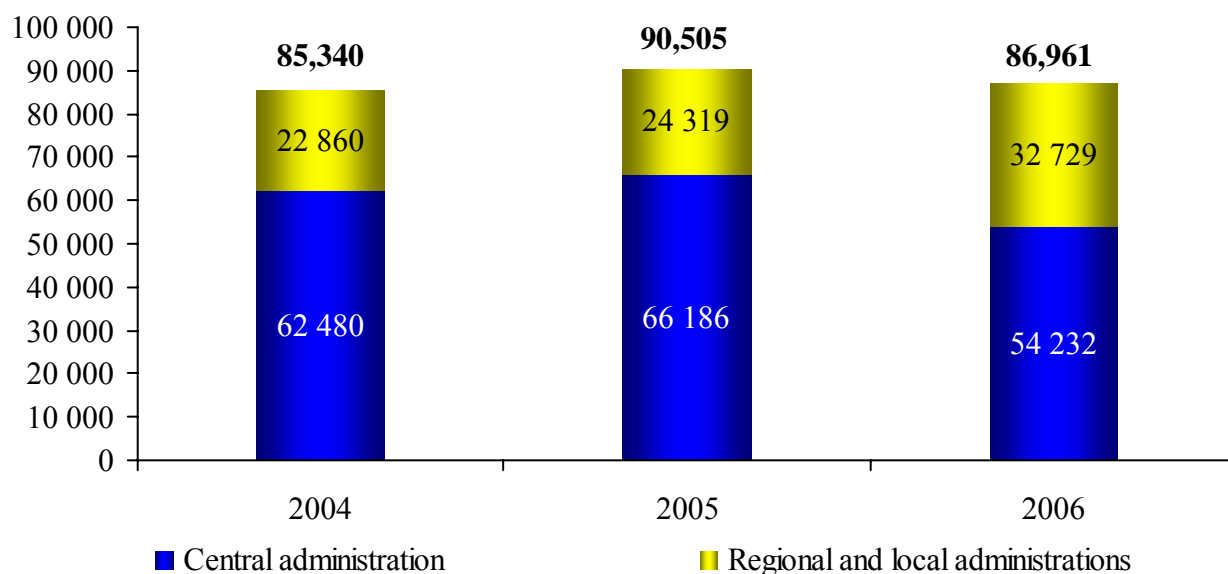
¹⁷ Report on the State of the Administration, 2006, page 30, http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

¹⁸ Annual Report on the Implementation of the Decentralisation Strategy and the Programme in 2006; <http://www.government.bg/cgi-bin/e-cms/vis/vis.pl?s=001&p=0175&n=002330&g=>

The total number of positions for staff on payroll in the administration, calculated on the basis of the rules of procedure, is 86,961. In 2006 the total number of persons employed in the state administration was 81,320¹⁹. 41.4% of them were civil servants with supervisory and expert functions and 58.6% were employees on a labor contract, which perform auxiliary or technical functions.

The persons employed in the central power structures constituted 62.4% of the total number of staff in the administration while those working in the regional and municipal administration represented 32,729 positions.

Figure 2: Number of staff positions on payroll in the administration



Source: Ministry of State Administration and Administrative Reform (data as per rules of procedures)

In 2006 number of personnel in the administrative structures and the secondary spenders under ministers was optimized by 5,306 positions on payroll, which constitutes a **reduction of 3.4%**²⁰. **The Council for Modernisation of the State Administration (CMSA)**²¹ gives opinions on the establishment, transformation and closure of administrative structures as well as on increases in their staff prior to CoM approval. In 2006 it examined 13 proposals for staff increases in administrative structures. The CMSA applied the policy against uncontrolled staff increases in the administration²² and most staff increases were made on the basis of internal restructuring²³.

¹⁹ Report on the State of the Administration, 2006, page 46,

http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

²⁰ Report on the Activities of the MSAAR, August 2005 – December 2006, page 6,

<http://www.mdaar.government.bg/docs/Otchet%20MDAAR%202006.pdf>

²¹ Established as an advisory body to the CoM for practical implementation of the Programme and Implementation Plan of the Strategy for Modernisation of the State Administration

²² And in line with §74 of the 2006 State Budget Act, according to which by 31 January 2006 all ministers must perform a review and must submit for approval by the CoM optimisation plans for the structures and staff numbers

²³ Report on the Implementation of the Updated Implementation Plan of the Strategy for Modernisation of the State Administration – from Accession to Integration, 2003-2006, for the period January-December 2006, page 6

The changes in the number of staff on payroll were caused by the following factors²⁴: functional analysis and restructuring, establishment of units or strengthening of existing units working on the *acquis* or on EU financial instruments, enforcement of newly-adopted or amended regulatory instruments and implementation of CoM decrees on the execution of the state budget²⁵.

In the central administrative structures as a whole the number of staff on payroll was decreased by 3,119 positions. At a ministry level an increase of the number of staff on payroll is reported, often as a consequence of responsibilities associated with Bulgaria’s EU membership.

As far as the municipal administrations are concerned, most of the municipalities employ between 31 and 70 people. A significant staff increase was reported for 2006. The total number and structure of the **municipal administration** are approved by the **Municipal Council** upon proposal of the mayor of the municipality. The mayor who approves the Rules of Procedure of the municipal administration. The adopted regulatory framework²⁶ sets general requirements for the structure of the administration (including the municipal administration). **A methodology for setting the lower staff limit of the municipal administration** has been elaborated. The number of staff of the municipal administrations financed as part an activity delegated by the state is determined by the Ministry of Finance on the basis of this Methodology. If needed, the municipal councils have the right to approve additional staff, which is financed by the municipality’s own revenue.

The number of staff in the regional administration (a total of 1,187 people) did not change in 2006. In 2000 the CoM adopted **Rules of Procedure of the Regional Administrations**, specifying their staff number, structure, functions and work organisation²⁷. In order to reflect the 2006 legislative amendments²⁸ in relation to the functions and powers of the governors, the Rules of Procedure of the regional administrations were amended²⁹.

The process of overcoming duplication of functions at central, regional and municipal level has continued. In this respect the drawing up of functional analyses and the refinement of the regulatory framework have proved to be necessary and effective instruments³⁰.

Despite of a general state of organisational stability, the trend of frequent **amendments to the rules of procedure** reported in 2004 and 2005 was preserved in 2006. These are the result of the **lack of clearly defined strategic goals, discontinuation or emergence of functions or a need for additional human resources**. The amendments of the rules of procedure are often related to a change in the number of staff on payroll in the administrative structures resulting from fulfilment of commitments in the process of EU accession, functional analysis and enforcement of newly-adopted or amended regulatory instruments and other.

A relative stability of the administrative structures from an organisational point of view is observed. The optimisation of the administration continues. It is important to continue the adoption of measures in the following problem areas:

²⁴ Report on the State of the Administration, 2006, page 27 et seq.

http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

²⁵ CoM Decree dated 31/01/2006

²⁶ Law on Administration, Law on Civil Servants, Unified Classification of Positions on the Administration and other (see Annex No 3)

²⁷ CoM Decree 121 of 2000

²⁸ Law on Administration (Art. 19, 19a, 32), Law on Local Self-government and Local Administration (Art. 4, 22, 23, 30, 38, 42, 45)

²⁹ CoM Decree 140 dated 19 July 2007

³⁰ Report on the State of the Administration, 2006, page 28, 29

http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

- **Reduction of overlapping functions in the administration through fine tuning of the regulatory framework and functional analyses**
- **Determination of the number of staff in the administrations according to the functions assigned to them; changes have to be made mainly on the basis of internal restructuring; attention has to be paid when determining the positions to be occupied on civil service relations**
- **Establishing stable administrative structures by updating the Rules of Procedure mainly in imperative cases of legislative amendments or on the basis of recent functional analyses; strategic planning in the administrations should be improved in order to reduce the frequent amendments to the Rules of Procedure, which in turn will lead to greater stability and predictability of their work; the binding of the control functions with the planning process as well as guaranteeing good coordination between the separate units is a prerequisite for this.**

A large share of the municipal administrations, especially the smaller ones, as well as the territorial units of the central executive power do not have a sufficient capacity to perform their functions, despite increases in their staff locally. Therefore, attention must be paid to optimisation of the structure, qualifications and respectively activities of their employees.

2.3. Instruments for Monitoring and Reporting on the Development of Administrative Structures

The Law on Administration regulates the creation of a public Register of Administrative Structures and of the executive bodies' acts to support the achievement of openness, accessibility and coordination of the state administration's work. Information on all executive administrative structures, the regulatory regimes, the total staff numbers, the occupied and vacant staff positions and notices for competitions for civil servants shall be added in the Register.

Since 2003 there has been a significant drop in interest towards the Register, the reasons for which may be sought in the accuracy and actuality of the published information. In 2006 only 46.4% of all administrative structures reported that they had adopted an internal organisation for collecting and registering data in the Register.

A new Internet-based Administrative Register maintained by the MSAAR³¹ was created in 2006 in relation to the amendments to the Law on Administration,. It will combine the Register of Administrative Structures and the Register of Civil Servants “under one roof”. The new Register will ensure **free real time access by the administrations, citizens and businesses** to more detailed information on the structures, regimes and administrative services. The launching of the new Register is planned for mid 2007.

The successful establishment of the Administrative Register should be followed by measures to guarantee its successful work as well as its regular updating and use for analyses on the state of the state administration.

³¹ Law on Administration (Art. 61); (see Annex No 3); Ordinance on the Procedure and Conditions for Keeping the Administrative Register, in force as of 1 May 2007

Another instrument for providing information on the administrative structures and the results of their work are the **annual reports** on the activities and state of the administration. Their preparation and publishing, as well as the related system and deadlines, are regulated by regulatory acts³².

The heads of administrative structures (ministries, state commissions, state and executive agencies, regional and municipal administrations) prepare annual reports on **the activities of their structures**. They report on their performance towards the achievement of the strategic goals and priorities which are set in the programme of the CoM. The reports are published annually by 28 February on the web-site of the respective administrative structure.

Every year, by a deadline set to be 1 March, the heads of the administrative structures in the system of the executive power must present to the Minister of State Administration and Administrative Reform **annual reports on the state of their respective structures**.

The Minister submits a summary report on the state of the administration to the CoM by 30 April. The report is presented to the National Assembly for information and is published on the web-sites of the CoM and the MSAAR.

The results of the reports reveal the need for a more optimal and effective structure of the state administration. An insufficient number of administrations plan their organisational development; there is no mechanism for performance measurement (including criteria for measuring administrative effectiveness).

As a result of the legislative measures which regulate clearly the deadlines and possibilities for publishing reports on the activities and state of the administrations, greater publicity and accountability has been achieved on the activities of the administration, as well as greater security regarding the availability of current information on it.

The fact that some administrations still do not report their activities or do not provide comprehensive information in the reports is a problem that must be solved. This would not only give a clear idea of the activities of these structures, but would also assist in the identification of measures necessary for their optimisation and for improving the overall process of policy-making and implementation. In order to guarantee effectiveness and to harmonize the future organisational development of the administrative structures with the reported results, a mechanism for performance measurement must be developed (including criteria for measuring administrative effectiveness).

3. Transparency and integrity of the state administration

3.1. Transparency and accountability

The main trends in the development of the state administration are related to strengthening the **principles of transparency and accountability** as a condition for good governance. Measures for improving the transparency, accountability and integrity of the activity of the state administration have been provided for in the Strategy for Transparent Management and for Preventing and Counteracting Corruption, 2006-2008, as well as in the Programme for

³² Law on Administration (Art. 62); (see Annex No 3)

Transparency in the Activities of the State Administration and High-Level Officials (Senior Civil Servants), 2006.³³

According to a study conducted among state administration employees, there has been a considerable change in their opinion with respect to the conducted reforms and the implementation of the Programme for Transparency. **The measures related to achieving openness and transparency** of the administration’s activities have received **exceptionally high levels of support (80%)**³⁴.

The means and tools for achieving greater transparency and better accountability of the administration are many and from different spheres. Those like the Administrative Register and the annual reports on the state of the administration have already been mentioned while others are related to the area of service delivery, e-Governance or human resource management in the administration.

The publication of the **declarations on the property and income of senior level officials** on the Internet is another tool for achieving greater transparency and accountability. After January 2007³⁵ senior level officials are required to submit their declarations by 30 April of the calendar year, with an additional term of one month for correcting mistakes. Stricter sanctions for those refusing to submit declarations or submit incorrect information have been introduced.

The mechanism for checking the declarations on the property and income of senior level officials involves a comparison of the submitted information with that contained in the registers of other bodies.³⁶ The National Audit Office is responsible for coordinating the declarations, checking them and imposing sanctions in case of identified violations. The checks should be completed by 31 October of the calendar year. The incorrect declarations are forwarded to the National Revenue Agency for further control. The declarations and all relevant documents are published on the National Audit Office website.

Within the deadlines provided by law, 816 declarations have been submitted by officials when taking office. The National Audit Office publishes on its website the list of persons that have not submitted their property declaration within the deadlines stipulated by law when taking or leaving office. From 15 May until now the National Audit Office has processed 5,515 declarations and notices. A list of the officials who have not submitted their declarations in the specified timeframes has been sent to the National Revenue Agency.

By 31 March of the calendar year all civil servants are also obliged to declare to the appointing bodies their property and potential conflicts of interest. For the period from April 2006 to March 2007 the “Inspectorate for the State Administration” Directorate within the MSAAR has identified 74 cases of non-submitted property declarations³⁷ and 63 non-submitted declarations for conflict of interest³⁸ out of 1,426 checked civil servants’ files.

The report on the implementation of the Programme for Transparency in the Activity of the State Administration and High-Level Officials (Senior civil servants)³⁹ shows that following

³³ See Annex 3

³⁴ Evaluative survey carried out by “Transparency International” Association among state administration employees in the period 15 and 30.08.2006 on the implementation of the transparency and accountability principles (page 3)

³⁵ Law Amending and Supplementing the Law on Publicising the Property of the Senior Civil Servants prom. SG No 73/05.09.2006

³⁶ Such as the Ministry of Finance, the Ministry of Transport, the Ministry of Agriculture and Forestry, the Ministry of Regional Development and Public Works

³⁷ Civil Servant Act (Art 29).

³⁸ Civil Servant Act (Art. 29a, para 1).

³⁹ <http://www.mdaar.government.bg/programmes.php>

mechanisms for feedback and submission of signals for corruption are among the basic **transparency and accountability tools** in the different administrative structures: **Internet addresses** and **hot telephone lines** (82% of the administrative structures), **mailboxes for submitting opinions, assessments and recommendations** (78%) and **ethical codes** (78%). The least used are the questionnaires for administrative services users (46% of the administrative structures).

Table 1: Number of placed mailboxes and created e-mails for posting opinions in the state administration units for 2006

| Type of administration | Number of post boxes for submitting opinions | | Number of e-mails for submitting opinions | |
|---------------------------|--|----------|---|----------|
| | July | December | July | December |
| Central administration | 12 | all | 11 | all |
| Regional administrations | 12 | 16 | 3 | 22 |
| Municipal administrations | 120 | 150 | 8 | 13 |

Source: Report on State of the Administration, 2006 г.⁴⁰

The Law on the Access to Public Information (LAPI) contributes to greater transparency and accountability. The administrative capacity for implementing LAPI has been gradually developing⁴¹. Internal rules for working under LAPI have been established within almost half of all administrations and explanatory information for the citizens has been developed. However, only 165 (out of 551) administrative structures can receive applications for access to information electronically. The highly important trainings of state administration employees on implementing LAPI have been decreasing in number since 2004.

In 2006 the number of registered applications for access to information was 25,790, which marks a sharp drop in comparison with 2005 when their number was 56,139. In 2006, the number of such applications that were not reviewed by the central administration has increased, while in the regional and in the municipal administrations there a falling trend in the number of non-reviewed applications after 2004

The administration is undertaking more and more measures to give **maximum publicity** to its activities, including seminars with journalists, regular press conferences, keeping updated information on the websites of ministries and agencies, organising information campaigns, developing communication strategies. Official websites have been created for 442 (out of 551) administrative structures (104 structures from the central administration and 338 (from the regional and municipal administrations); 16 structures use other websites.

⁴⁰ Report on the State of the Administration, 2006, page 23, http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

⁴¹ Report on the State of the Administration, 2006, page 144 et seq., http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

Although feedback mechanisms have been developed, the low level of public awareness leads to their ineffectiveness. The lack of thorough analysis of the received allegations, opinions and recommendations is still a weakness.

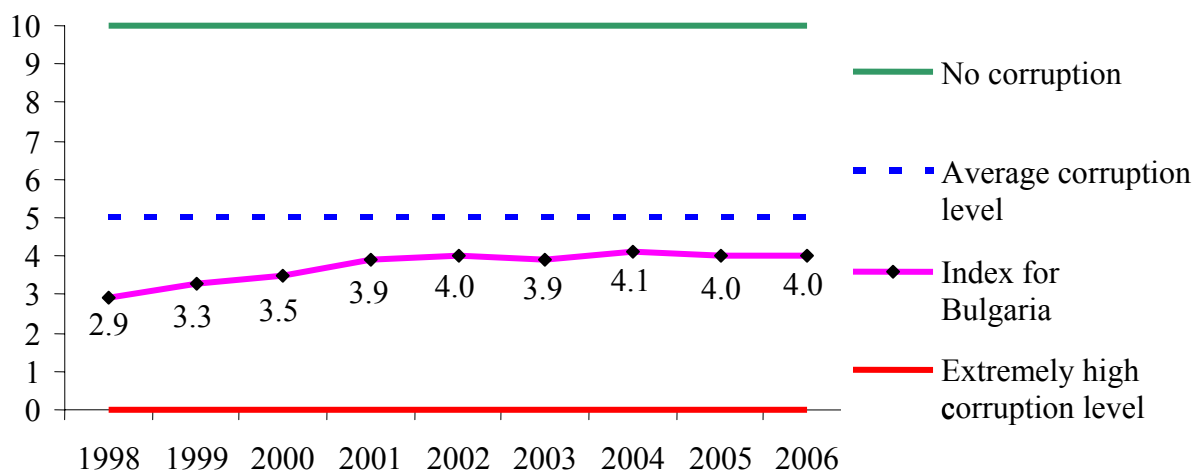
It is important to improve the possibilities for access to public information by users, and to this end, the capacity for providing information needs to be strengthened (by reviewing the adequacy of the applied internal rules, by implementing them in more administrations, by increasing the number of trainings for their servants working under LAPI, as well as by improving the possibilities for receiving electronic applications).

Besides providing public information under LAPI, the trend of giving maximum publicity to the administration’s activities should continue.

3.2. Anticorruption policy

The basic measure of the corruption environment is the **index prepared annually by Transparency International**. For the period 1998-2002, studies in Bulgaria show slow but steady increase in its values.

Figure 3: Corruption Perception Index for Bulgaria, 1998-2006



Source: Transparency International, Bulgaria

The Accession of Bulgaria to the EU has been accompanied by a series of specific complementary measures for preventing or rectifying shortcomings in several problem areas⁴². **A mechanism for cooperation on and monitoring of progress⁴³ in the fields of judiciary reform and fight against corruption and organised crime has been created.** This is an indicator of the exceptional importance of the measures undertaken and that should be undertaken for preventing and counteracting to corruption.

⁴² Aviation safety, food safety, agricultural funds and reform in judiciary, fight against corruption and organised crime
⁴³ Decision of the Commission from December 13, 2006 for creating a mechanism for cooperation and monitoring the progress of Bulgaria in specific important fields of the reform in judiciary, and fight against corruption and organised crime, EC (2006/929), OB L 354/56, 14.12.2006.

According to a survey conducted among the users of administrative services⁴⁴, the **personal experience of citizens** shows relatively low levels of corruption pressure on the part of the civil servants. The majority of the surveyed persons indicate that they have not been offered the illegal hastening of an administrative procedure and only 2% are sure that they have been in a situation of corruption pressure. The highest levels of scepticism about the integrity of administration employees have been observed among company owners and associates.

The greater part of the objectives of the **National Strategy for Counteracting Corruption 2001** has been achieved, also with the help of PHARE Programme resources – institutions for counteracting corruption in the country have been created; legislative measures have been or are to be adopted, the work of the state administration has been improved⁴⁵.

The new **Strategy for transparent management, prevention of and counteracting corruption 2006-2008** builds on the gained experience and specifies priority areas for counteracting and preventing corruption at senior management levels. According to the report on the implementation of the Strategy for 2006, 94 out of 121 measures from the 2006 Action Plan have been implemented and 27 are in the process of implementation and are expected to be completed by the mid-2007.

A **Coordination Council of the Anticorruption Commissions** on central level has been functioning since April 2006 – the commissions for combating corruption under the Supreme Judicial Council (SJC), the National Assembly and the Council of Ministers. The Council meets on a monthly basis on strategic and operational issues, including on specific issues. The main tasks of the Coordination Council are connected with: information exchange, coordination and harmonisation of activities; developing and conducting joint initiatives; specifying priority fields and forms of interaction in the fight against corruption, ascertaining the presence of corruption practices based on submitted allegations and conducting checks depending on the competences.

Regional Public Councils for Counteracting Corruption have been functioning in all regional administrations. The greater part of the council chairmen are Regional Governors; the council members include representatives of the Prosecutor’s Office of the Republic of Bulgaria (hereinafter referred to as the Prosecutor’s Office), the Investigation Office, the Police, the courts, the Revenue Agency, Customs, the health and education sector, NGOs, media, etc. All regional public councils have adopted Programmes for Implementing the Strategy for Transparent Management and Counteracting Corruption. The allegations for corruption submitted to the regional administrations for the period October 2006 – March 2007 are 113, out of which 104 have been reviewed and the others are in the process of review or are anonymous.

Since 2004, **trainings** on preventing and counteracting corruption have been carried out for the representatives of the state administration. In 2006, 25.7% of the whole administration passed trainings on the implementation of the Code of Conduct for the State Administration. A hundred percent of the inspectorates and the members of the disciplinary councils have passed trainings on the functions they perform and 100% of the Senior civil servants have received training in administration-related ethics. A series of other specialised trainings have also been carried out in the field of transparency and anticorruption policy at central, regional and municipal level⁴⁶. In 2006, in the framework of the Strategy for Transparent Management, and Preventing and Counteracting

⁴⁴ Inquiry among the users of administrative services conducted by Transparency International in the period 15-30 November 2006 (page 3)

⁴⁵ Report on the Implementation of the National Strategy for Counteraction of Corruption for the period 2004-2005, <http://www.acc.government.bg/documents/otchet-2004-1.doc>

⁴⁶ Report on the State of the Administration 2006, page 156, http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

Corruption, a MSAAR project “Counteracting State Administration Corruption by Training its Servants” was implemented by the “Inspectorate for the State Administration” Directorate and IPAEI. Under the project, materials for self-training on preventing and counteracting corruption were developed. Distance courses on transparency and integrity of civil servants were conducted – 50,814 servants successfully passed the training test; 6 seminar-discussions and a workshop with the Prosecutor’s Office bodies to discuss the possibilities to develop an adequate system for protecting the persons submitting corruption signals were conducted; pilot trainings for the employees working in high corruption risk spheres, as well as trainings of governors, mayors, deputy mayors and senior civil servants were carried out.

With respect to popularising the **Ethical Code for Civil Servants Conduct**, in 2006, **Standards for Administrative Ethics**⁴⁷ have been disseminated in all administrative structures. An **Ethical Code for the Senior civil servants in the Executive power** is also available.

The biggest number of corruption signals has been submitted to the central administration – 76.2%; to the regional administration - 2.5% and to the municipal administration – 21.3%⁴⁸.

The measures undertaken at the **border crossing points** are a good example of corruption counteraction and prevention thanks to which considerable progress has been achieved: control and imposing of sanctions, zero tolerance, checks on signals and also random checks, installed video cameras, use of information brochures, systematic training of the employees, psychological inquiries, publicity for the purpose of prevention given to identified cases of corruption, implementation of a system of “single receipt” payment and a system of random distribution of shifts.⁴⁹

Civil society is an active participant in the assessment of the government’s anticorruption policy. This activity has become a priority for a number of Bulgarian NGOs. Many public anticorruption debates have been initiated with the cooperation of the media. Monitoring of the administration has been performed through partnerships between civil associations, the business sector and NGOs on the one hand, and on the other – the state institutions. An example of such an initiative is **Coalition 2000**. Its activities include the development of an Action Plan for combating corruption, a monitoring system, the organisation of anticorruption information and education campaigns and the production of annual Reports assessing corruption in the country.

One project for enhancing the role of civil society in the fight against corruption⁵⁰ has been implemented under the **PHARE Programme** for civil society development. Another project under the **Transition Facility** called “**Civil Society Development**” is envisaged for 2008-2010. It will aim at strengthening civil society control and establish active cooperation between civil society and the administration in the process of developing and implementing effective anticorruption policies and tools. The beneficiaries under the project will be the Bulgarian NGOs.

⁴⁷ Report on the Transparency Programme for the State Administration and the High-Level State Officials Activity, until December 2006, page 14

<http://www.mdaar.government.bg/lucidity.php>

⁴⁸ The feedback mechanisms are described above in V., 3.1. Transparency and accountability

⁴⁹ Report of the European Commission on the progress of Bulgaria in the implementation of the accompanying measures after accession 27.06.2007, page 19,

<http://www.evropa.bg/bg/del/info-pad/press-releases/doklad.html>

⁵⁰ See below VI. Analysis of the capacity of the civil society structures

There is still a clear necessity for optimising the work of the different anticorruption units, especially with respect to the introduction of a clear separation of responsibilities better coordination, management style and decision-making process.

With a view to the increased number of corruption allegations, the trainings and seminars for the prevention of corruption should continue and control should be strengthened, including regarding the enforcement of the Ethical Code. The mechanisms for submitting corruption allegations and obtaining feedback should be increased and better publicized in society. The measures undertaken so far to increase transparency should be popularised. It is also important to conduct regular monitoring of the implementation of the Strategy for Transparent Management, Prevention and Counteracting to Corruption. Corruption prevention practices that have proven to be successful should be replicated in more administrations, and the participation of civil society structures in this sphere should be encouraged.

Apart from the policy for achieving greater transparency and accountability, and control of the activity of the administration⁵¹, the policy for counteracting corruption also includes a wider circle of activities in other areas, such as hiring civil servants on a competitive basis, conducting studies in the anticorruption field, good state service management, development of e-Government, full implementation of the one-stop-shop concept, implementation of a system for integrating the payments called “single receipt” at the border crossing points etc, etc.

For the complete success of the anticorruption policy, it is of utmost importance to continue to use and strengthen this “integrated approach”, whose purpose is not only to fight corruption but also to prevent it.

3.3. Control on the activity of the administration

3.3.1. Internal control

The control of the administration’s activities is exceptionally important for ensuring its effectiveness as well as for counteracting and preventing corruption.

As regards **internal control**, all ministries have created **inspectors which are directly subordinated to the respective minister**⁵². Their independence is regulated by law. The inspectors’ functions include: analysis of the effectiveness of the activity of the administration that should be used for streamlining the structure of the administrations; control on compliance with the internal rules for the organisation of the administrative work, controls of the signals, appeals and claims of illegal or inappropriate activities or inactivity of the administrative officials⁵³. The inspectors within the ministries perform also administrative control on the activities of the secondary budget spenders. Inspectors can be created in those administrations that are not covered by this control as well as in those that have territorial units.

In 2006, 43 administrations announced that **internal inspectors had been created** within the framework of their structure (34 in the central, 1 in the regional and 8 in the municipal administration). In 33.6% of the administrative structures, the functions are being performed by a

⁵¹ See below

⁵² Law on Administration (Art. 46).

⁵³ Law on Administration (Art. 46); (see Annex No 3)

staff member, appointed by the manager; and in the rest of the cases – by other competent bodies or committees established for that purpose.

Only 24% of the inspectorates publicise their activity – on a website, through periodical press conferences and reports. There is no unified system for announcing the overall results of the work of all the inspectorates. There are no uniform standards for their work and the rights and obligations of their staff must be unified in the rules of procedures of the administrations. The trainings of the inspectors are continuing.

A General Inspectorate within the administration of CoM has been created with the Law on Administration, It is directly subordinated to the Prime Minister. The **main functions** of the Inspectorate are: to support the organisation of activities for the implementation of state anticorruption policy as well as to perform analyses on the efficiency and effectiveness of state administration’s activity related to the anticorruption policy; to coordinate and support the activity of the inspectorates; to examine, and when needed, to perform checks related to signals for conflict of interests, corruption and other violations of the bodies of the executive power and civil servants on managerial posts and to draft a report on the results; to analyse the reasons and conditions for identified violations and to propose measures for their elimination; to support the execution of the decisions of the Commission for Preventing and Counteracting Corruption. **In the execution of its functions** the General Inspectorate performs: control on the overall work of the administration and performs general and specialized checks assigned by the Prime Minister; checks and control on specific issues and cases based on an order of the Prime Minister.

The General Inspectorate has drafted methodological guidelines to coordinate the inspectorates created within the ministries. Since the beginning of this year the General Inspectorate has been asked on several occasions (3 to 4) by some ministry inspectorates to act as a mediator in intra-ministerial conflicts. In all these cases General Inspectorate has issued a recommendation to the respective minister.

The overall control on **the enforcement of civil service legislation** is being executed by the Minister of State Administration and Administrative Reform. The MSAAR has established an “**Inspectorate for the State Administration**” Directorate for performing the control functions of the minister. Its inspectors perform general and specialised checks following an annual plan approved by the minister, as well as ad hoc checks based on signals. The main objective of the inspectorates’ activity is to contribute to improving the effectiveness of the state administration’s work through methodological support and on the spot consultations on the implementation and interpretation of the civil servant legislation. An important indicator measuring the attainment of this objective is the decrease in mandatory instructions issued. Out of the 245 checks performed by the end of 2006, 150 mandatory instructions have been issued to the appointing bodies for serious violations, which represent a decrease compared to previous periods. For the period January – April 2007, 102 checks have been made (11 upon signals received from civil servants, 52 were planned general checks) and 41 mandatory instructions with implementation deadlines have been issued.

Internal audit is another method of internal control on the activity of the administration. It plays an important role for the achievement of transparency and accountability through evaluation and improvement of the effectiveness of the processes for risk management, control and general management. The internal audit is performed by a specialised unit which exists in each administration. It audits all structures, programmes, activities and processes, including the spenders of EU funds and the lower level budget spenders in the organisation⁵⁴.

⁵⁴ Law on Internal Audit in the Public Sector, (Art. 9); (see Annex No 3)

The legislation regulating the inspectorates’ activity should be improved. A complete analysis aimed at identifying the problems of the inspectorates’ activity is needed. Uniform standards for its work should be created and the publicity of its results should be improved (including the creation of an integrated system for announcing the results).

The analyses on the effectiveness of the administrations’ activity performed by the inspectorates should be used in identifying measures for the optimisation of the administrative structures.

It is important to strengthen the coordination function of the General Inspectorate to improve the transparency, accountability and control on the inspectorates’ activity.

The special role of the internal audit units for more effective and transparent governance and administrative activity has to be recognised, and their needs for capacity building have to be analysed and addressed.

3.3.2. External control

External control is performed by the **National Audit Office of the Republic of Bulgaria** with the support of regional and local branches (6 territorial units and 28 offices all over Bulgaria). The National Audit Office performs financial control on all public bodies, including the local authorities, the resources from EU funds and programmes; checks all public procurement procedures and performs follow-up supervision⁵⁵. The audits are performed in accordance with the annual audit programme adopted by the National Audit Office. The results are regularly published on the Internet. Bulgaria has reported that since January 2007, six audits have started and eight audits should be completed by December 2007.

Another body for exercising external control is the **Public Financial Inspection Agency (PFIA)**. Its function is to protect the public financial interests through: performing financial inspections on legislative compliance; revealing damages inflicted on property and start administrative criminal proceedings against the culpable official upon legal grounds.

With a view to the importance of external control for the achievement of results by the different administrative structures, and in order to ensure greater transparency and prevention of corruption, it is important to analyse the need for strengthening the capacity of the respective control institutions and structures, and to undertake the necessary measures. In this regard, the specialised trainings as well as the sharing of European best practices are very important. Attention should also be paid to achieving greater publicity of external control results.

3.4. The role of the Ombudsman

The **Ombudsman** of the Republic of Bulgaria is a supreme and independent constitutional body protecting the rights and freedoms of citizens. His activity is regulated by law.⁵⁶ A key priority of the overall policy of the Institution of the Ombudsman is the strengthening and the application of the right to good governance as well as the establishment of clear rules in the administrative practices of state and municipal bodies and administrations. The Ombudsman also

⁵⁵ Law on National Audit Office, (Art. 5); (see Annex No 3)

⁵⁶ Law on Ombudsman, (see Annex No 3)

pays special attention to: the rights of citizens in the healthcare system; human rights in the penal system; children’s rights protection; equal opportunities for the disabled people, etc.

The Institution of the Ombudsman is functioning sterlingly. The further strengthening of its administrative capacity is directed towards **strengthening the public image and authority of the Ombudsman as a defender of citizens’ rights**.

All citizens can file a complaint or signal to the National Ombudsman in case his/her rights and freedoms have been violated by:

- State and municipal bodies and their administrations
- Persons that have been assigned to deliver public services

The Ombudsman reviews complaints and signals within the framework of a special out-of-court proceeding ending with an opinion on his part.

In case an issue brought by a citizen has a pending proceeding, the Ombudsman cannot interfere nor represent the citizen in court. His intervention is admissible only if, for example, the settlement of a case has been delayed without justification or no access to the decisions of the court has been granted, etc.

The Ombudsman acts also at his own initiative in case were he considers that the necessary conditions for the protection of citizens’ rights and freedoms have not been created. The Ombudsman initiated legal proceedings and announced his opinions, recommendations and proposals in a series of cases of high public interest.⁵⁷

The constitutional changes of March 2006⁵⁸ granted the Ombudsman the right to address the **Constitutional Court** in case he deems that any legal regulations infringe upon citizens’ rights and freedoms. It is important to provide also additional possibilities and mechanisms which can guarantee the efficient intervention of the Ombudsman in cases of violation of citizens’ rights. An essential element for guaranteeing the positive effect of the Ombudsman’s activity is the good will of other organisations and the joint efforts to eliminate poor performance in the administration. Examples of good collaboration with other state institutions are the signing of cooperation protocols⁵⁹ and the inclusion of the Ombudsman in the work of the Commission for Counteracting and Preventing Corruption with the Council of Ministers.

For the full implementation of the Ombudsman’s power, his interaction with state institutions should be improved. Enhancing the specialised knowledge of the Ombudsman’s experts will lead to more effective functioning of the institution.

The Ombudsman pays special attention to cooperation with civil society structures. The different NGOs, legal institutions, branch associations, employers’ and trade union organisations, which represent special public interests, can provide specific information on negative practices and draw public attention to them. This will be implemented essentially through the establishment of **public advisory councils to the Ombudsman**. Several specific interactions of the Ombudsman

⁵⁷ Annual Report of the Ombudsman of Republic of Bulgaria, June 2005 – March 2006 (page 29)

http://www.ombudsman.bg/annual_report.pdf

⁵⁸ Law on Amendments and Supplements to the Constitution of the Republic of Bulgaria t (prom. SG, issue 27 of 31.03. 2006) – Third Amendment (§ 3); (see Annex No 3)

⁵⁹ Annual Report of the Ombudsman of the Republic of Bulgaria, June 2005 – March 2006 (page 37)

http://www.ombudsman.bg/annual_report.pdf

with civil organisations and groups have already shown that this could increase citizens’ involvement in the governance.

The publicity principle is a key method in the Ombudsman’s work. He can influence the administration’s work and engage public opinion to strengthen **good governance**. A Public Register has been created for the written and verbal complaints where all claimants can check the current state of their claim.

The establishment of an active cooperation between the Ombudsman and civil society structures will support the process of monitoring the state administration’s work and enhance citizens’ involvement in governance.

The popularisation of the results of the Ombudsman’s work will contribute for raising citizens’ awareness on the possibilities for protecting their rights and will ensure the improvement of the administration’s work.

At local level, the municipal council is in a position to elect a **public mediator to** ensure the process of upholding citizens’ rights and legitimate interests before the local government bodies and local administration.⁶⁰ The organisation and activity of the public mediator are settled in Rules adopted by the municipal council. The municipal council provides the necessary working conditions and remuneration of the local public mediators. Such mediators are already active in 14 municipalities on the territory of the country. The municipal councils of a number of municipalities have adopted Rules for the statute, organisation and activity of public mediators who have not been appointed. The Law on Local Self-governance and Local Administration regulates the appointment of public mediators but does not make it mandatory. This is why the institution has been established only in a few municipalities.

The good interaction of the national Ombudsman with local public mediators will contribute for further strengthening the role of the Ombudsman institution as a form of civil control on the administration. The local mediators will become more confident to openly raise problematic issues that citizens face in their interaction with municipal bodies.

The appropriate mechanisms for interaction of the local public mediators with the national Ombudsman are: elaboration and implementation of common standards and best practices in the work on reviewing citizens’ claims and signals; drafting of Rules for the interaction of the national Ombudsman with the local public mediators which upon discussion will be approved by an act of the Ombudsman, etc.

The Ombudsman institution is an important **tool for the implementation of international standards for human rights’ protection at national level**. The simultaneous existence of an Ombudsman on the European and national level is a prerequisite for the effective protection of European citizens’ rights and freedoms against violations by the national administrations and EU institutions. They guarantee the implementation of the EU law and European standards in the relationship between citizens and the authorities in the member states.

⁶⁰ Law on Local Self-governance and Local Administration, (Art. 21a); (see Annex No 3)

In order to fulfil his mission as a defender of citizens’ rights in the light of the international and European legislation, it is of great importance for the Ombudsman to establish relations with similar institutions on international and European level.

4. The administration – partner of the business

The use of different **forms of public-private partnerships**⁶¹ gives the possibility to modernise the administration through an optimal use of public resources. The cooperation between the business sector and the administration will create conditions for combining innovations, technological, financial, management and expert skills on the part of the private sector and a stable legislative framework and security on the part of the state. Key factors for the successful realisation of the different forms of cooperation are: the implementation of the harmonised legislative PPP base; the private sector awareness of the partnership possibilities with the state administration, as well as the public sector’s awareness of the potential and the interests of the private sector.

The European experience in the PPP sphere is not unequivocal, in many member states there is no law for the PPP. In Bulgaria there are different ways of interpreting the **meaning of the term PPP** (concessions, management contract, outsourcing, joint venture, rent, etc.). Several institutions execute functions with respect to PPP:

- **Economic and Social Policy Directorate within the CoM** – provides methodological guidance and legal help and develops standardised documents on the implementation of the Law on Concessions (LC); supports the Internet based National Concessions Register and keeps the public archive belonging to the latter

- **Public-Private Partnership Sector within the Management of European Union Funds Directorate within the MF** – develops a strategy for the use of PPP in the country with a priority on the infrastructural sectors and especially on the environmental and transport sectors; develops selection criteria for projects suitable for implementation under PPP models; coordinates, supervises and controls the implementation of investment projects co-financed through PPP; supports the respective ministries in developing methodologies and guidelines for implementing the PPP principles in the different sectors, taking into account their specifics and the respective needs for compliance with the requirements of the *acquis communautaire*

- **Administrative Regulation and Services Directorate within MSAAR** – performs analyses of administrative services, including the possibilities for their outsourcing and delivery through PPP.

A legally established form of PPP in Bulgaria is the **concession**⁶². The rules and procedures for preparing and conducting procedures for awarding concessions, the negotiation and contracting phase of concessions as well as their implementation and cancellation are regulated by law. The LC defines concession as a main tool through which the State (or a municipality) can award a project under the PPP model. The competent body that settles disputes under the procedures for granting concessions is the Commission for the Protection of Competition (CPC).

At central as well as municipal level administrative capacity for the preparation, award and control on the implementation of concessions has been built. The different ministries have created **specialised directorates for awarding concessions**. Their staff, functions and tasks depend on the scope of the conducted concessions activity and are provided for in the rules of procedure of the

⁶¹ See Annex No 5

⁶² Law on Concessions (see Annex No 3)

respective administrations. Structural units have been set up in the municipal administrations for organising the concessions activity.

For the implementation of the new legislation in the concessions sector⁶³, training for the administration on central and municipal level has been launched.

A PHARE Twining Light project on “Strengthening the Administrative Capacity of the Concessions Sector in Bulgaria in relation to the Implementation of the New Concession Legislation” will be implemented in 2007. Within its framework methodological guidelines will be developed to support the administration of the new concession legislation. Trainings will be delivered in relation to the implementation of these guidelines, and 6 regional seminars for local administrations and the private sector will be held on the procedures for granting concessions.

Within the framework of bilateral programmes and agreements, the Ministry of Finance has commenced large-scale cooperation in the field of PPP with EU Member States (Great Britain, Ireland, the Netherlands, etc.). For the third consecutive year a joint project together with the German Federal Ministry of Finance is being implemented; a number of analyses in the environmental field (water supply and sewerage) and the social infrastructure have been carried out.

In cooperation with the international financial institutions (IFI) and their subdivisions and initiatives (EIB, JASPERS, EBRD) analyses of the expedience of use of PPP schemes at sectoral and project level are being prepared. The joint activities with the IFI are going on, and the preparation of manuals and guidelines for the introduction of good practices from other Member States as well as the identification and structuring of PPP pilot projects are still pending. The respective documents will be prepared in accordance to the Community legal framework in the field of PPP and Public Procurement, the Green Book on PPP, issued by the EC, etc.

Management of EU Funds Directorate within the Ministry of Finance is a member of the Steering Committee which coordinates the activities related to the creation of an European PPP Experts Centre, an initiative of the EC and the EIB.

Under a bilateral agreement between the Ministry of Finance and the Italian Ministry of Economic Development, in February 2007 a cycle of training seminars for representatives of the regional and local administrations on the implementation of PPP for the realisation of investment projects has started.

The elaboration of sectoral manuals and guidelines on the application and usage of PPP models in priority sectors such as environment (water and waste sectors) and transport is forthcoming. There is a need for development of such documents also in the field of social infrastructure, particularly in the educational field (schools, kindergardens, etc.) The respective documents will be prepared according to the sectoral legal framework as well as to strategies and programmes such as the “Strategy for Infrastructural Development of the Republic of Bulgaria in the period 2006 – 2015”.

In order to ensure the effective use of PPP, **General Methodological Guidelines for PPP** have been developed and published, as well as assessment (analyses) tools on the expedience of the implementation of investment projects through PPP schemes. Part of the analyses has been included

⁶³ In 2006 with the cooperation of SIGMA Programme, pilot trainings for the staff working in units that grant concessions have been conducted. The first training has been attended by staff from the Economic and Social Policy Directorate and the Legal Directorate of CoM, from ministries, from the Republican Road Network Fund, the National Association of Municipalities in Bulgaria and from several municipalities. The second training has been attended by a broader circle of participants

in the Rules on the Implementation of the Law on Concessions⁶⁴. In the coming years it is envisaged that annual reviews of the methodological guidelines are carried out and they are updated in accordance with the legal framework and the accumulated experience from their application .

Guidance for the Process of Implementation of a PPP project has also been elaborated. It presents the complete process of structuring a PPP project which targets the state administration⁶⁵. Furthermore, a necessity to amend the legislation has been identified during the work of interdepartmental groups between the Ministry of Finance, the Ministry of Justice and the Ministry of Education and Science; legislation amendments have been considered necessary in order to ensure the possibility to implement PPP projects in the field of justice (building prisons, security services), and in the field of education (building schools, kindergardens, etc.). It is foreseen that such amendments are discussed and adopted in 2007-2008 in order to facilitate the execution of investment projects through PPP in the above-mentioned fields.

In the priority infrastructural sectors environment and transport, the possibilities for PPP implementation for construction of enterprises processing domestic waste, construction of highways, bridges and other road facilities are being analysed. As of August 2007, an interministerial working group is operating in order to prepare analyses of the justification for consesions' granting for two high motorways in the country. In these two priority sectors further development of the administrative capacity for structuring PPP projects is needed, taking into consideration the complexity of this type of contractual relations. Under such schemes a number of factors related to the overall project life cycle are to be analysed. This includes economic and financial justification, distribution of risks between the parties, the expenditures for exploitation and maintenance during the operational period, the environmental impact, etc. In order to achieve these goals, the use of expertise and the introduction of good practices from the EU Member States and other countries will be necessary.

With the aim of strengthening the administrative capacity at central, regional and local level as well as among the CSS, a number of information and training campaigns is needed in the field of implementation of PPP models for the realisation of investment projects.

Outsourcing is another type of PPP that can provide a possibility to decrease costs and improve the quality of services. For its successful implementation in Bulgaria, it is important to create suitable conditions and implementation guidelines (including analysis on the possibilities for the implementation of the PPL and LC).

In 2006, a review of the legislation related to administrative services and the possibilities of introducing PPP was done. Analyses of the functions and services that can be delivered jointly by the administration and the private sector as well as by outsourcing have been performed. For selected services, cost-benefit analysis, risk analysis, etc. have been made. 19 pilot projects have been implemented in total, 10 of them dealing with the provision of services under PPP – on central, regional and municipal level⁶⁶. As far as the administration is concerned, the major problems identified were: the lack of understanding of the PPP concept; unwillingness to change the status quo; focus on the costs and not on the results; lack of performance evaluation systems for

⁶⁴ Project under PHARE BG/2003/004-937.10.05.16 “*Technical Assistance for the Institutional Development and Strengthening of the PPP Sector*” in the Ministry of Finance

⁶⁵ Within the project “*Strengthening the Involvement of the Private Sector in the Public Infrastructure Sectors in Bulgaria*” 2006, under a bilateral cooperation agreement with the Federal Ministry of Germany

⁶⁶ The spheres where the projects have been implemented are as follows: research and development, tourism, regional development (2 regional administrations), information services (2 municipal administrations), social services (4 unicipal administrations)

offering services; preparation and conduct of tender procedures and contracting. A methodology for partnerships with the private sector in providing public services has been elaborated, too⁶⁷.

Besides concessions, PPP can also be implemented through **public procurement**. The principles, rules and procedures for public procurement have been set out in the national legislation⁶⁸.

The Bulgarian state policy in the public procurement field is being executed by the Minister of Economy and Energy. A **Public Procurement Agency (PPA)**⁶⁹ has been established under the minister, supporting him/her in implementing the policy. The PPA is the institution responsible for conducting the training in public procurement. In this regard the administrative capacity of the Agency has been strengthened.

In order to effectively implement the PPL, the contracting authorities and control bodies, staff members of the Managing Authorities and Intermediate Units of the operational programmes, executive agencies under the PHARE programme, as well as the structures performing audits have been trained⁷⁰.

The PPA should continue the specialised trainings of persons managing public funds, including funding from the SF, the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD), the European Fisheries Fund (EFF).

A **Public Procurement Register** is maintained by the PPA providing the possibility to electronically submit tender notices (e-Notifications). The PPA sends the information automatically to the State Gazette thus relieving contracting authorities of this obligation. Two more stages of the process of awarding public procurement electronically are to be implemented – “Questions and Answers” and “Electronic Document Receipt”.

According to data from the Public Procurement Register, **12,011 contracts** have been concluded in **2006** amounting to **more than BGN 11.846 bln**⁷¹. It is expected that the value of the contracts under the PPL will increase because since 01/01/2007 the funding from the EU financial instruments can be granted only under the provisions and procedures of the PPL.

The regulation of the rules for **e-auctions**⁷² is of great importance for the development and improvement of the public procurement system. At present, e-auctions are not in place as this is dependent on the technical base of the contracting authorities.

With the amendments to the PPL, the **Commission for the Protection of Competition (CPC)**⁷³ has become the competent body that settles disputes on the implementation of the law. The quick and competent settlement of disputes under the PPL and the LC requires strengthening the administrative capacity of the CPC for the effective performance of its new functions.

⁶⁷ Project under PHARE BG 2003/004-937.10.01 “*Strengthening the Capacity of the Bulgarian State Administration - Implementing the Strategy for Modernisation of the State Administration in View of the Improved Service Delivery to the Public*” in MSAAR.

⁶⁸ Public Procurement Law (see Annex No 3).

⁶⁹ www.aop.bg

⁷⁰ Total number of staff that have passed training in 2006 – 2,093.

⁷¹ For comparison, in 2005 the total number of concluded contracts was 10,348 amounting to more than BGN 3.295 bln (<http://www.aop.bg/statistics.php>).

⁷² Public Procurement Law (Art.16b); (see Annex No 3)

⁷³ www.cpc.bg

The use of different PPP forms aims at improving administrative service delivery, at enhancing transparency of public funds management as well as at decreasing spendings of the administration. In order to successfully apply these forms of cooperation with the private sector, the following is needed:

- Development of a clear concept of PPP and analysis of the need for legislation amendments in order to establish favourable environment encouraging private partners to create PPP
- Further development of the general guidelines for PPP, preparation of sectoral rules/guidelines for complex fields; adoption of good practices from other Member States, especially in priority infrastructural sectors such as environment, transport
- Training of state administration employees and their preparation for dealing with the complex PPP nature, especially in investment projects, and for the effective application of the legal framework and the adopted guidelines for PPP implementation (LC, PPL, Law on the Obligations and Contracts, Law on Spatial Planning, Law on State Property, etc.)
- Measures for promoting awareness and strengthening the capacity of the private sector and of potential contractors, paying attention to the possible partnership forms between the business sector and the state administration.

Supporting measures that will improve the functioning of the PPA and CPC will guarantee proper implementation of the PPL and CA. The latter is also of key significance as regards the effective absorption of EU Funds in compliance with the rules for sound financial management. Improving the existing e-system and the use of e-procurement are important for the modernisation and acceleration of the process of awarding public procurement.

5. Policy-making by applying the partnership principle

The process of policy-making includes **all steps starting from policy conception, strategic planning and impact assessment up to its adoption and implementation through the respective normative acts**. It requires good interdepartmental coordination and good publicity in order to take into account the interests of all stakeholders. For guaranteeing the achievement of set goals, the effective implementation management, monitoring and follow-up assessment of policies and their impact are of a great importance.

In the period before Bulgaria’s membership in the EU, many strategic documents were developed to meet EC recommendations for reforms and promoting the development of the country. They showed a will for change but most of them were not backed by the administrative capacity and funding required for their implementation.

5.1. Policy-making and strategic planning

The process of a genuine linking of policies and strategies with the budget and with the necessary human resources, as well as development of strategic planning capacity started in 2004. Since 2006 the process of **strategic planning and policy-making** is regulated by law⁷⁴. The CoM is legally bound to adopt a programme defining the **strategic priorities of the government** during its mandate. Based on the priorities of the government, the ministers set **annual goals for the**

⁷⁴ Law on the Administration (Art. 2 (6)); (see Annex No 3)

activity of their administrations and control their performance. In order to implement the programme of the CoM, the political cabinets propose to the respective body of executive power strategic priorities, aims and decisions and keep track of their implementation. The Secretaries General are responsible for the planning and accountability related to the implementation of the annual goals of the administration.

The CoM⁷⁵ proposes **standards for making strategies and sector policies**, and supports the administrations in performing impact assessments when developing their strategies.

In the beginning of 2007 more than **400 strategic documents** were in force in Bulgaria: 117 strategic documents on central level, 6 regional development plans, 28 regional development strategies and more than 250 municipal development plans. The large number of strategic documents has resulted in a low horizontal interaction of the administrations under the different strategies and in to limited attention to the **inter-sector priorities for the development of the country**. The strategies do not show their complementarity with neither their demarcation to other documents; this is though needed in order to show that policy is integrated and has a clear impact on development.

The skills to define realistic goals of public significance and the capacity to set the administrations’s priorities are insufficient, including on the part of the political cabinets and leading staff both of which play a key role in strategic planning. Usually a large number of goals are specified but they are not prioritised in time which leads to inefficiency and dispersion of efforts. The **limited analysis and planning skills** in the administration make it necessary to resort to consultants when elaborating strategies. To a certain degree, this explains the lack of ownership by the administration during the implementation of strategies.

In order to ensure good policy-making attention should be paid to the development of analytical skills of civil servants, including Senior civil servants and political leadership, as well as to the collection and use of data (current statistical information, scientific studies, sociological research). Administrative structures should define few but achievable goals addressing real problems and leading to further development.

There is a need to develop a unified approach for strategic planning and to elaborate detailed action plans, which requires substantial methodological support from the central level. It is necessary to develop practical manuals for strategic planning as well as for the overall policy-making process and they have to be promoted at all administration levels.

5.2. Consultation and coordination

State bodies are legally bound to coordinate their activity and to consult the social economic partners (SEP) and civil society in order to guarantee an integrated state policy⁷⁶. The coordination mechanisms as well as the process of consultations aiming at including a broad range of stakeholders are an **important part of the process of policy-making (strategic planning, impact assessment), of policy implementation and of the assessment of achieved results.**

Good mechanisms for interdepartmental coordination have been developed. The CoM can establish **public advisory committees⁷⁷, councils and expert working groups⁷⁸**, such as the

⁷⁵ Strategic Planning and Management Directorate of the CoM

⁷⁶ Law on the Administration (Art. 2 (7))

⁷⁷ Law on the Administration (Art. 53 (1))

⁷⁸ Law on the Administration (Art. 21 (1))

Council for Trilateral Cooperation, the Economic Growth Council, the Council for Decentralisation, etc. Merely half of the existing 46 advisory bodies have adopted an action programme for 2006. **The ministers** can also create **advisory bodies**⁷⁹ – their number for 2006 amounts to 61 councils and working groups. The advisory bodies are not administrative structures.

The good interaction within the administration and the **improvement of the horizontal culture will remain a challenge** in the next few years. Consultative bodies are still working in parallel which involves a duplication of activities. **Obtaining information on the work of committees, councils and working groups is still a problem** for the different stakeholders.

All regional and almost all municipal administrations have also established advisory and coordination mechanisms. The functioning of committees, councils and working groups is also an operational way for the **interaction of the central administration with the regional and municipal administrations** with the objective of achieving the goals of local self-government and regional policy. Nevertheless, this interaction is considered ineffective or insufficient to guarantee good policy coordination.

The municipalities indicate that their membership in the **National Association of Municipalities of the Republic of Bulgaria (NAMRB)** is the mechanism to coordinate the activities of the different municipal administrations as well as their interaction with the bodies of the executive and the NGOs. An agreement between the **CoM and NAMRB** was signed in 2005. It envisages: to improve cooperation in order to create a constant dialog to evaluate the performance of the existing policies; to include representatives of municipalities when drafting legislative acts on important issues that refer to local self-governance; to promote greater participation of NAMRB representatives in advisory, managing and monitoring bodies which belong to the central executive power; to include representatives of the local authorities in the planning, programming, management, evaluation and control of the implementation of plans, programmes and projects funded by the SF and the CF of the EU.

The large number of advisory bodies leads to duplication of efforts, overlapping of functions and poor accountability. The efficiency of the existing advisory bodies is unsatisfactory – there is a need to optimise their structure, to specify their functions and positions of staff, to increase the interaction with the NGOs.

A thorough analysis should be made in order to optimise the structure of established committees, councils and working groups. There is a need to create systems which can guarantee that information on the work and decisions of the advisory bodies reaches all stakeholders in and outside the administration (through electronic information bulletins, information data bases and online discussion forums).

For the process of developing and implementing planning documents, it is of great importance to establish effective mechanisms for coordination, consultation and partnership between the administrations from different levels as well between structures at the one and same administrative level. The capacity of municipal administrations for making and implementing local policies and for participating in the process at central and regional level should be increased. In this respect, it is important to strengthen also the capacity of NAMRB for performing its functions.

⁷⁹ Law on the Administration (Art. 45)

Besides improving the internal administrative coordination, it is also important to fulfil the **need for strengthening cooperation with the business sector and the civil society structures**. During the last three years planning with the involvement of stakeholders has become common practice. In the process of consultation and coordination, **civil society** has actively been included by participation in the **Councils for Trilateral Cooperation**. Still, the analyses show that not all concerned stakeholders are involved in the process of developing strategic documents and which explains their weak commitment to the implementation of strategies. The best practices for partnership with civil society structures come from the local level. Examples can be provided by Sevlievo, Veliko Tarnovo, Elena, Lom, Vidin, Kyustendil, Gabrovo, Ruse, Lyaskovets, Tryavna, Sliven.

The mechanisms for public discussions and dialogue on key issues are still insufficiently used by the state bodies on central and local level⁸⁰. The process of **public consultations** should win recognition as part of the impact assessment. The creation of an integrated portal for strategic planning and public consultations is planned in order to enable citizens, civil society structures, business sector, legislative and judicial power to make in the same place their comments and proposals on the development strategies of the country.

The existing forms of consultation with all stakeholders have to be improved and applied more regularly and expediently. The planned integrated portal for strategic planning and public consultations will be a useful tool for policy-making.

The capacity for using consultative and coordination mechanisms should be improved through developing skills for carrying out consultations with the different stakeholders on specific topics, for evaluating their proposals and for drafting alternative decisions for policy implementation.

5.3. Preliminary impact assessment

The skills of the state administration employees **for conducting impact assessments** which is an important part of the process of policy-making and preparation of legislative amendments are still insufficient. The practice of impact assessment is also not completely regulated.

Two directorates in the CoM have responsibilities with respect to impact assessment⁸¹: they make assessments of the impact on the legislation of acts proposed for discussion at a meeting of the CoM; they also make assessments of the impact of EU law on the national legislation.

During the last years, the preliminary assessment of impact on the environment and on the state budget (financial justification) has been introduced for all acts before their submission to the CoM for discussion. The following impact assessments are not conducted: impact assessment on economic development and mostly on the small and medium size enterprises and their competitiveness, impact assessment on users and impact assessment on socio-cultural development.

⁸⁰ Annual Report of the Ombudsman for 2006

http://www.ombudsman.bg/SiteUploads/ombudsman_report2006_LRes.pdf, page 40

⁸¹ Rules of Procedure of the CoM and its administration, adopted with Decree of the CoM 216 of 12/10/2005

The need for better quality of policies and normative acts, including their harmonisation with the EU legislation, requires analyses, consultations and coordination. This is why it is important that such obligation is regulated by law. A coherent analysis of the need for legal, institutional and structural changes has to be made.

The process of preliminary impact assessment should be extended to the elaboration of all policies as well as to the assessment of their impact on different fields and target groups.

For strengthening the capacity for policy-making, specialised training programs have to be developed, covering all issues related to strategic planning, policy consultation and preliminary impact assessment.

5.4. Management of implementation, monitoring and ex-post impact assessment of policies

The management of implementation, monitoring and ex-post impact assessment of policies are important both for achieving set goals as well as for better defining and prioritising them.

Regarding the **implementation of policies and set strategic goals** in 2006, 59.4% of the administrations indicate that they have not achieved some of their long-term goals. The most frequently mentioned reason for not fulfilling the goals is the lack of funding. Good administration is of great importance for the optimum use of the limited financial resources.

The Bulgarian state administration has still a **weak culture of performance evaluation** of strategies and of ex-post assessment of their impact. The indicators that are applied for measuring results do not show the effect of the conducted policy. The activity of the administration will concentrate in the future on **new models of strategic management in the public sector**.

Efforts should be made for performing ex-post impact assessments of regional policies on the business sector and the citizens. A feedback system from municipal and regional to central level needs to be developed for the process of policy-making, policy implementation and ex-post impact assessment.

Civil society involvement in the evaluation of achieved goals should be guaranteed, especially when evaluating the significance of achieved goals and the economical use of public funds.

For better policy implementation, especially with respect to the restricted financial resources, it would be good to introduce and establish new approaches and techniques for strategic management, similar to those that are successfully used by the private sector. It is necessary to develop and apply systems for implementation management which have reliable indicators for effectiveness; proper evaluations of the administration activity should be made, and the skills of the state administration employees should be improved in order to ensure good governance.

6. Human Resources Management

Improving the effectiveness of human resources management is an important part of the successful implementation of the administrative reform in Bulgaria. The management of human

resources is a continuous process specifically targeted towards the planning, recruitment and selection of the most qualified staff, their training, motivation and development, in order to ensure the effective implementation of the organisation’s goals.

In the last few years Bulgarian governments have made considerable efforts to introduce effective **rules and mechanisms for human resources management** within the state administration. Their purpose is to enhance transparency in the employment of new staff and their career development on the basis of professional qualities.

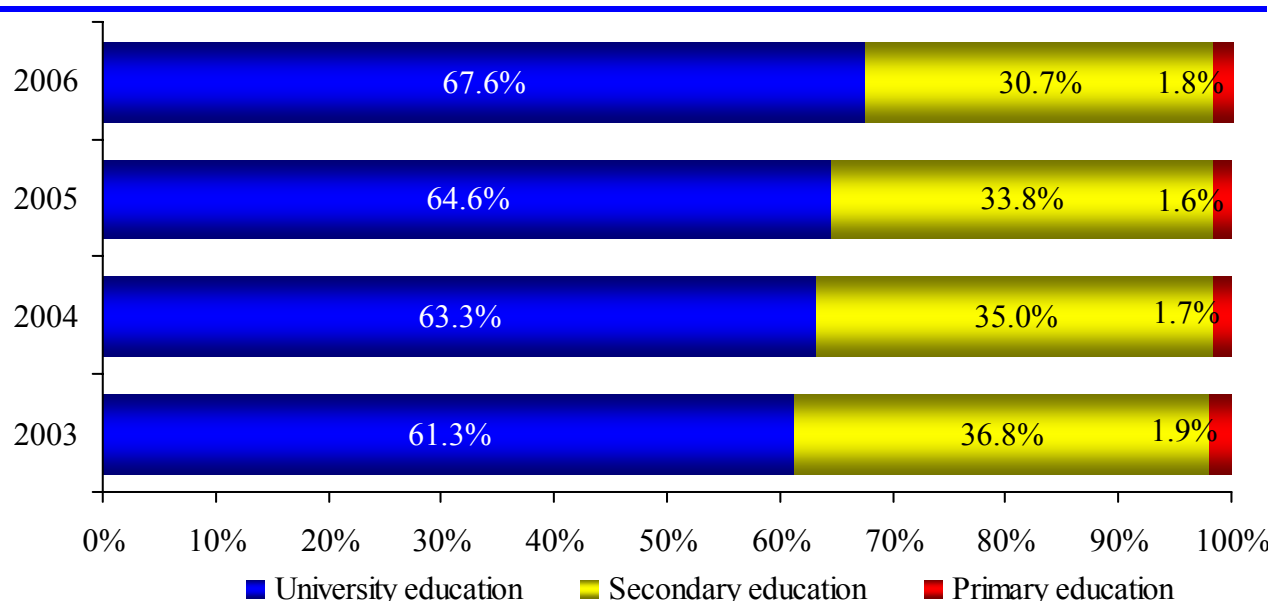
One of the key goals of state policy is to achieve effectiveness in the **management of human resources to ensure that the administrative reform will continue.**⁸²

6.1. Education and qualifications structure of state administration staff

The quality of work of each employee is closely related to his/her qualification and professional experience. “At the entrance” of the state administration an open competition is introduced, which aims at matching the specific qualifications and professional experience of a given candidate with the needs of the respective administration.

The increase in the number of employees who have a higher educational degree is a continuing trend. In 2006 the employees in the state administration with a university degree made up 67.6% of the total number of employees, while the year before they were 64.6% and in 2004 – 63.0%.

Figure 4: Educational level of the state administration employees



Source: Report on the State of the Administration, 2006

The highest number of employees with a university degree can be found in the regional administrations (89.0%, compared to 87.5% for 2005), and the lowest number of university graduates are in the municipal administrations – 52.8%.

⁸² Strategy for the modernisation of the state administration – from accession towards integration, 2003-2006 (p. 3)
http://www.mdaar.government.bg/docs/strategia_modern.pdf

The main reasons for the relatively lower number of university graduates working in the municipal administrations are: the migration process from smaller to larger cities and regional centres which offer greater personal development possibilities; the more attractive remuneration packages offered by the private sector; demographic problems and others.⁸³

75.5% of university graduates in 2006 possess a **Master degree**, 12.4% have a Bachelor's. PhDs amount to less than one per cent of the employees with a university degree, and 11.2% are specialists.

For 2006, 30.7% of employees have **secondary education**, which marks a fall compared to 2005 (33.8%). As in previous years, the number of these employees remains highest within the structures of the municipal administration – 45.6% despite the decrease in their number compared to 2005. During the latter year they were 53.4%. The number of employees having only secondary education has fallen in the regional administrations. While in 2005 they amounted to 15.2%, in 2006 their number decreased to 10.9%.

In order to increase the qualifications and educational level of the civil servants, the Minister of State Administration and Administrative Reform and the chancellors of seven universities in 2006 signed Letters of Agreement for **multi-module** specialisations for state administration employees. The forecast is that in the 2006/2007 academic year close to 700 employees will have gone through specialisations in three thematic areas – “Administration Management”, “Organisation of the Administrative Workload and Processes” and “European Administrative Practice”.

Data show that the educational structure of the state administration is generally improving, especially in the central and regional administrations. The relatively low number of university graduates working in the municipal administrations requires targeted measures to be taken to improve their educational and qualifications levels.

6.2. Implementing the gender equality principle within the state administration and preventing discrimination

Implementing the gender equality principle and preventing discrimination are **an integral mandatory part of all policies and practices financed through the SF and CF.**

Currently most of the civil servants at all administrative levels are women and they hold the majority of management positions.

According to data from the Report on the State of the Administration 2006, 59.8% of civil servants are women and 32.6% men. The relative number of men has increased by 3.12 percentage points compared to 2005. There are more women in management positions in the administration than men. Up to 31/12/2006 5,730 women (51.8%) **in management positions** were appointed compared to 5,341 men (48.2%).

There are more men in management positions under labor contracts than women. From a total of 3,097 such positions, 66.5% are held by men. Within the regional and municipal administrations 1,668 men hold management positions under labor contracts, while the number of women is almost three times lower (653). The number of men and the number of women holding such positions is almost equal within the central government administration.

⁸³ Report on the State of the Administration for 2006,
http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

As a whole, the number of women in the state administration is greater than that of the men, and the latter also outnumber the men in management positions. In order to uphold the principle of gender equality within the administration, the process of improving the conditions for career and professional development needs to continue, both for women and men.

6.3. Human Resources Management Policy

The human resources management policy within the state administration is an important element in strengthening the administrative capacity. The legislative framework regulating the work of the state administration was improved in 2006 to match the conditions of the Single European Administrative Area.⁸⁴ The secondary legislation on the civil service was improved. With these changes the competitive procedure for the employment of civil servants was brought in line with the amendments to the Law on Civil Servant, thus providing for the top-ranked candidate to be appointed for the respective position; the basic rules of the centralised competition for junior experts being conducted by the IPAEI have been set out, specific issues related to the position, working hours and remuneration of staff have also been regulated.

The driving forces of the administrative reform are the management levels but the human resources management units have a key role to play in improving the management of human resources as well as in providing a correct interpretation and implementation of the legislation.

The human resources management units within the administration plan and forecast the human resources development plans. They participate in staff selection and recruitment procedures; introduce and implement performance evaluation systems as well as systems of remuneration and career development; organise and control the training and development of staff; conduct surveys among administration staff on organisational and working conditions improvements, etc.

In spite of the changes and the achieved improvements, targeted actions are needed, as well as financial resources and knowledge to implement the experience of the European and international human resources management systems within the state administration.

The human resources management units play a key role in carrying out the reform of the state administration. Further improvement of their capacity is needed for the efficient implementation of their functions, and for turning them into a strategic partner in the management of the administration.

6.3.1. Recruitment and staff in the state administration

According to the Law on Civil Servant and with the Ordinance on Civil Service Competitions adopted with CoM Decree No 8/16/01/2004, clear rules have been set out for entering the civil service, including provisions regulating the procedure and ways of conducting the civil servants competitions.

The recruitment of staff in the state administration is implemented through **mandatory competitive procedures or the principle of mobility.**⁸⁵

⁸⁴ Civil Servant Act

⁸⁵ Civil Servant Act (Art. 10, paragraph 81a, Art. 82b); (see Annex No 3)

In 2006 738 employees were enrolled at management positions and 2,528 at expert-level positions.

In conducting the competition for the selection of staff in the state administration the employer is required to recruit the top-ranked candidate. An exception to this rule is the **centralised competition for junior experts**, which is organised by the IPAEI twice a year.⁸⁶ This competition for junior experts aims at: attaining uniformity and transparency in the implementation of the procedures for employment of administration staff; encouraging competition based on professional qualities; the short listing of a group of potential candidates and the selection of well-prepared and motivated people with the needed qualifications and knowledge to match the open positions in the administration; achieving efficiency and effectiveness of the competition procedure; attracting young people in the administration. In relation to this, a special software has been developed for electronically applying for and conducting the competition and a bank of possible test questions has been created. The administrations that have expressed an interest to use the results of the rankings can invite candidates from the IPAEI’s list of those who have passed the test. The first exam was held in the period 13-17/11/2006. From the registered 2,361 candidates, 972 held the on-line test. 376 of the candidates successfully passed the test and were included in the national database on the IPAEI website. The effective conduct and use of the results of the centralised competition depend on the availability of publicly accessible information about it.

For the transfer of civil servants from one administration to another, the **principle of mobility** has been introduced since 2006.

Mobility can be temporary or permanent. To date nine ministries have used the principle of mobility. 153 positions in the state administration were filled via the mechanisms of permanent mobility. The principle of mobility allows the transfer of staff from the central to the regional and municipal administrations with the aim of enhancing their capacity in different areas such as: working with EU Funds, impact assessment, strategic planning, implementing PPP, etc.

The state administration offers the possibility to university students and recent graduates for traineeships through the Bulgarian Dream Programme and the “Careers” forum. The programme gives the opportunity to university students and recent graduates from Bulgarian and foreign universities, including representatives of vulnerable groups, to undergo internships in the administrative structures throughout the country. The forum enables meetings between employers and university students to exchange information on the possibilities for professional development and the conditions of the traineeship programmes.

Table 2: Traineeships held

| | 2002 | 2003 | 2004 | 2005 | 2006 | Total |
|--|------|-------|-------|-------|------|--------------|
| Total number of candidates | 800 | 1,200 | 1,018 | 1,217 | 710 | 4,945 |
| Total number of held traineeships | 224 | 354 | 190 | 103 | 123 | 994 |
| Traineeships held in Bulgaria | 204 | 322 | 160 | 89 | 122 | 897 |
| Traineeships held abroad | 19 | 32 | 30 | 13 | 1 | 95 |

Source: MSAAR – the Bulgarian Dream Programme, campaign for 2006

⁸⁶ Civil Servant Act (Art. 10f); (see Annex No 3)

The internships with the state administration help university students determine their professional orientation and familiarise themselves with the different possibilities for professional development upon graduation. They also aim to deepen cooperation with the universities, as well as to motivate university students to participate in the implementation of state policies. Student traineeships are a good opportunity to stimulate young people’s interest in an administrative career and to prepare them to go through the centralised competition.

The recent graduates’ interest in the traineeships is related to their desire to accumulate professional experience, as well as to the investigation of different options for finding long-term employment.

In 2006 mainly recent graduates from EU universities demonstrated an interest to participate in the Programme and to apply for summer traineeships within the Bulgarian state administration. The only other group that was significant in size consisted of students from the US.

In view of ensuring equal treatment of candidates for open positions, unification and transparency of procedures, and impartiality in the recruitment process, the scope of the centralised competition as a form of recruiting staff in the state administration needs to be broadened, and it needs to be further promoted.

The mobility principle needs to be publicised and actively implemented in order to retain the highly qualified staff in the state administration and to strengthen the capacity of the employees at the regional and municipal administrations.

The traineeships should continue in order to attract young and well-educated people.

6.3.2. Career Development

Performance assessment of administration staff

In the four years after the Ordinance on the Conditions and Rules for Performance Assessment of Staff within the State Administration came into effect, the process of evaluation of staff through performance assessment has been being implemented successfully in the different structures of the administration.

Performance Assessment of state administration employees aims at providing them with incentives to take on more responsibilities, as well as to define and clarify the assigned duties. The training needs of the servants can also be ascertained through this process, and those with higher potential for development can be drawn out. A provision has been introduced whereby those commissioned abroad can also be evaluated.⁸⁷

The competency indicators used for the evaluation of employees in management positions are: management skills; knowledge and use of legislative acts; communication skills; management of changes; ability to work well with customers; computer literacy.

The criteria for evaluation of employees in expert positions with analytical and/ or control functions are identical to those used to evaluate servants on management positions. The only difference is that the competency indicator “Organisational skills” is used instead of “Management Skills”.

⁸⁷ Regulation on the Conditions and Rules for Performance Evaluation of Staff within the State Administration (art. 10); (see Annex No 3)

The assessment mechanism thus established is ineffective, as employees with different responsibilities are evaluated based on almost identical criteria.

The marks awarded for each competency indicator are on a scale of 1 to 3. Based on the marks received, the overall achievements and behavior of the employee are evaluated by the evaluating manager awards a general performance assessment, which can vary from 1 – “Exceptional Performance” to 5 – “Unacceptable Performance”.

The objections to the performance evaluation submitted by civil servants, as well as any signals or complaints on subjective assessment, sent via the MSAAR website, are the two main sources of information for assessing and amending the system in place.

Quality performance evaluations of the administration staff, as well as linking their remuneration with the performance evaluation results, are prerequisites for improving human resources management.

Greater efforts have to be made towards a more effective and administration-wide implementation of the regulatory framework in the area of performance evaluation of staff within the administration.

In relation to the development of clear criteria for the evaluation of individual performance, the common competence framework and the competence standards need to be further developed. There should be a clear differentiation between the competences of senior-level civil servants and of expert positions, and the existing evaluation scales need to be reviewed.

Motivation of staff within the administration

According to summarised data based on official reports on the state of the administrations, in 2006 the average monthly gross salary in the state administration was 469.49⁸⁸ BGN. It has increased compared to past comparable periods – 449.86 BGN in 2005 and 454.00 BGN in 2004.

Depending on the type of administrative structure, the most significant increase in the average monthly gross salary has been in the structures of central administration. The average monthly gross salary within the municipal administrations remains low.

The size of remuneration within the state administration is strictly defined. That is why separate administrative structures cannot demonstrate great flexibility and use the base salary as an active motivational factor. Consequently, this often results in a high turnover of staff within these structures.

With the aim of providing incentives to and retaining the well performing staff who are valuable potential for the administration, the possibility of increasing individual base monthly salaries exists. Individual monthly base salaries can be increased according to criteria set out in the organisation’s internal rules of remuneration through a motivated proposal made by the staff’s

⁸⁸ The size of the average monthly gross salary of state administration staff has been calculated as a mean value based on the input provided by the reports of individual administrations for 2006

The size of the average monthly gross salary, according to type (central and territorial) and function of the administrations, and according to type of contractual relationship – civil service contract or labor contract, has been calculated in the same way.

Based on the input provided by the different administrations regarding their finances, the average monthly gross salary is calculated as the mean value of the individual monthly gross salaries of staff in the respective administration.

immediate superior or by decision of the head of the administrative structure if the employee has on his/her last performance evaluation a score of not less than 3 – “Satisfactory Performance”. In relation to this, a financial mechanism was introduced in 2007 to encourage a reduction in the number of administration staff and thanks to the achieved economies to increase individual monthly base salaries.

The implementation of a Global Opportunities Fund (Great Britain) project began in 2007 with the Ministry of State Administration and Administrative Reform (MSAAR) as its beneficiary⁸⁹. A key component of this project concerns **Human Resources Management** – “Performance related pay system in the state administration”. It aims to: set up a new performance evaluation system within the state administration; introduce performance evaluation related remuneration; propose changes to the existing legislation; develop a training programme and materials on the new system.

The different administrations use different forms of additional material incentives for staff - different systems for rewarding exceptional performance and schemes to stimulate the achievement of good results. Ensuring good working conditions, including a good work atmosphere, optimal technical and information resources, systems and mechanisms for professional support and development, all these are also used to motivate staff in the different administrative structures.

It is common practice of the administrations to use official trips abroad, participation in seminars, working groups and committees, work on projects (with additional remuneration for participating in these activities), as motivational instruments for well performing staff. Various methods are used to build a team culture within the organisation, as well as to establish and maintain an atmosphere of psychological comfort which is conducive to work.

The training and career development opportunities – professionally (upgrading of the competencies and skills of staff) and hierarchically (career development through horizontal and vertical mobility), remain some of the few universal and generally accessible instruments to motivate staff within the state administration. Administrations are aware of the interdependence of training and career development potential.

The low salaries, especially in municipal administrations, are a key reason for draw back of good specialists and young people. Low levels of remuneration do not encourage and motivate people to do conscientious and quality work.

The existing methods for motivation of staff need to be reviewed to better encourage professional development of staff within the framework of the state administration. It is important that measures are taken to achieve competitive remuneration for administration staff compared to that offered in the private sector, and to introduce within all administrative structures a transparent and effectively working integrated system for performance related financial incentives.

Ranking System

The Ranking System reflects the professional qualifications of the civil servant based on the combination of knowledge and skills required to perform tasks.⁹⁰

⁸⁹ The “Assistance for the Administrative Reform in Bulgaria” project, funded by the Global Opportunities Fund of the Foreign and Commonwealth Office of the United Kingdom. The British Embassy manages the implementation of the project through the British Council in Bulgaria.

⁹⁰ Civil Servant Act (art. 73); (see Annex No 3)

Promotion in the civil service is done through moving to a higher rank or being promoted to a higher position. This process is linked to the performance evaluation received, as well as to the training and personal development of administration staff.

In 2006, the structure of the central administration employed a total of 5,262 civil servants (5,572 for 2005), of which 27.7% at management positions. 725 management and 1,413 expert positions were occupied through moving to a higher rank, and 402 management and 906 expert positions were occupied through promotion to a higher position.

A total of 1,497 civil servant positions (901 for 2005) are currently occupied within the regional and municipal administrations, of which 39.2% are management positions. In these administrations, 185 management and 234 expert positions are occupied through promotion in rank, and 150 management and 105 expert positions through promotion in position.

Senior-level civil servants make a significant contribution to the reform of the administration. Including these civil servants in trainings of various format and subjects aims not only at the continuous build-up of their professional competences, but also at their acquiring of new skills much needed in view of Bulgaria’s membership in the EU.

In November 2006, the Institute of Public Administration – Dublin and the IPAEI signed an agreement for the implementation of a project called “**Improving the procedures for recruitment and promotion of Bulgarian state administration staff.**”

The goals of the project are: to develop instruments for improving the legislative framework; procedure for monitoring and control of the civil servant recruitment and career development processes; incorporation of changes in the human resources management information system of the state administration; training of experts on incorporation of changes.

In May 2007 began the implementation of project activities related to reviewing the systems for recruitment of civil servants and for promotion of civil servants in Bulgaria.

In 2006 a PHARE project called “**Support for the Design and Implementation of Development and Assessment Programme for Senior Civil Servants**” was also launched.

The aim of the project is to strengthen the capacity of Bulgarian civil servants to lead and manage the changes, and to develop their role as a professional and politically neutral administration. The project of the IPAEI envisages the creation of a **centre for identifying the potential and the development needs of the senior civil servants**. The centre will help improve the skills of participants, as well as their performance.

For achieving sustainability of results from the PHARE projects, it is important that the activities from these projects continue through OPAC.

Ensuring fair and transparent career development procedures, implementing the competition principle and performance evaluation, increasing professionalism and effectiveness in the work of the senior civil servants are key elements in achieving good management of human potential within the administration.

6.3.3. Single human resources management information system within the state administration

Systematising information and on-going evaluation of the human resources policy of the state administration will help streamlining the management of personnel. To date, each

administration maintains its own database of information on the human resources and the data is not standardised across the various administrations. There is still no integrated database to offer up-to-date information on:

- The number of newly employed, left and retired servants
- The average age and length in office
- The total number of employees per ministry/institution, as well as on the job vacancies and reasons for them

In 2005 under a Phare project, a **Single information system for human resources management within the state administration was created**. The system allows for the uniformity of data related to the staff personal files, as well as for finding and using up-to-date information to serve for research and analysis at national level. A training plan has been developed to train staff on the centralised information system. The system has been piloted in 9 administrations (3 per national, regional and municipal level), and it is expected to be deployed in all administrations by the end of 2007.

The introduction and maintaining of a Single human resources management system will be an important prerequisite for improving the process of human resources management. For the effective use of the system, the data contained need to be periodically updated in view of ongoing legislative changes concerning the human resources management.

The Single information system will ensure that common forms and methods for collection of information are used and will give the possibility to prepare quantitative and qualitative analyses of human resources development in the state administration.

6.4. Training organisations to the state administration

The government is committed to continue the implementation of an integrated policy for human resources management in the state administration.⁹¹ A key element of the Strategy for Training the Employees of the Administration is the link between the employees’ professional development and training.

All administrative structures issue annual training plans for their employees, and the Minister of State Administration and Administrative Reform approves a general annual plan and allocates funds from the budget to each structure for training. This allows for a more standardized, systematic and well-targeted training.

The funds for enhancing the servant’s qualification are annually approved alongside the adoption of the state budget. Since 01/01/2007 these funds have increased from 0.8% to 2% of the funds for salaries⁹². The increased resources for training offer greater possibilities for improving the staff motivation.

The IPAEI delivers two types of training – **specialised and compulsory**. **The compulsory training** relates to professional development⁹³ and is taken only once by those who have just taken up employment within the state administration and by senior civil servants who have just taken on a

⁹¹ In 2006 the CoM updated the Strategy for Training of State Administration Staff and the Action Plan for its Implementation for the period 2006-2007

⁹² Civil Servant Act (art. 35); (see Annex No 3)

⁹³ Civil Servant Act (art. 35b); (see Annex No 3)

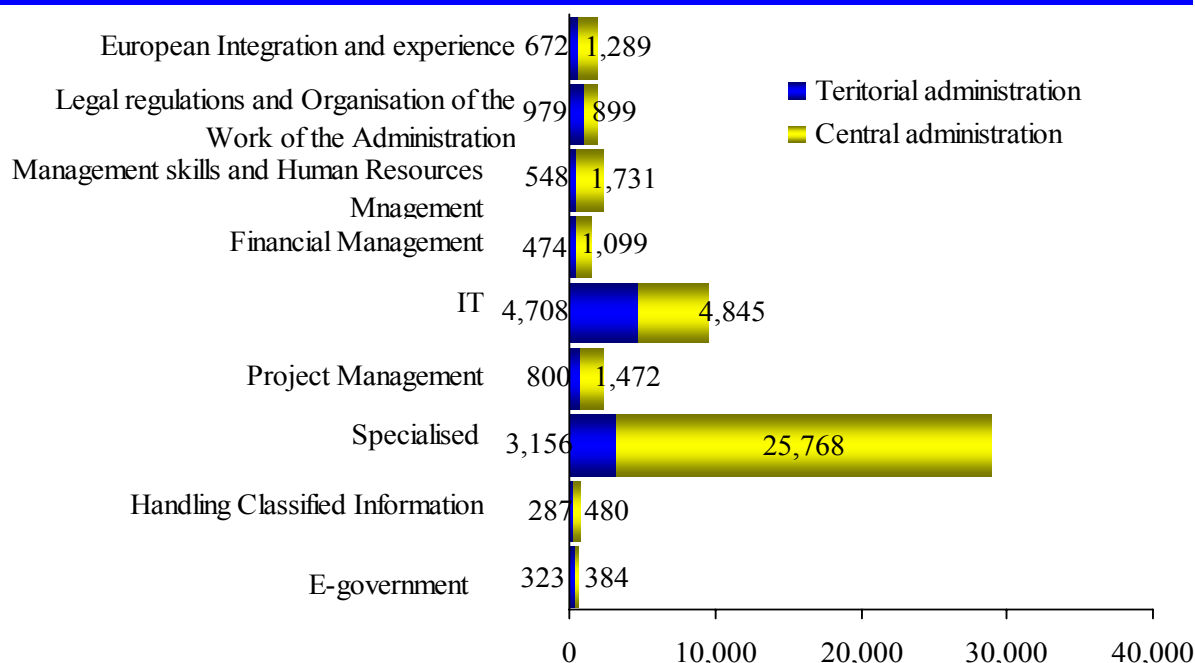
management position for the first time, as well as by senior-civil servants once every year. This requirement is related to the need to acquaint the people taking on new positions with the relevant legislative documents, with the organisational principles, the structure, basic functions and current trends in the development of the administration.

IPAEI offers a wide range of specialised courses, seminars and other forms of training which have been grouped in separate thematic programs. They are aimed at the various professional groups and positions within the administration. The employees, in consultation with their supervisors, select the appropriate courses and seminars.

In the period 2002-2005 the number of administration employees that have undergone **specialised trainings** has significantly increased. For the central administration the increase has been 320%, and for the territorial one – 136%.

In 2006 over 141,400 employees from the administrative structures have passed different forms and areas of training. The total number of people trained in 2006 was **higher than the total number of the employees within the administration** because a large number of them have participated in more than one training. The trainings have been financed through the central budget, as well as under different MSAAR and IPAEI projects, implemented by them or in partnership with other institutions, including international ones.

Figure 5: Number of employees passed through specialised trainings in 2006



Source: Report on the State of the Administration, 2006

In 2006 51,274 employees were included in different short-term specialised trainings **financed through the central budget and through the various administrations’ own budgets**. The increase in number and quality of the specialised trainings for upgrading professional competence is aimed at employees from different position levels in the central administration and in the regional and municipal administrations.

In 2006 a total of 9,553 (18.6% of all trained) employees have enhanced their qualification in the field of IT. 4,845 (50.7%) of them work in the central administration, and 4,708 (49.3%) – in the regional and municipal administrations.

As pointed out previously, within the framework of mass distance **training** for state administration employees under the “**Prevention and Counteracting of Corruption – Ethics within the State Administration**” project, **50,814 employees** successfully passed the related exam.

The trainings being conducted for administration officials receive high support. 74% of those trained point out that in the majority of cases these courses enhance their professional competences, the most significant positive feedback coming from the municipal administrations. These results reflect a generally acknowledged need for strengthening the administrative capacity. Apart from the central administration which has been the biggest beneficiary of training courses for improving the qualification, there is also a clear understanding within the smaller municipalities of the need for such trainings as a mechanism for improving the quality of work.

The civil servants point out as most necessary and useful the foreign language courses (36%) and those in IT (24%). It is important that the foreign language training of staff is enhanced in view of Bulgaria’s membership in the EU and the need for better service delivery to citizens and business sector. Ranked next are the trainings for improving communication skills (22%), most popular amongst central administration officials (38%)⁹⁴. Trainings on EU-related issues, modern management theory and practices, improvement of writing skills, negotiation and dialogue skills, skills to present and justify national policies at EC level are also considered as needed.

The need for training is mostly felt in the small municipalities where foreign language training, strategic planning and project writing have been awarded the highest priority. The representatives of the local administration most often attend the courses and seminars for increasing awareness and qualification, organised by the organisations which have been working for years on building their capacity: NAMRB, Foundation for Local Self-Government Reform (FLGR), the regional associations of municipalities (9 in total), the professional associations of municipal specialists (such as the National Association of Municipal Secretaries-General of the Republic of Bulgaria – NAMSGRB, Association of Financial Experts and others.)

The qualification trainings emphasise on their preparation for collaborative work with the EU institutions and on building an adequate administrative capacity for implementing the *acquis*.

Trainings in areas related to preparing the municipalities for the effective absorption of EU funding such as project development, attracting investments, implementing EU *acquis* in the area of environmental protection, public procurement, public-private partnerships and many others of specific interest and related to the work of the municipalities have been organised in 2006. The trainings delivered so far have been more general, without offering in-depth knowledge, practical skills and work habits, and without prior training needs assessment.

A comprehensive analysis of the training needs of state administration employees needs to be carried out. Based on this analysis, training programmes can be improved to reflect the current trends and needs of the employees at different levels of the administration. The training programmes should cover basic knowledge on various topics, as well as practical courses close to real-life circumstances.

The number and quality of the specialised trainings, both for central as well as local

⁹⁴ Survey among the state administration staff conducted by Transparency International in the period 15-30 August 2006 (page 3)

and regional administration employees, need to be increased. This will improve the competences of the employees and help the efficient performance of their responsibilities in the conditions of EU membership.

There needs to be good coordination to ensure the delivery of various trainings. Apart from the traditional training formats, new methods need to be used to allow the employees to perform their daily obligations.

6.5. Institutions delivering training to the state administration

6.5.1. Institute of Public Administration and European Integration (IPAEI)

The IPAEI is an executive agency to **the minister of State Administration and Administrative Reform.**⁹⁵

The IPAEI is managed by a **Board of Directors** (BD) which includes representative from the MSAAR and a representative from the administrations of the Council of Ministers (CoM), the Ministry of Finance (MF), the Ministry of Labor and Social Policy (MLSP), the Ministry of Education and Science (MES). Representatives from the academic circles and from NGOs can also be members of the Board of Directors with deliberative vote. In exercising their powers, the Management Board is supported by two directorates organised in general and specialised administration.

The Institute is the main organisation delivering training for enhancing qualification and for gaining new qualifications of the state administration employees. The IPAEI annually organises and delivers mandatory training of: new recruits in the state administration; newly appointed managers; the senior civil servants. The IPAEI offers training courses and seminars for enhancing professional qualification of the civil servants on new developments and topical issues in the work of the state administration within specialised training programmes. The IPAEI hires a wide circle of external trainers, experts from the administration, academia representatives, as well as international experts in the respective areas for providing training.

The IPAEI prepares training needs assessments qualifications or gaining new qualification and new qualification of the employees in the state administration; develops training programmes in the area of public administration and European integration; organises and delivers trainings for the administration; engages in partnerships with Bulgarian and foreign institutions/ organisations on issues related to the activities of the Institute; organises applied scientific conferences and professional meetings for discussing and promoting best practices.

The IPAEI is engaged in additional activities such as issuing specialised literature on state administration issues, publishes the “Public Administration” magazine, participates in projects and programmes for the enhancing the administrative capacity. Research is also part of the activities of the Institute, but this activity is still not being implemented.

The Institute, jointly with the managements of the different administrations, analyses the **training needs of the employees in the administration.** In 2006, **the IPAEI developed a draft methodology for follow-up assessment of training results.** In view of Bulgaria’ accession to the EU an emphasis has been placed on new and comprehensive training in the following areas: implementation of the harmonised legislation, incorporating into Bulgarian practices the values and standards characteristic of the best European administrations. The thematic vocational training programs have been widened. The number of training courses and seminars offering follow-up knowledge and practical skills has been increased. New forms of language training in English,

⁹⁵ Civil Servant Act (art. 35a); (see Annex No 3)

French, German, Spanish and Italian languages, as well as in IT have been introduced. An emphasis has been laid on the development of distance training programmes.

The Institute prepares a methodology for assessing the training needs and for evaluating the trainings delivered state administration employees. This assessment is needed for the timely updating of the existing trainings so that they correspond to the needs of enhancing the qualification of the employees in the administration in different fields. It is also necessary that the IPAEI adequately reacts to the need for developing and implementing new types of trainings.

A quality assurance system for the trainings, training materials and trainers has still not been set up.

The Institute maintains **contacts with universities** which offer Bachelor’s and Master’s degree programmes in public administration. These contacts need to be used and deepened in order to improve the quality of the trainings for state administration employees. It is important that training programmes be developed and implemented in cooperation with national and European partner institutions.

Within the framework of **international projects** the Institute has trained over 1,300 state administration employees. The Institute is a beneficiary of several PHARE projects:

- “Assistance in designing training programmes and training of representatives of minority and vulnerable groups”
- “Support for the Design and Implementation of Development and Assessment Programme for Senior Civil Servants”
- “Development of in-service training centre network linked to the implementation and enforcement of the *acquis*”.

In order to ensure sustainability of the achievements from the above-mentioned PHARE projects it is necessary to continue the activities of these projects after the projects end.

The need for constantly enhancing the qualification of the employees in the administration for effectively implementation of their duties demands strengthening the capacity of the IPAEI as coordinator of the training process within the state administration. As the main institution responsible for the qualification and new qualification of the employees in the Bulgarian state administration, the Institute is faced with the challenge to satisfy the professional training needs of employees at all levels of the administration.

In order to ensure high quality of trainings for administration staff, the good cooperation with the universities needs to be deepened.

It is important that effective methods for assessing the training needs of the administration are in place, and to upgrade the existing and design new training formats. The diversity of training formats and programmes requires their standardisation to ensure quality of training. Developing the research and publishing activities of the IPAEI with help to diversify the Institute’s activities.

Further efforts are needed in the design of training programmes and delivery of trainings to minority and vulnerable groups for work in the state administration.

The achievements of the implemented PHARE projects need to be sustained through supporting the activities of the Centre for Development and Evaluation of Senior Civil Servants and the further development of the network of training centres for the implementation of the *acquis*.

6.5.2. Public Finance Schools to the MoF

The Public Finance School (PFS) is an independent unit within the Budget Directorate of the Ministry of Finance (MoF), established by the Rules of Procedure of MoF . The role of the PFS is to support the management of the MoF in implementing the budget sector reform and to facilitate the work of the employees through developing and providing specialised training courses and seminars.

The objectives of the PFS are: to manage the process of building up sustainable capacity in the public sector financial administration for the needs of the ongoing budgetary reforms; to enhance the professional knowledge and skills of the financial administration and to facilitate the introduction of modern methods, approaches and techniques for financial management; to support the process of harmonising the budgetary principles, norms and procedures with those implemented in the EU Member States; to support the professional development of civil servants working in the field of public finance.

6.5.3. Diplomatic Institute to the Ministry of Foreign Affairs (MFA)

The Diplomatic Institute organises trainings for enhancing the professional and foreign language skills of MFA staff. It also delivers training for improving the diplomatic qualifications of state administration employees whose work is related to the diplomatic service and with the implementation of Bulgaria's foreign policy.

The Institute is supported from the MFA budget and through several bilateral agreements with countries such as the Netherlands, Romania, India, Croatia, Turkey, Israel, countries in Latin America, etc.

6.5.4. Institute of Psychology – Ministry of Interior (MoI)

The MoI Institute of Psychology is a scientific and applied research institute with the Ministry of Interior of the Republic of Bulgaria. It is made up of a central structure and 6 regional units around the country which are referred to as psychology laboratories. The Institute attends all national, central and regional structures of the MoI as well as the directorates from the general and specialised administrations, the Academy of the MoI and the rest of the structural units of the MoI. The MoI Psychology Institute is specialized in the following activities: professional psychodiagnostics; development of methods for psychodiagnostics and professional assessment; psychological counselling of staff in the MoI system; psychological expertise; poly-physiographic examinations; training of MoI staff; organisational diagnostics; individual investigation of risk-prone and disloyal behavior of MoI civil servants.

6.5.5. National Institute of justice with the Supreme Judicial Council (SJC)

The SJC delivers training for Bulgarian magistrates and court officials. The Institute prepares and disseminates training materials, documentation and literature among the major part of the magistrates and court officials.

More information on its activities can be found in the analysis on the judicial system within this document. The Institute will be a beneficiary under OPAC as an organisation supporting the development of an effective and competent judicial system.

7. Administrative Service Delivery and e-Governance

The main principles of work of the administration adopted by the EU are applied in the Bulgarian strategic documents and normative acts – rule of law, transparency, effectiveness and

efficiency, accountability and coherence. In order to achieve higher effectiveness of the state administration’s work, it is appropriate to take a series of measures related to the broader implementation of the “one-stop-shop” principle, the standardisation and integration of services, the adoption of quality management systems, the utilisation of the principles of better regulation, development of e-Governance, etc.

7.1. Administrative Service Delivery

The improvement of administrative service delivery is a main goal of the administrative reform. The administrative activities and service delivery should focus on the customer.

The end of 2006 marked a **positive trend** towards improving service delivery and the attitudes of the citizens and the business sector towards the work of the administration.⁹⁶ The main conclusions of the study showed mostly positive assessments of **the work of the administration on service and information delivery to the citizens and the business sector**. Nevertheless, further reform is needed to improve the quality of the administrative service delivery. The challenges are to enhance administration’s efficiency, increase user awareness, as well as to improve feedback mechanisms and customer satisfaction measurement.

In order to **optimise the organisation of administrative service delivery, common rules and standards for administrative service delivery**⁹⁷ were introduced in 2006. They were developed with the active involvement of representatives of the administration at central level, of NAMRB, the non-governmental sector and the business sector. They set the principles and the organisation of administrative service delivery, the provision of information on delivered services, quality management, feedback mechanisms and coordination and control issues – both in the state administration and in the organisations providing public services. The development of e-Governance is also supported.

With reference to the development of the new Administrative Registry projects are being implemented to the standardise administrative services, including the names and the processes of service delivery. At the beginning of July 2007, the List of Unified Names of Administrative Services (LUNAS) was confirmed. This list includes 1664 services delivered by the central administration, 40 services delivered by the regional administration and 250 services provided by the municipal administration. The purpose of this list is to establish a uniform practice in the use of the names of the services for each administration. This is a necessary condition for the further development of the e-Governance as well as for the **improvement of communication between the administrations and between the administrations and the customers**. In addition, the optimisation of the work processes will lead to decreased administrative expenses for the citizens and the business sector.

7.1.1. Measurement of the satisfaction of the citizens and the business sector

The use of a citizens and business sector **satisfaction measurement system** is one of the measures to improve the administrative service delivery. The introduction of such mechanisms provides information on the customers’ assessment of the administrative services provided and establishes the connection between the administration and the customers. The percentage of administrations which have introduced such a system is 58% (53% from the central administration,

⁹⁶ A survey among administrative service users carried out by “Transparency International” 15-30 November 2006, (page 2)

⁹⁷ Ordinance on the general rules for the organisation of the administrative service delivery (Art. 20); (see Annex 3)

68% from the regional administration, 94% from the municipal administration and 37% of the municipalities with sectoral division).⁹⁸

The feedback systems related to administrative service delivery are not yet finalised and do not achieve the desired results. They are treated only formally, as a method for gathering information with no analysis made, nor measures taken for improvement and disclosure.

In this respect, in January 2007 a **Methodology for research and measurement of customers’ satisfaction**⁹⁹ was developed. In July 2007, the methodology was endorsed by the Minister of State Administration and Administrative Reform. The implementation of such a tool will improve the capacity of the individual administrations to quickly and effectively collect and analyse information and will provide comparability of data and results. It is necessary to develop in the future mechanisms **for the practical application of the methodology**, as well as for **monitoring and control** of its application.

The analysis of claims and complaints, as well as of signals and proposals, according to the APC is a precondition for improving the administrative service delivery process. It is also an element of the customer feedback systems. Presently, the percentage of administrations which have developed or are in process of developing such procedures is relatively high. The compliance with procedures though is not guaranteed and there is a lack of control. The forwarding of complaints from one administration to another, as well as the control of follow-up complaints also need to be regulated.

The main issue of concern related to complaints against poor administrative service delivery is the different procedures for handling complaints in the different administrations.

APC envisages the processing of signals and proposals to be done according to the rules of procedure of the concerned administration. The Regulation on common rules for organisation and administrative service delivery adds that signals and proposals are received and processed by the Administrative Services Unit if nothing else is envisaged in the rules of procedure.

Table 3: Regulation of the procedure for handling complaints against poor administrative service delivery

| | Number of administrations | % |
|--|---------------------------|----|
| Rules of procedure | 288 | 53 |
| Internal rules for organisation of the administrative service delivery | 268 | 49 |
| Order by the authority of executive power | 49 | 9 |
| Other legal acts | 81 | 15 |
| No such acts | 19 | 3 |

Source: Report on the State of the Administration, 2006 r.

⁹⁸ Report on the State of the Administration, 2006, page 105, http://www.mdaar.government.bg/docs/Annual%20Report%20%202006_26.07.2007.pdf

⁹⁹ PHARE financed project “Strengthening the capacity of the Bulgarian public administration with a view to the implementation of the Strategy for the Modernisation of the State Administration for improved service delivery to the public”

In 2006 the procedures for handling complaints against poor administrative service delivery were mostly regulated by the Rules of Procedure – 53% of the administrations. This is a considerable increase compared to 2005 when it was just 25.1%. In 49% of the administrations, the procedures are regulated by the Internal Rules for organisation of the administrative service delivery, which is one point lower compared to the previous year. Only in few administrations the procedure is established by an explicit order.

The increased relative share of regulation through the Rules of Procedure is a positive trend which is a result of the enforcement of the Administrative Procedure Code (APC). However, it can be concluded that the administrations do not make any difference between technical activity of receiving signals and proposals and the expert activity involving the processing and response to the signals and proposals.

At the same time, hardly 15% of the citizens use the **active information channels** provided by the administration: information boards, telephone lines, Internet pages of ministries and agencies, etc. These figures reveal the need to **improve and promote the various information delivery forms** in order to **raise user competency** in relation to the offered administrative services.¹⁰⁰

The majority of the administrations have introduced different assessment mechanisms for the services delivered. A comprehensive vision on that issue has to be elaborated at national level. It is necessary to create common criteria and mechanisms in all administration structures, to measure the quality of the services and the satisfaction of the citizens and the business sector.

The feedback systems should be further developed with emphasis on the analyses of the information gathered with the goal to undertake actions to improve the service.

The great variety of models to regulate the process of filing and reviewing of complaints, confuses the citizens and renders the corresponding procedure ineffective. It is also important to increase the control on procedure implementation.

It is necessary to improve and promote the different forms of provision of information to the citizens and the business sector in order to raise customers' competency in relation to the offered administrative services

7.1.2. Quality Management System

A key measure for improving the quality of administrative service delivery is the introduction of quality management systems at all administrative levels. Their main function is to guarantee the customers a constantly improving quality of products/services, regardless of the quantity and the delivery deadlines.

A Common Assessment Framework (CAF) was developed in 2000, based on the model of the European Foundation for Quality Management (EFQM).¹⁰¹ It was specially designated for the public sector organisations. The introduction of CAF is free for the administrations. Presently, there are three administrations in Bulgaria which are at the initial stage of introduction of CAF – the

¹⁰⁰ A survey among the users of administrative services carried out by Transparency International, 15-30 November 2006

http://www.mdaar.government.bg/docs/transparency_08%2012.ppt (page 2)

¹⁰¹ CAF was developed jointly by the European Institute of Public Administration and the European Network of Public Administrations

municipal administration of Targovishte, the regional administration of Pazardjik and the State Tourism Agency.

The number of administrations which have introduced quality management systems is still insufficient. The majority of the introduced systems are based on ISO standards. It is necessary to promote also other instruments for improving the management and raising the quality in the public sector, which are based on Total Quality Management (TQM).¹⁰² The goal is to explain the benefits of their implementation, to present and promote good practice, to stimulate the administrations to implement such instruments. Most of these instruments, in contrast to ISO standards, are not known in Bulgaria and in order to start their broader introduction and implementation, they should first be promoted.

The System for Self-Assessment of Administrative Service Delivery (SSAASD) in Bulgaria has been developed in 2003.¹⁰³ It is a web-based system for collection and processing of data on the administrative service delivery. All administrations publish their reports in that System. The reports consist of two parts:

- Statistical data on the administered regulatory regimes and on the services provided by the administrations
- Self-assessment of activities and processes related to administrative service delivery

MSAAR has been administrating SSAASD since the end of 2005. In 2006 the self assessment form was updated and aligned with the Common Assessment Framework (CAF) of the EU state administrations. The purpose of the updating of the self assessment and administrative service form was to harmonize it with the methodology used in the European Union’s public sector.

Reporting to the System is mandatory for all administrations.¹⁰⁴ SSAASD provides current information for the present status of the administrative service delivery, development trends, strengths and weaknesses of the services delivered. The analysis of the results helps in planning the necessary measures and solving specific problems related to the implementation of the “one-stop-shop” principle, the integration of services in the form of “life events”, the development of e-Governance etc.

Based on the analysis of self-assessments made in 2006, the 60 least advanced in terms of administrative service delivery municipalities were identified. Technical equipment, document flow software and consultancy assistance have been provided to them.

With regards to the implementation and promotion of quality management systems it is necessary that a comprehensive state policy be developed in this area. The quality management policy in Bulgaria should provide for the establishment of a complete coordination mechanism both on national and European level which should function with the participation of the Bulgarian administrations in the European quality conferences, events for presentation and promotion of CAF, different quality awards, etc. At the same time such a mechanism should be related to the implementation of measures like: establishment of a centralised Internet portal containing up-to-date information on the quality management systems, good practice and challenges of the administrations that have implemented such systems; establishment of benchmarking and bench-learning groups, establishment of pools of experts; development and implementation of indices (ratings) on quality.

¹⁰² EFQM, CAF, BSC (balanced scoreboard) etc.

¹⁰³ It was developed during a project financed by the UK Department for International Development

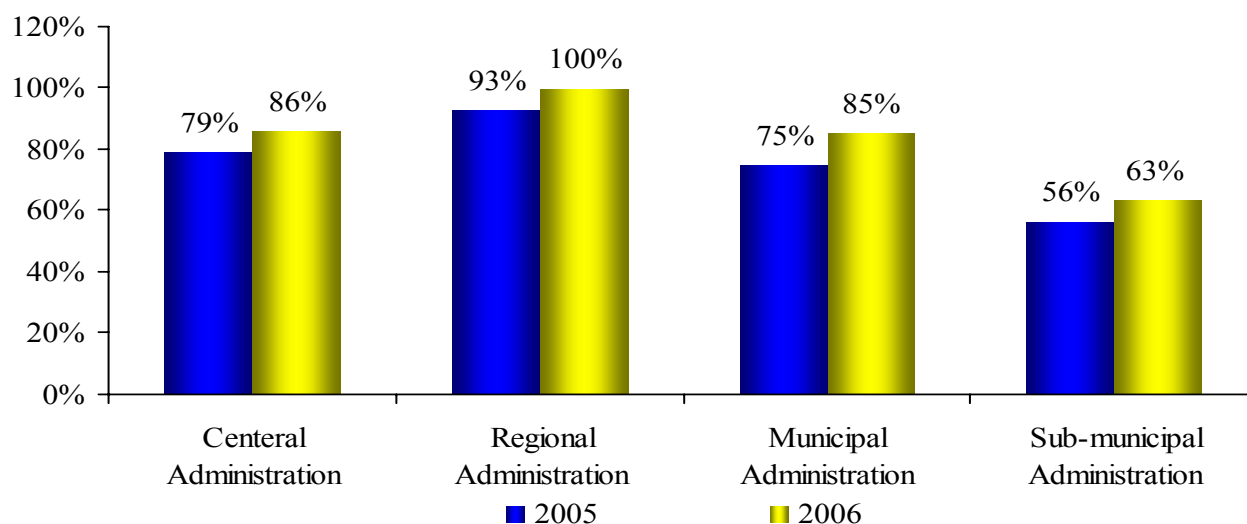
¹⁰⁴ Ordinance on the general rules of the administrative service delivery (Art. 23); (see Annex 3)

The analysis shows that still a very small part of the administrative structures make use of the opportunities given by the quality management systems. Bulgaria's EU membership requires the implementation of similar European standards in all administrations delivering services. For this purpose it will be necessary to further promote the opportunities provided by the implementation of quality management systems. The establishment of a coordination mechanism for the quality management policy in Bulgaria is an important precondition in order to adapt these systems to the Bulgarian conditions and some guidelines need to be elaborated to help the administrations in their implementation.

7.1.3. Customer Charters

Another measure for improvement of service delivery is the development and promotion of Customer Charters by the administrations. There is a methodology drafted for its development¹⁰⁵ The Charter is not a legal document. It helps the customers to understand and defend their rights better, to require better service delivery. It should be promoted and made accessible to everyone. The Customer Charter is useful for the civil servants as well, as it helps them define better the services delivered.

Figure 6: Comparative analysis of administrative structures that have introduced Customer Charter, 2005-2006



Source: The Ministry of State Administration and Administrative Reform

The increasing number of administrations that have developed a Customer Charter is a sign that the institutions and their management have realised its necessity and benefits. The Charter helps the feedback process and builds a good relationship between administration and customers. Publishing the Charter also increases transparency in the work of the administration which impacts on the commitment of the customers in the process of improvement of administrative service delivery.

¹⁰⁵ Ordinance on the general rules for the organisation of the administrative service delivery (Art. 21) (see Annex 3)

Another tool for improving administrative service delivery is to provide compensations to citizens when the standards set by the Customer Charter are not applied. This means that the citizens are compensated if the administration does not keep a certain commitment. Such Compensation mechanisms are applied in many of the EU member states where for example if a citizen has to wait longer than the standard time he/she is compensated financially or otherwise for the inconvenience. This is a way of stimulating the administration to follow certain standards as well as to encourage more active citizens’ involvement.

Most of the administrative structures already have Customer Charters including internal organisational standards and goals for service delivery. The standards in the charters though have to be more specific as commitments with regard to quality of administrative service delivery. The Charters do not include compensation mechanisms and there is no legal basis for the introduction of such mechanisms. The Customer Charters are not sufficiently promoted among the users of administrative services.

7.1.4. Introduction of the “one-stop-shop” principle

As already indicated, the “one-stop-shop” principle is a key method to improve administrative service delivery. The two main ways of applying this principle are:

- single place of access to information and services, delivered by one administrative structure
- single place of access to information and services, delivered by several administrations.

The “one-stop-shop” service delivery leads to better consumer satisfaction, both in terms of access to information and with regard to the quality of service delivery.

Improving the efficiency of service delivery is a challenge for the administration. As most urgent change 51% of customers have indicated the need to shorten the deadlines for service delivery. Hardly 38% of citizens succeed in completing their tasks within a single visit to the relevant administrative structure ¹⁰⁶.

The physical location of services delivery in one place is not a sufficient condition to improve administrative service delivery. The administrations do not make use of all existing opportunities and mechanisms to optimise the services they deliver. The provision of **integrated services** by the different administrations is not yet a common practice.

The municipalities are the most accessible and the nearest communication points between the administration, the citizens and the business sector. They have to become the main places for requesting and receiving administrative services by the users. This is why the municipalities must establish active and fast communication channels, including electronic, with the other administrations. It is expected that the municipalities will assume the largest part of the **integrated services** process which means that a particular emphasis will be placed on building the capacity of the local administration.

Several pilot activities for the integrated delivery of key services identified through demand analysis were implemented under a PHARE funded project. In order to spread its results to more administrations MSAAR will finance and implement additional project. Based on the conducted analyses the priority is the integration of those services directed to the business sector (company

¹⁰⁶ A survey among the users of administrative services carried out by Transparency International, 15-30 November 2006 (page 2)

registration, construction of industrial enterprise, commercial activities, etc) as in most cases they are related to several administrations.

In 2006, 75% of the structures in the central administration, 100% of the regions and 68% of the municipal administrations reported the delivery of administrative services through a single access point. Compared to 2005 the percentage of central and municipal administrations delivering services through the “one-stop-shop” principle has increased, whereas it remained at the same level in the regional administrations. The larger part of the territorial administrations offered also consulting services to customers.

The improvement of administrative service delivery is not guaranteed by the mere existence of a “one-stop-shop” but also by its stage of development determined according to the main elements of the **Basic Model for “one-stop-shop” Service Delivery** – processes, human resources, technologies and activity management.¹⁰⁷ Compared to 2005 the number of administrations that are at “development” stage has doubled at the expense of the number of administrations that are at the “functioning” stage (40% decrease). There is a 3% decrease in the number of administration at the “initial” stage while the number of administrations at the “excellent” stage has increased by 2%.

The big differences in reporting the development stages are due to the changes implemented in the SSAASD report template. Changes in the relative weights of the questions and changes in the border values of the development stages have been made in the new version of the questionnaire. This in respect reflected upon the evaluation of the stage reached. Many of the administrations that were at the “functioning” stage in 2005 were transferred to the “development” stage because of the higher criteria derived from the new CAF version of 2006.

The main problems in establishing a “one-stop-shop” are the lack of technological and technical equipment, on the one hand, and the lack of possibilities for automated data and document exchange between the information systems of the different administrations (single data exchange environment), on the other.

A prerequisite for the establishment of effective communication between the administrations during the process of service delivery to the citizens and the business sector is the integration and standardisation of administrative services. The development of the “one-stop-shop” principle is bound with the simultaneous and synchronised simplification and improvement of work processes, human resources and existing technologies at the service delivery points.

The main accent should be put on the service integration at local level as the municipal administrations are the most accessible point of contact for the administrative services users. As several administrations participate simultaneously when delivering services to users, the priority should be to integrate the services for the business sector.

¹⁰⁷ The Basic Model distinguishes between four development stages:

Primary initial stage – at this stage there is little evidence about changes compared to the prior service delivery organisation;

Developing stage – some improvements can be reported compared to the previous service delivery mechanisms, but the evidence on the implementation of international best practices is insufficient;

Functioning stage – at this stage a considerable improvement can be reported in comparison to previous “one-stop shop” service delivery practices. The organisation, respectively the administrative structure, is measurable against some comparable indicators of the EU;

Excellent – this is the last Basic Model stage. At this stage the organisation of work is consistent with the major elements of the best EU “one-stop shop” service delivery practices

7.1.5. Service delivery at border crossing points

The improvement of the quality of service delivery at border crossing points (BCP) is an important element of the modernisation of the administration. At the moment, the completion of border crossing procedures is slow as there are a number of institutions working at the BCP.

The integration of service procedures at the external EU borders will improve the control and reduce the any subjective elements in service delivery. One of the ways through which this will be achieved is the **introduction of the “single line” checking principle and the “single fiche” payment principle at the BCP.**

The “single fiche” principle is a new payment model for state fees, done at one place – at the bank desks situated on the territory of BCP. Conditions have been created for non-cash payments with credit and debit cards. Thus, the state receivables are increased, the human factor interference in service delivery at the borders is reduced, the cash payments and respectively the possibilities for corruption practices are limited.

The new payment system based on the “single fiche” principle was introduced as a pilot project in July 2006 at BCP Lesovo. At present with financing from the national budget measures are taken for improving the software and providing the necessary hardware and other specific equipment for all road BCPs located on the external EU borders. The introduction of the “single fiche” in all BCPs is related to **training the employees to apply it, explaining its goals** to the general public as well as to **permanent control and monitoring**. In this respect, the accent should be put on the administrative capacity for implementation, monitoring and control of the “single fiche” principle as well as promotion of its benefits to the public with respect to limitation of corruption practices.

The “single line” principle is a service model where the basic forms of control at the BCP – passport and visas, customs, veterinary and phyto-sanitary are performed simultaneously, during a single stop of the vehicle.

The introduction of the “single line” and the “single fiche” principles improves the quality and reduces the time for service delivery at the BCP. The introduction of “single fiche” principle at all road BCP at the external EU borders¹⁰⁸ must be realised based on a uniform model. The improvement of this principle implies strengthening the capacity for its application, promoting its benefits, as well as improving the monitoring and control over the achievement of the predefined objectives.

7.2. Regulatory regimes

The simplification and improvement of the regulatory environment is a key instrument for encouraging the economic growth and creation of more jobs.

The alleviation of regulatory regimes leads to:

- Reduced costs of the business sector
- Reduced government expenditures
- Limitation of the “grey” economy
- More transparency and less opportunities for corruption practices

¹⁰⁸ Ordinance on the border check points (Art. 27a) (see Annex 3)

The main regulation for implementing the policy for alleviation of the regulatory regimes is the **Law on the Restriction of Administrative Regulation and Administrative Control over the Economic Activity (LRARACEA)** which entered into force at the beginning of 2004. This Act establishes a clear framework for the legal requirements and control over the regulatory regimes. The harmonisation of the Bulgarian legislation with the *acquis communautaire* and the related introduction of new regimes also make it necessary to seek ways to limit the already existing regulatory burden. During the last one year and a half, 7 new regulatory regimes in draft bills reviewed by the Council of Ministers were blocked.

As a whole, **the understanding of the provisions of LRARACEA is low**, particularly among the local administrations. Many municipal administrations state that they issue licensing regimes, even though licenses may only be issued by the central bodies of the executive authority.

The requirement of the LRARACEA regarding the preparation of preliminary regulatory impact analyses (RIA) on the business environment is not being applied. The reason for that is the lack of qualifications and skills of the people who propose new regimes.

The main shortages of the LRARACEA are the lack of explicit introduction of the silent consent principle with regard to most of the licensing regimes which hinders the rapid issue of licenses, as well as the lack of quality control on its application.

Work has also been done on issues related to the alleviation of administrative procedures which are regulated by subordinate legislation. An **analysis of existing regulatory regimes** has been elaborated, as well as a **draft of a Programme for Better Regulation**. It will encompass the measures on preliminary and ex-post impact assessment, simplification and coding, coordination, monitoring and control. Beside the ESF funds some of these measures are envisaged to be financed by the budgets of the corresponding administrations through the state budget while other concrete needs will be financed by the budgets of the MSAAR and MEE.

Permanent monitoring as well as establishment of a uniform methodological manual and a uniform organisational system are needed, both for the overall application of the LRARACEA and within the systems of the individual ministries. It is important to introduce the practice of regulatory impact analysis (RIA) of proposed regimes, as provided for in the law.

While using the results the regulatory regime analyses, the European practices and standards shall be taken into account in order to undertake timely measures against the application of new regimes.

It is also necessary to examine the possibility for introducing the silent consent principle in LRARACEA in order to optimise the work of the administration and to facilitate the conditions for developing the business sector in the country.

7.3. e-Governance

E-Governance is a modern method for the functioning of state administration using information and communication technologies (ICT). It is a **tool for the improvement of administrative service delivery, enhancement of state administration effectiveness and the optimisation of costs**. The introduction of e-Governance improves the transparency in the activity of the administration and the accessibility of services. It **reduces the time** and efforts of the citizens and the business sector in their communication with the administration. E-Governance covers four

major groups of relations (communication and service directions): administration – citizens, administration – business sector, administration – administration, administration – employees.

At present there is already **an overall concept for the development of e-Governance in Bulgaria.**

Bulgaria is lagging behind the EU member states in the process of developing e-Government.¹⁰⁹ The analysis of the reasons for this situation enables the identification of the necessary measures for its development to a level meeting the European requirements. Currently, four major reasons for the insufficient establishment of e-Governance in Bulgaria can be advanced: the lack of appropriate legislation, the lack of interoperability of the administration’s information systems, the lack of adequate electronic exchange between the administrations as well as the unsolved issue of data unification.

7.3.1. Improvement of the basic legal and strategic basis for e-Governance development

An important element for the development of the e-Government is the adoption of legal documents related to the introduction, application and the operation of the ICT (strategies, plans, architectures, work process description, procedures, manuals and regulations). They will help the activities of the state administration in the area of e-Governance to be streamlined and consistent.

The implementation of the e-Government Strategy 2002-2006 was completed successfully in 2006. This strategy sets the goals and development principles of the information systems related to the services delivered by the state administration as well as with the common framework for development of the information technologies in the Bulgarian administration. Currently a **new e-Governance Strategy with a road map is being developed.** These documents will be adopted at the end of 2007. In order to ensure sustainable implementation of projects in the e-Government area an overall framework for their long-term financing should be established.

The National Assembly adopted the **Law on e-Governance** on 30 May 2007.¹¹⁰ This law regulates the electronic delivery of administrative services to citizens and the business sector, the processing of electronic documents within an individual administration, as well as the exchange of electronic documents between the state authorities. With this law the delivery of administrative services online will become mandatory for all administrative bodies, for persons performing public functions (Public Notaries, state and municipal schools, etc.), as well as for the organisations delivering public services (educational, health services, heat distribution and energy distribution, telecommunications, postal and other services).

A significant progress has been made in the adoption of the legislation on e-Governance development. It is necessary to develop and adopt the missing laws and subordinate legislation in that field, as well as to start applying the legislation in place. The strategic documents and the plans for their implementation need to be updated, providing for sufficient funding from various sources.

7.3.2. Organisational capacity and human resources for e-Governance development *Organisational Capacity*

¹⁰⁹ Report on e-Bulgaria, 2006, page 56, <http://www.mdaar.government.bg/docs/eBulgaria2006.pdf>

¹¹⁰ Promulgated SG 46 from 12 June 2007

About half of the administrative bodies undertake **actions for e-Governance development** and e-services delivery to the citizens and the business sector. In 2006 there was a clear trend towards an increased share of administrations that have defined the roles, the rights and obligations of the civil servants responsible for the implementation of particular measures related to the development of e-Government. The number of administrations that declare they have the necessary qualified personnel for the implementation of projects in the area of e-Governance has increased¹¹¹.

At the same time a significant share of the employees responsible for introducing e-Government related services are still dealing with in the technical maintenance of the hardware and software infrastructure and not with e-services projects. The development of e-Governance requires a change in the work methods of the employees in the administrations and in their communication with the citizens and the business sector.

A prerequisite for this is the **correct understanding of the e-Governance concept**. Most of the administration employees perceive e-Governance as a way of publicising electronically the available administrative activities, as something separate which does not directly reflect upon the daily activities of the state administration and as a task which only concerns the ICT experts. It is necessary to clarify the fundamental aspects of e-Governance as an integrated process that simultaneously combines administrative reform, optimisation of all administrative processes and full utilisation of the ICT opportunities.

The development of e-Governance is a process which has to begin from the administration. This involves the delivery of training and information campaigns to promote and explain fundamental aspects, principles and objectives of e-Governance as a new and modern governance approach.

ICT experts and computer skills of State Administration employees

About 3,000 officials work in the field of information and communication technologies. They comprise only 3.2% of the total number of employees. The lowest is the number of employees involved in the maintenance, planning and development of ICT in the municipal administrations.

The leading IT staff hold relatively **low positions** in the state administration. Top senior civil servants often misunderstand the concepts and principles of e-governance. The application of new technologies, which contributes to better service delivery, requires computer proficiency of all state officials.

Most of the administrative processes and services are provided to citizens at local level. Unfortunately, the local administrations have the **smallest human resource capacity for the implementation of e-services**.

The capacity of specialists in the ICT units of the state administration must be strengthened. The computer skills of state officials must continue to improve, paying special attention to the administration at local level. Special attention has to be paid also to the establishment of the leading status of the chief information officer (CIO) in the structure of the central, local and regional administration units.

¹¹¹ Report for the administration status, 2006, (page 135)
http://www.mdaar.government.bg/docs/Microsoft%20Word%20-%20Doclad_08%2005%202007_graf1.pdf

7.3.3. E-governance environment

The e-governance environment is the aggregate of technical factors (computer availability, local networks and access to the Internet, centralised or integrated resources etc.) through which it is implemented.

Computer availability in the state administration

More than 50% of the administrations have up-to-date computer equipment (with CPUs running at 1.4 GHz). Measures are undertaken to renovate the depreciated equipment, with priority given to the regional and municipal administrations.

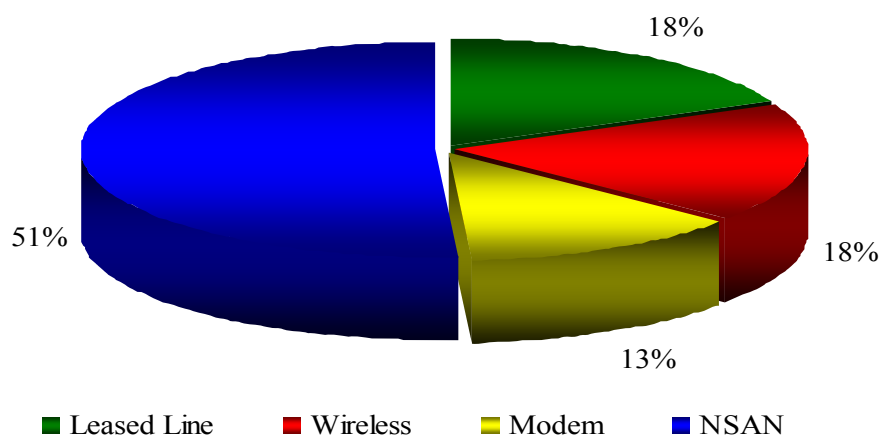
National and local networks of the state administration and Internet connection

The creation and maintenance of a reliable, efficient and effective communication environment between the administrations is a key factor for e-governance.

A local area network (LAN) has been established in all administrative structures at central, regional and municipal level. **The National State Administration Network (NSAN)** is developed in all 28 regional centres. The central administration is also linked to NSAN. The national level connection is in progress. The connection of NSAN to the EU network – TESTA – has also been secured and there is a technical readiness to connect to the future S TESTA.

More than 90% of the administration **employees have an e-mail account, access to the Internet** and to the national information systems.

Figure 7: Internet connection – central administration, June 2006



Source: Ministry of State Administration and Administrative Reform

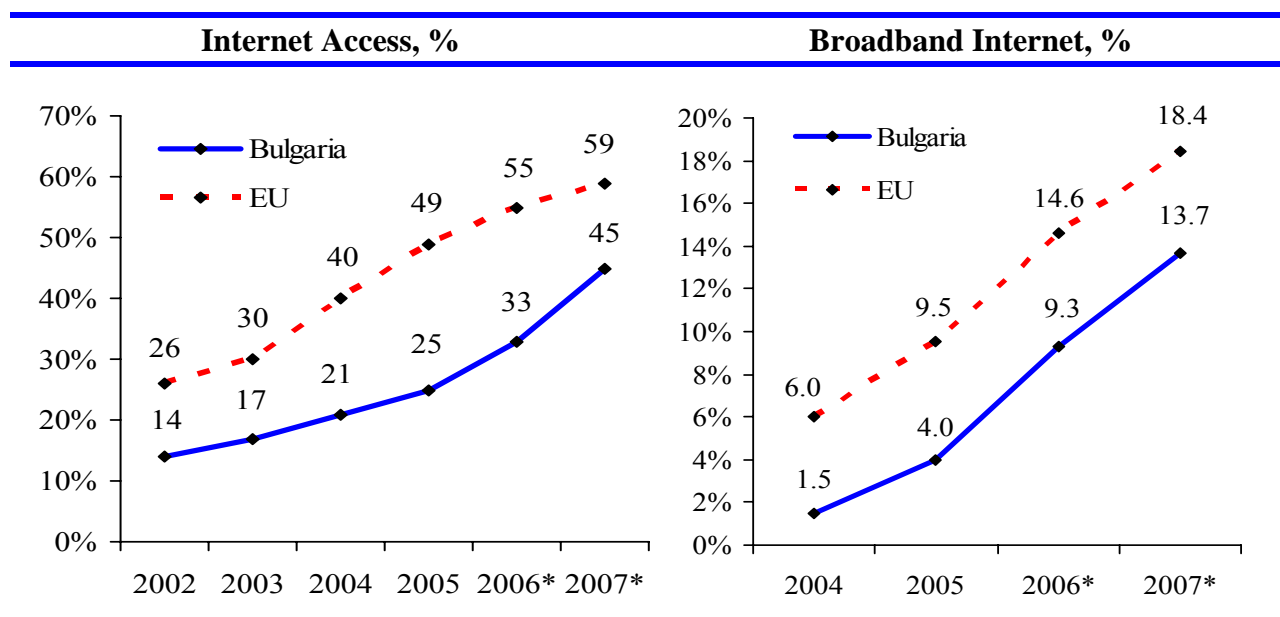
Access to Internet of the citizens and the business sector

As a prerequisite for the use of e-services, **the intensity of use of e-services in Bulgaria is at a relatively high level, compared to the EU average.** The Internet access is improving significantly every year. The distribution level of broadband Internet access is also good, compared to the EU average.

Despite the increased use of Internet in Bulgaria there are still significant territorial differences in terms of the access level. This why the initial emphasis is planned to be on the

improvement of the “back office” processes – their automation, the provision of electronic information exchange, etc. - and not so much on the direct provision of administrative services electronically. Account will be taken of the fact that the people in the smaller municipalities prefer to have access to services through the so called “kiosks”, situated in the larger administrations or even through “one-stop-shop” in the administrative service centres. In this sense the direct access to Internet is significantly more important for the business sector than for the citizens.

Figure 8: Internet access in the EU and Bulgaria



Source: The Ministry of State Administration and Administrative Reform

* Forecast

Considering the penetration and the increasingly wider use of the Internet as a prerequisite to improve competitiveness, the government defined investments in this field as a **priority**. Specific projects were implemented in the last two years with the aim of providing Internet access to the citizens, for example the **I-Bulgaria initiative**.¹¹²

The forecasts for increased Internet use by the population are based on the trends of increased purchase of computers and reduced prices for Internet access. The government needs to take further actions and concentrate national resources, especially with regard to disadvantaged people.

The availability of computers for the state administration and the speed of the provided Internet connection are still insufficient for the proper functioning of e-governance at all levels. The connection of all structures to the national state administration network is a major prerequisite for the development of e-government. This will allow for faster data transfer and reduced volumes of hard copy documents. In order to ensure the access to e-services it is necessary to broadly introduce the ADSL connection, as well as the provision of public places for Internet access.

¹¹² The initiative started in April 2004 with the aim to develop on-line contents of services delivered via Internet, as well as development of the information infrastructure and provision of access to computers and Internet for all social groups. The i-Bulgaria initiative includes the projects: i-Centre, i-University, i-Class, i-Net and ESi@Centre. Under the i-Centre project, information telecentres were established on the territory of the entire country, providing cheap access, training in ICT and e-service delivery to citizens

Informational resources

Most of the central administrations maintain information systems; their purpose is to ensure creation, storage and processing of data necessary both for fulfilling their direct functions and for delivering administrative services, including e-services. The lack of national strategy and standards in this field as well as the different time of establishment have led to the use of a great variety of technologies, architectures, means of access, document formats etc. There are almost no practices of automated data exchange between different systems, even within one institution. This leads to the irrational use of resources, to data duplication, repeated introduction of identical information and many other negative practices.

The lack of integration of the information systems at interdepartmental level is also accompanied by a lack of practices for the centralisation of resources of common interest, such as the Geospatial informational system for example. The availability and accessibility of updated, full and correct geospatial data from different sources and in different spheres considerably enhances the possibilities for the administration to exchange information within the state and local power as well as with the EU. At present, the geo-data in Bulgaria is collected, stored and maintained by the separate authorities for their specific needs which lead to duplication of expenditure for collecting and maintaining the same data, as well as to limited possibilities for effective interaction between different institutions.

In order to implement the Directive 2003/98/EC on the re-use of public sector information and to avoid the current practice, an institutional framework has to be created and the capacity of the state administration has to be improved for the introduction of centralised information systems in the directions of common interest, such as a single portal for Geospatial information, e-mail, e-ID cards etc.

Where there is a strong sensibility and necessity of keeping the independence of the informational systems, measures for their integration have to be undertaken.

7.3.4. Electronic services

The development of electronic administrative services at central and local level is to a great extent related to the fulfilment of commitments under the E-Government Strategy to guarantee the provision of **20 indicative electronic administrative services** as set forth by the EC – 12 for the citizens and 8 for the business sector.

Table 4: Electronic services provided to the citizens and the business sector

| Service | Link to the service | Degree | |
|--|--------------------------------------|--------------------------------|-----------------|
| | | Current status as of June 2007 | Final statement |
| Fully Completed Services for the Citizens | | | |
| Income taxes | www.taxadmin.minfin.bg www.nap.bg | 4 | 4 |
| Social security benefits for unemployed | egateway.government.bg | 4 | 4 |
| Declaration to the police | www.dnsp.mvr.bg | 3 | 3 |
| Change of address registration | egateway.government.bg | 3 | 3 |
| Job searches | www.az.government.bg | 3 | 3 |

Operational Programme “Administrative Capacity”, 2007-2013

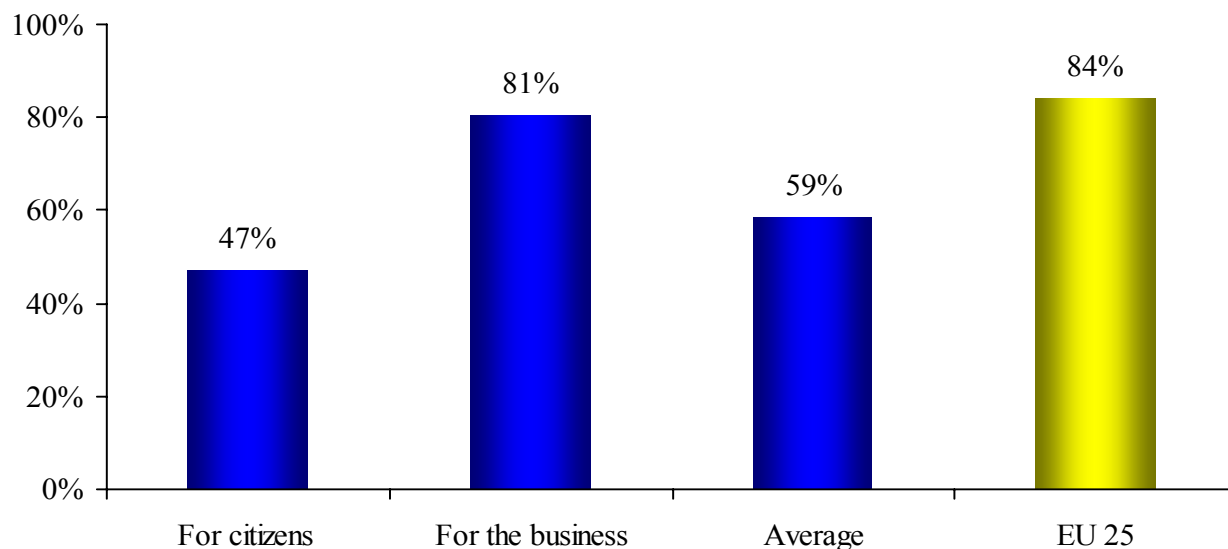
| | | | |
|--|---|---|---|
| Health insurance | www.noi.bg www.nap.bg | 4 | 4 |
| Fully Completed Services for the Business sector | | | |
| Check up of social security contributions of employees | egateway.government.bg | 4 | 4 |
| Social security and health insurance data | www.noi.bg www.nap.bg | 4 | 4 |
| Corporation taxes: declarations, notifications | www.taxadmin.minfin.bg www.nap.bg | 4 | 4 |
| VAT | www.taxadmin.minfin.bg www.nap.bg | 4 | 4 |
| Customs declarations | www.customs.government.bg | 4 | 4 |
| Services for the Citizens Under Construction | | | |
| Family allowances for children | www.asp.government.bg | 2 | 4 |
| Scholarships | www.minedu.government.bg | 2 | 4 |
| ID and passports | www.mvr.bg | 1 | 3 |
| Driving licenses | www.kat.mvr.bg | 1 | 3 |
| ID and driving license validity | http://nbds.mvr.bg | 1 | 3 |
| Car registration | www.kat.mvr.bg | 1 | 4 |
| Application for building permission | www.dnsk.mrrb.government.bg egateway.government.bg | 1 | 4 |
| Public libraries | www.nationallibrary.bg | 2 | 3 |
| Certificates (birth, marriage, etc.) | www.city.starazagora.net | 1 | 3 |
| Secondary and higher education diplomas | www.minedu.government.bg | 1 | 4 |
| Health related services | www.mh.government.bg | 2 | 4 |
| Services for the Business Sector Under Construction | | | |
| Registration of a new company | www.registeryagency.bg | 2 | 4 |
| Submission of data to National Statistical Institute (NSI) | www.nsi.bg | 2 | 3 |
| Environment-related permits | www.moew.government.bg | 3 | 4 |
| Public procurement | www.aop.bg | 3 | 4 |

Source:MSAAR

Legend: 1 – Information Phase, provision of information; 4 – Transaction phase

The degree of completion of the 20 indicative administrative e-services in Bulgaria is lower than the EU average. The lagging behind of Bulgaria shows that exchange of experience and best practices with EU member states is necessary.

Figure 9: Degree of completion of the 20 indicative administrative e services in Bulgaria



Source : Ministry of State Administration and Administrative Reform

It has to be noted that the development of electronic administrative services **for the business sector is much more advanced than the one for citizens:**¹¹³

- 40% of the companies and only 5% of the citizens are using e-services
- 84% of the companies are fully or partially informed about the e-services delivered by the administration
- About 70% of the citizens are not acquainted with the e-services offered to them by the administration.

An indicator of the **changes which are taking place in the communication between the business sector and the institutions** is the fact that the share of users searching first in the Internet the solution to a problem (need for information) is increasing significantly. This fact shows **a trend of transition from traditional communication towards e-communication.**

Most of the administrations have already created their **Internet sites**. However, the latter have different designs; they contain terminological differences, including different names of e-services, which generate difficulties for the users. **The unification of names and the integration of e-services** of the administrations to a centralised e-governance portal are in the process of development. Through the use of ICT the access of the users to public information may and should be improved.¹¹⁴

An important step is the provision of more **integrated administrative e-services based on the “one-stop-shop” principle**. The greatest progress to that effect is observed at local level. For example, the administrative services in the regions Gabrovo, Yambol, Blagoevgrad, Stara Zagora, in the region and municipality of Varna, the municipalities of Veliko Tarnovo, Lovech, Targovishte, Razgrad, Gorna Oryahovitsa and Dobrich are already integrated.

¹¹³ Alpha Research survey on the readiness of citizens and the business to use electronic administrative services, conducted in February 2006

¹¹⁴ Law on the Access to Public Information (see Annex 3)

Most users consider that **the e-services available at present are insufficient**. Their most frequent **requirements** with respect to administrative e-services are that they should be cheap or free, easily accessible via an Internet portal, delivered fast and that there should be guarantees for the security and reliability of the information sent and received. In order to encourage the use of e-services, the state should periodically conduct **information campaigns**, explaining the types of services provided and the advantages of working with the administration electronically.

User-friendliness and accessibility of e-services for disadvantaged people

One of the main characteristics of e-government information systems is their **user-friendliness and accessibility for the disadvantaged, the elderly and all those users** who are specified in the respective Resolution of the European Parliament.¹¹⁵ So far, **there has been no consistent approach to this issue** in Bulgaria.

The Action Plan on Equal Opportunities for Disabled People 2006-2007 stipulates the introduction of accessibility principles for public web pages as provisions of the national legislation; it also lays down the preparation of a project for the establishment of a pilot centre for training and technical assistance to young disabled people in working with electronic, information and communication products and services.

Different initiatives are organised in Bulgaria to include disadvantaged people in the information society. The most important are:

- state support for integration of disabled people in the 100 Cisco Academies in the country
- designing of computer workstation models for people in disadvantaged position The number of such workstations is still minimal
- designing of specialised web sites and software application for disadvantaged people in disadvantaged position.¹¹⁶

Although e-services are being further developed, their provision is not yet effectively customer-oriented. They have to be further promoted among the citizens and the business sector, and people in disadvantaged position should be provided with facilitated access to e-services.

7.3.5. Electronic documents and electronic signature

With the provision of electronic administrative services delivery, the application of e-documents and e-signature, which are regulated by a law,¹¹⁷ is growing.

The central administration is obliged to accept and issue documents in electronic form, signed by a universal electronic signature.¹¹⁸ Not all obligated authorities meet this requirement yet.

Since 2006 all administrative structures **are being centrally provided with electronic signatures**. The use of electronic signature is becoming a practice for the administration.¹¹⁹ **The**

¹¹⁵ Resolution 2002/2032 (COS) of the European Parliament on the accessibility of public websites

¹¹⁶ The first Internet portal allowing access to web documents for disabled was completed in April 2004

¹¹⁷ Law on the Electronic Document and the Electronic Signature (see Annex 3)

¹¹⁸ Council of Ministers Decree No 153/05/07/2004 for designation of bodies in pursuance of Art. 41 (1) of the Law on Electronic Document and Electronic Signature

¹¹⁹ Report on the Activity of MSAAR, August 2005 – December 2006, page 9, <http://www.mdaar.government.bg/docs/Otchet%20MDAAR%202006.pdf>

distribution of electronic signature certificates among citizens and legal entities has increased. The electronic signature providers for 2003 were two, while in 2006 they were four.

Table 5: Number of available digital certificates for e-signature

| | Number of e-signatures in 2004 | Number of e-signatures in 2005 | Number of e-signatures in 2006 |
|---|--------------------------------|--------------------------------|--------------------------------|
| Banks | 747 | 918 | 3,200 |
| Legal entities | 1,417 | 3,039 | 7,900 |
| Individuals | 14 | 59 | 600 |
| Executive authority bodies at central level | 97 | 160 | 900 |
| Executive authority bodies at local level | 226 | 285 | 900 |
| Total | 2 501 | 4,470 | 13,500 |

Source: MSAAR

Statistics based on aggregate data of MSAAR show the following figures:

Table 6: Number of users and average price of electronic signatures

| Year | 2004 | 2005 | 2006 |
|----------------------------|-------|-------|--------|
| Customers | 1,200 | 3,000 | 15,000 |
| Average price (EUR) | 150 | 100 | 23 |

Source: MSAAR

In the field of e-documents' flow **there is no national model** for the elaboration of **internal department rules for the work with electronically signed documents**. No adequate training of experts has been conducted for the introduction and implementation of such rules, and there is no methodological and organisational control on the implementation process.

This is a reason why most of the established rules do not regulate fully or regulate incorrectly the simultaneous work with the hard copies and electronically signed documents. Apart from that, one of the unsolved problems of utmost importance to provide for the transition to electronic documents is **the need of secured operational storage, archiving and life cycle management of electronic documents**. At present, almost all administrations maintain hard copy originals of the data stored in their information systems. There is a need to develop and adopt a legislative act regulating the electronic archives.

7.3.6. Interoperability

A major problem in the implementation of e-governance is the lack of interoperability, of unified standards and rules for handling e-documents.

In 2006, the government adopted a **National Interoperability Framework for the information systems of the executive authorities**. It includes the establishment of a Register of Standards which have to ensure interoperability, the establishment of an Information Units Register and an E-services Register. An Instruction on the procedures and conditions for the certification of institutional information systems in accordance with the European standards was also approved. This will ensure the interoperability of the information systems of different institutions in the process of e-service delivery. The National Interoperability Framework is the document, which shall guarantee that Bulgaria meets the requirements for integration of EU member states national systems in order to enable trans-border electronic services. Bulgaria shall also comply with the **European Interoperability Framework**.¹²⁰

By the end of 2007, a **centralised integration system of the e-government** will be put into operation under a project financed through the national budget. It will serve as the integration environment for the existing independent information systems in the state administration and will be the basis for a common document exchange environment. A **pilot integration system of an e-region**, which will integrate the local and regional level information systems, is also being developed.

With the implementation of the two projects a unified information environment will be established to provide electronic services by the central, regional and municipal administrations. They will provide the electronic exchange of documents between all units of the central and local administrations for performing the requested services. With the implementation of the two projects a technology environment will be established which will ensure:

- Unified portal for access to all electronic services at all times and from everywhere
- On-line description of all administrative services
- Simplified user-friendly interface for ordering the services, including for people in disadvantaged position
- Unified design of the portals of the regional and municipal administrations through establishment of unified standards
- A possibility for the citizens and the business sector to electronically trace the execution of the services they have ordered

These two projects have considerable importance for the development of e-governance in Bulgaria and they are both financed through the budget of MSAAR. As the accelerated introduction of the e-government is a key priority of the Ministry, the latter envisages a significant part of the hardware realisation of other similar initiatives in the e-government area to be financed through the state budget. In accordance with the specific goals of the European Social Fund OPAC will support mostly the implementation of the analytical part of the development of e-government.

¹²⁰ The initiative was adopted at the Seville Summit in June 2002; the framework was published in January 2005 and was created as a result of the “eEurope 2005” initiative

Since mid-2005, the introduction of the e-governance in Bulgaria entered into its major phase.¹²¹ The most important for its successful implementation will be to monitor the enforcement of the legislative basis and strategic documents adopted in this field. Among the main challenges for e-governance development are:

- transition from hard copy to electronic document flow
- reaching interoperability among the various systems in the administration
- improvement of the centralised integration e-government system
- implementation of the pilot e-region system throughout the country and its integration with the centralised system
- training of employees to work with e-government systems.

The overall funding of e-government projects will be provided both by the national budget and by the SF. The activities under OPAC shall be consistent with those under OP Regional Development and OP Development of the Competitiveness of the Bulgarian Economy, aiming at achieving an integrated approach to projects preparation.

¹²¹ e-Bulgaria Report, 2006 (page 56) <http://www.mdaar.government.bg/docs/eBulgaria2006.pdf>

IV. ANALYSIS OF THE CAPACITY OF CIVIL SOCIETY STRUCTURES

The implementation of the **partnership principle** leads to greater effectiveness, transparency and accountability in the activities of the administration. The inclusion of representatives of all stakeholders in the decision-making and policy-formulation process builds citizens’ confidence in the institutions. **The partnership between the state and civil society structures (CSS)** is a basic element of good governance and a necessary condition for achieving sustainable development.

The partnership principle is also fundamental in the EU Cohesion policy. For the effective and efficient implementation of projects with the financial assistance of the EU funds, coordination between the state institutions at a national and local level, on one hand, and CSS, on the other, is needed. This partnership includes the drafting, implementation, monitoring and evaluation of operational programmes.¹²²

For the purposes of OPAC, civil society structures shall be:

- Socio-economic partners (SEP)
- Non-governmental organisations (NGOs)

The capacity analysis of CSS is based on a UNDP study, on the USAID NGO Sustainability Index for 2005, Assessment of Bulgarian Civil Society 2003-2005, Civil Society without Citizens – a study of the Association for Partnership and Support of Civil Activity “Balkan Assistance”, Analysis of the Support for the Development of Civil Society in the framework of the PHARE Programme, a project of the European Economic and Social Committee.

The analysis outlines the problem areas in the sector and the perspectives for development and improvement of the capacity of CSS.

In the period 2002 – 2006 within the PHARE Programme for development of civil society a number of projects were implemented, aimed at improvement of the role of civil society in the policy-formulation process at all levels through increasing NGO capacity, development of adequate dialogue mechanisms between the public institutions and civil society, fulfilment of PPP and the role of NGOs in the EU accession process.

The projects were especially aimed at strengthening the role of civil society in the process of implementation and monitoring of the pre-accession programmes and preparation for participation in the implementation and monitoring of the programmes within the Structural and Cohesion Funds.

The projects implemented within the PHARE Programme were in the following main areas:

- Support for the participation of civil society in the process of harmonisation and enforcement of European *acquis* and strengthening the capacity of NGOs for programming, monitoring and evaluation of European projects and programmes in the respective sub-priorities such as: EU social *acquis* – equal opportunities, human rights, protection of minorities; European regional development *acquis*; environmental protection; consumer protection; youth, science; education, culture
- Increasing transparency and prevention of corruption

The results of the projects in this area indicate that a small number of NGOs work on initiatives related to combating corruption, whereas most of them were established exactly for this

¹²² Council Regulation No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund, and the Cohesion Fund and repealing Regulation (EC) No 1260/1999

purpose. The goal of the projects was to increase the flow of information towards citizens on the activities of the institutions and to create a no-tolerance towards corruption practices. Successful projects for identifying corruption practices in small and medium-sized business sector and establishment of measures for their elimination were implemented.

- Development of mechanisms for PPP for elaboration of national and local policies and improvement of the sustainability and independence of civil society through innovative approaches, such as social entrepreneurship as a form of NGO sustainability, local sustainability and decentralisation and improvement of the social services
- Finding solutions to the problem of vulnerability of the rural areas, support for the creation and development of civil society (at a local level), working in the area of local development.

NGOs in the poorly developed areas of the country where they are not sufficiently active were supported under the same grant scheme.

1. Legislative Framework

SEP are national level representative organisations of employers and respectively of workers and employees.¹²³ There are nine nationally recognised SEP organisations in Bulgaria.

NGOs are non-profit legal entities registered under the Law on Non-profit Legal Entities. They are very diverse and can be classified provisionally in several dominating categories: representation; provision of services; provision of training and conducting research; promoting gender equality; I removed a repetitive category; working on the problems of children and young people; defending the interests of disadvantaged people; professional organisations; community level organisations; working on ethnic issues; in the area of sports and tourism; donor; with economic interests; environmental; related to art, culture and traditions; networks, federations and coalitions; social movements; applied research, innovation and information.

In the period 1990-1999 over 60% of the projects of the Bulgarian NGOs were related to representation and empowerment of citizens and groups of citizens, combating corruption and exercising control over the activities of state institutions. Since then, powerful NGOs dealing with policy-making and counselling. are also active in the country. After 2000 the scope of NGOs widened to include also other activities such as the environment, vulnerable groups, sustainable development, decentralisation, charity.

There are over 22,000 registered NGOs in Bulgaria. Of them 3,500 are registered as public benefit associations, of which only 2,000 are active due to the shrinking of international funding and the lack of Bulgarian funding.

With the entry into force of the Law on Non-profit Legal Entities¹²⁴ a new legislative framework is in place, regulating the establishment, registration, structure, activities and termination of non-profit legal entities – associations and foundations.

The government introduced new rules on licensing and monitoring, which concern the organisations delivering social and education services. Most of the organisations benefited from the legislative amendments, which allowed them to take part in public procurement.

¹²³ Labor Code (Art. 33-49); (see Annex No 3)

¹²⁴ Promulgated SG No 81/6.10.2000, last amendment SG No 105/22.12.2006

A legal framework has been set up permitting CSS to take part in the decision-making processes at national and local level, to develop alliances and unions to better protect public interests in dialogue with the administration.

2. Organisational Structure and Human Resources in CSS

2.1. Organisational Capacity

One of the strengths of civil society in Bulgaria is its well-developed institutional structure. The geographic distribution of CSS has always been very unbalanced. The differences between Sofia and the remaining part of the country, on one hand, and between large cities and small cities and towns, on the other, are obvious. Almost one-third of CSS are concentrated in the capital. Moreover, CSS located in Sofia are considered to be “important”, “influential” and “structural”.

CSS developed mainly in the period 1996-2000, mostly through donor support. They began working in areas of public life, in which no one had worked until then – human rights, support and assistance for groups in a disadvantaged position, re-training in new areas, regional economic development, problems of education and culture, media development, environmental issues.

It is difficult to make a profile of the CSS sector in Bulgaria. The organisations differ not only in their area of activity, but also in size, location, territorial scope of activities, “age” and experience. We could also add differences regarding willingness to take part in the absorption of SF, readiness to do so and last but not least – the needs for capacity development.

CSS have regional structures in all the regions of the country. These structures represent the interests of their members before the municipal and regional administrations, other state bodies and institutions through participation in **regional advisory boards** to the respective local bodies of the state. They have the duty to participate in the work of the local regional development councils, tri-lateral cooperation, employment, working conditions etc., which are forums for the discussion of problems and the proposal of measures to the respective institutions to overcome them.

CSS are small in view of their limited number of permanent employees and they mostly rely on active associates. One fourth of them employ 1 to 5 employees and associates. 19% of the organisations have more than 20 employees and associates and 12% have neither employees, nor associates.¹²⁵

The national organisations are considerably larger than the regional and local ones. The CSS with the largest human resources are located in Sofia and the biggest cities and they include the structures of the Industrial Association, the Chamber of Commerce and Industry, the Associations of the Municipalities, the Regional Development Agencies, the business centres and development associations.

The organisational capacity of CSS is relatively limited. Most organisations have no development vision and strategy. Many of the organisations take part in training at a national, regional and local level for strengthening strategic planning capacity. However, few of the trainees are able to use the acquired knowledge in order to formulate the strategic plans of their organisations.

Many of the organisations need a clearly defined administrative structure to describe precisely and clearly the responsibilities and duties of their employees (job descriptions). Unlike the approximately one hundred leading organisations, which work with foreign donors, the other CSS

¹²⁵ UNDP National Human Development Report, 2006 <http://www.undp.bg/publications.php?id=1867>

are not capable of fulfilling the accepted transparency and accountability standards.

CSS development is hindered by weak organisational capacity, which influences the quality of the human resources in this sector. Additional training in the area of strategic planning and organisational development is needed.

2.2. Training

More than half of CSS have **trained employees and associates** in at least three of the following fields: project development and implementation; partnership; strategic planning; financial management; EU pre-accession instruments and SF. One fourth of the organisations have not been included in training in any of these areas.

Around 20% of the employees and associates have a free command of the English language. This share is higher in smaller organisations with 1-5 employees (32%) (and as a result – in small municipalities – 29%), national organisations (27%), tourist associations (52%), policy-development, lobbying and NGO support organisations, regional development agencies and industrial associations (28%). At the same time, 30% of the organisations do not have an English speaking employee or associate. This situation is particularly characteristic of small (57%) and medium-sized municipalities (38%) and especially of villages (85%), organisations employing few employees and associates – 1-5 (41%), local organisations (42%), and according to the nature and field of activity of the organisation – in associations of agricultural producers (88%), other branch organisations (55%), trade unions (56%), cultural, women’s and sports organisations (around 45%).

Formally, a foreign language cannot impede the use of EU funding, because the basic information concerning projects, tenders etc. is in Bulgarian, but the lack of command of the language limits access to useful information.

Despite trainings conducted, the deficit of knowledge and skills is everywhere – from speaking English to participation in project planning and development, relations with the administration, establishment of partnerships, knowledge of the EU Funds and other. Many training events were held in the last years. On many issues there is still no difference between the informed and non-informed, between the trained and non-trained, between the prepared and non-prepared persons, which raises doubts about the quality of the training received.

Training provided to individual CSS differs significantly in quality. An in-depth analysis of their training needs would help to identify trainings, which would enhance their capacity for effective dialogue with the administration and full participation in the policy-formulation, decision – making processes and monitoring of the activities of the administration.

Practical training is required in order to form skills and not only knowledge.

3. Financial Stability

CSS are financed in two ways: through foreign funding and funding by local sources. Service-providers are supported mostly by the new governmental programs, especially those initiated by the MLSP and MEW.

Many of these organisations actively seek donor programmes as sources of funding. Those which develop their capacity through payment for the provided services have greater financial stability.

Table 7: Average % of funding provided to CSS by various sources

| Type of Source | % |
|-----------------------|----|
| External donors | 58 |
| State | 6 |
| Local business | 5 |
| Donations | 7 |
| Membership fee | 11 |
| Revenue from services | 8 |
| Other | 5 |

Source: Balkan Assistance, 2005

An acute financial dependence of CSS on the state, local authorities or international donors exists. The lack of civil support for the funding of the sector means that a discontinuation or significant reduction of the external funding after 2007 would make CSS dependent on the state. This raises the concern that CSS might not be capable of preserving a critical distance from the state and reflect citizens’ needs and interests.

Only the large, nationally represented CSS have a stable and well-functioning accountability system. Most of the organisations can not afford an independent financial audit or to publish annual reports.

Civil society structures are strongly dependent on donor organisations, which are withdrawing their funding after Bulgaria’s EU accession. This is a prerequisite for financial instability of the sector and influences the quality of the human resources. The improvement of their capacity to establish networks amongst each other for financial and organisational management would also ensure greater financial stability.

4. Technical Resources

83% of CSS have their own permanent office, 84% are equipped with computers, 74% have Internet access in their own office and while 81% of the others have Internet access at another place (4% of the organisations have no Internet access).

The organisations in small municipalities are in a more unfavorable situation: 65% of them have their own office, 62% are equipped with computers, 50% have Internet access in their own office and 13% of the organisations in small municipalities have no Internet access.

In particular, among the organisations in the villages, 23% do not have regular Internet access (including at another place). Local organisations are also characterised by lower values compared to the average and to regional and national organisations: 71% have their own permanent office, 76% – computer equipment, 59% have Internet access in the office, but the share of organisations with no Internet access is close to the average

On one hand, Internet access is a strong point (as far as it is used intensively), on the other hand it is a problem, because many organisations do not consider it an important source of information.

In the support for development of CSS capacity, special attention should be paid to promoting the Internet as a source of information among organisations in small and medium-sized municipalities. Moreover, training for acquiring and improvement of computer skills should be provided.

5. Provision of Services

In the last years **CSS increased their service provision capacity**. The organisations are most successful in the provision of social and education services, PR and IT services.

The organisations providing advisory services are predominantly located in big cities (45%) and are regional in geographical scope (35%). The national and Sofia organisations have close values to the regional ones (30%), but hold a larger share in the frequency of provision of advisory services (11-12%). The provision of advisory services is particularly a characteristic of associations of municipalities (58%, including often – 8%), regional development agencies and business centres (63%, including often – 12%), industrial associations and chambers of commerce and industry (50%, including often – 11%), policy-making, lobbying, NGO support organisations (29%).

Most often CSS provide advisory services to the business sector (55%) and other CSS (29%), to a smaller extent to the municipal administrations (12%) and the state administration (4%). In this respect, there are differences between CSS:

- the regional development agencies and the business centres (65%), the industrial associations and the chambers of commerce and industry (100%), environmental protection organisations (67%) deliver services essentially to the business sector
- the organisations from Sofia (50%), the associations of municipalities (42%), branch associations (50%), culture organisations (50%), organisations in support of disadvantaged groups (50%) are more involved in the delivery of services to CSS;
- The associations of municipalities (57%) and the organisations from average-sized cities (19%) are more involved in the delivery of services to the municipalities.

As a whole, local organisations are more oriented towards the business sector and other CSS, regional organisations – towards business sector (58%) and municipalities (19%), and national – towards other CSS (56%) and the business sector (44%).

Private sector competition forces CSS to reduce their prices for the provided services.

The central and local authorities often employ services delivered by CSS such as information, training and consultations. In the period 2005 – 2006, 68% of municipalities used the consultancy services of CSS.

CSS have an established capacity for service delivery– an important and positive prerequisite for their inclusion in the process of improvement of administrative services delivery through participation in preliminary impact analyses concerning the introduction of regulatory regimes; assessment of the quality of administrative services delivery; proposals for optimisation administrative procedures.

6. Cooperation

6.1. With the State Administration

The cooperation of CSS with the administration takes place in the form of **involvement in various councils and commissions** at a national, regional and municipal level. Thus they take part in the decision-making process and in the formulation and enforcement of the national and local policies.

The central and local authorities assess the consultations and partnerships with CSS in an increasingly positive manner, especially in the area of strategic planning and national, regional and local policy-making and implementation. This illustrates that **the local authorities are beginning to seek cooperation** for exchange of experience and finding common solutions.

The national level cooperation and consultations take place through **the National Council for Tripartite Cooperation (NCTC)**, and at a local level by branches and fields through **Field, Branch and Municipal Councils for Tripartite Cooperation**. The Council discusses and gives opinions on draft-laws, drafts subordinate legislation and CoM decisions.

The **Economic and Social Council (ESC)** is another national level advisory body. It expresses the will of CSS on economic and social development.

SEP participate through their representatives also in the following bodies:

- Coordination Council on the National Development Plan at the Council of Ministers of the Republic of Bulgaria
- National Council on Working Conditions
- Field and branch councils on working conditions
- Regional and municipal councils on working conditions
- National Council for Promotion of Employment
- Regional development councils

Despite the good results of the joint work between the local authorities and CSS, some deficiencies in the relations exist: lack of regulated forms and procedures for cooperation and consultation; ineffective use by the local authorities of CSS potential (information, experts and consultants, volunteers, opportunities for attracting donors); centralised decision – making; gaps in the knowledge of the civil organisations and of the local authorities concerning the mission, legislative basis and philosophy of the counterpart; poor dialogue and conflict resolution skills; lack of motivation.

A clear definition of the problems is a basis for optimising the relations between partners. To achieve effective partnership between the local authorities and CSS **a sustainable mechanism must be developed** for: regular discussion of common problems and coordination of common activities; participation of CSS with their initiatives and according to their goals in the public activities of the local authority; use by the municipal council and the municipal administration of the expert and advisory support of CSS in the decision – making process on important public issues; participation of CSS representatives in the permanent and ad hoc bodies of the municipal council; common research on important public issues; active partnership for informing the population in the municipality regarding their civil rights and the functions and powers of the local authorities.

6.2. Between civil society structures

Most of civil society organisations state that **good cooperation between them is a**

prerequisite for the financial stability of the sector. However, many of them have made this their policy. One of the main problems of the cooperation between them is the fact that they continuously have to choose **between competition and partnership.** Moreover, the organisations seldom acknowledge that cooperation problems are caused by lack of inexperience, they rather explain them by competition, past negative experience from failed partnerships, personal conflicts, disregard of interests, as well as the absence of suitable organisations in the vicinity.

The CSS increasingly search for partnership, even though it is often in the form of consortiums participating in tenders instead of a network for cooperation in specific areas.

The most serious partnership deficits are observed in the organisations from the small, rural and medium-sized municipalities. Most often these territorial units are characterised by a small number of CSS. This limits partnership opportunities but it is sometimes considered as an advantage, because the “risk” of competition is smaller. At the same time, **some organisations among CSS stand out with intensive and successful cooperation** – associations of municipalities, policy-making, lobbying and NGO support organisations, the regional development agencies and business centres and development associations, the structures of the industrial association and the chamber of commerce and industry.

6.3. At an EU level

SEP take part in the **European Economic and Social Committee**, which represents the interests of civil society before the European Commission, the Council of the EU and the European Parliament. The Committee consults the European institutions on issues in the field of economic and social policy and has the power to undertake its own initiatives also in other areas.

Few of the CSS employees are prepared for effective collaboration with the state administration. Additional knowledge and skills on negotiating and dialogue, conflict resolution, putting together and managing teams, are needed.

It is important to further develop the capacity for establishment of partnerships between the various organisations and formation of networks between them. Practical trainings in partnership with more modern and effective training methods should be delivered.

Participation in the civil society structures at an EU level also requires better knowledge of the national and European policies, of the institutions and the EU decision-making mechanisms.

7. Image

The image of CSS has improved in the past few years. This is the result of **permanent cooperation with the media.** The state administration and the companies, which do not compete with the CSS service providers, have a positive opinion of the sector. On the other hand, specific parts of the population have a negative attitude towards these structures.

CSS have still not adopted an Ethic Code of Conduct and have not demonstrated readiness to do so.

CSS must continue working for the improvement of their image. This will lead to an increase in the confidence of state institutions in them and will transform them into equal and estimated partners.

V. ANALYSIS OF THE STATE OF THE JUDICIAL SYSTEM

1. Introduction

The basic goals of the reform of the judicial system are related to ensuring speedy, efficient, transparent, equitable and accessible justice, as well as to the development and strengthening of the European standards in this sphere in order to guarantee the individual rights and freedoms of citizens. The independence and effective of the judicial system are also a key factor for the enforcement of the *acquis communautaire*. The priorities of the judicial reform are aimed at:

- Strengthening the law-enforcement capacity and improvement of the administrative activities of the judicial system
- Ensuring full participation of Bulgaria in EU judicial cooperation
- Strengthening the capacity of the Supreme Judicial Council (SJC) to manage the judicial system
- Strengthening of the penitentiary system and the infrastructure related to the security of the judicial system
- Introduction of European standards for protection of crime victims
- Improvement of the system for legal aid, alternative dispute settlement and increasing the effectiveness of the law enforcement
- Computerisation of the judicial system and the establishment of a unified register centre.¹²⁶

The last Monitoring Report of the European Commission dated 26.09.2006 underlined once again that the judicial reform should be aimed at increasing the professionalism, accountability and effectiveness of judges, prosecutors and investigators. The report identifies the areas, in which further progress is still needed to guarantee the implementation of the measures adopted by the EU. By a Decision of 13 December 2006 the European Commission established a mechanism for “cooperation and verification of progress” in Bulgaria in the areas of judicial reform and the fight against corruption and organised crime¹²⁷. The specific benchmarks for achieving the desired results are 6 and require that the government: adopts constitutional amendments removing any ambiguity regarding the independence and accountability of the judicial system; ensures a more transparent and efficient judicial process by adopting and implementing a new judicial system act and the new civil procedure code; reports on the impact of these new laws and of the penal and administrative procedure codes, notably on the pre-trial phase; continues the reform of the judiciary in order to enhance professionalism, accountability and efficiency; evaluates the impact of this reform and publishes the results annually; conducts and reports on professional, non-partisan investigations into allegations of high-level corruption; reports on internal inspections of public institutions and on the publication of assets senior civil servant; takes further measures to prevent and fight corruption, in particular at the borders and within local government; implements a strategy to fight organised crime, focusing on serious crime, money laundering as well as on the systematic confiscation of assets of criminals; report on new and ongoing investigations, indictments and convictions in these areas.

¹²⁶ Ministry of Justice Programme for an accelerated judicial reform ensuring speedy, efficient, transparent, just and accessible justice (until 2009 and guidelines for the period after 2009) - <http://www.mjeli.government.bg/strategies.aspx>

¹²⁷ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:354:0058:01:EN:HTML>

In this sense, the reform of the of the judicial system in the mid and long term will be aimed mainly at improving law enforcement in the judicial field, improvement of transparency, accountability and effectiveness of the judicial administration and the SJC; providing training for magistrates and court officials and effective use of information technologies in the judicial system. Until now the reform of the judiciary was supported by funds from financial instruments such as: PHARE¹²⁸, MATRA, the United Nations Development Programme (UNDP), the GTZ Development Programme, the “Open Society Institute”, USAID programmes, the Stability Pact and other. The main areas of support for the judiciary within PHARE programmes are development of the legislation, implementation of the Strategy for Reform of the Bulgarian Judiciary, strengthening the capacity of the SJC and the Public Prosecution Office, technical assistance (delivery of equipment) and other. The assistance will continue until 2010 through the EU Transition Facility.

The review of the accumulated experience from these projects, particularly under the PHARE Programme, shows that in order to guarantee quality of the results, the projects should be developed in the context of clear strategic framework; they should be interrelated and consistent, be focused not only on trainings, but also on improving the mechanisms for human resources management, decision-making and coordination between the different units within the system. The broader application of experience from the 10 EU Member States of the previous round of enlargement, which have undergone similar process of reforms, could have contributed more to the improvement of scope and content of projects, as well as to their management.¹²⁹

2. Legislative Framework

The basic legislative and strategic documents for the development of an effective judicial system have been adopted and are applied.¹³⁰

The Constitution of the Republic of Bulgaria defines the basics, the structure and functioning of the judiciary, which were refined by the Third and Fourth amendments.¹³¹ With the most recent amendment Bulgaria has largely fulfilled the first benchmark set out in the EC’s Cooperation and Verification Mechanism¹³². The Constitutional amendments are further developed in the new Law on Judiciary (LJ)¹³³, the new Penal Procedures Code (PPC) and the new Administrative Procedures Code.

The new LJ refers to the issues of independence and status of the SJC and its Inspectorate, the powers of the Minister of Justice and competitions for filling vacancies in the judiciary¹³⁴.

¹²⁸ For example projects at the Public Prosecution Office of the Republic of Bulgaria: Twinning Project BG 0005.01 “Strengthening the Public Prosecutor’s Office in Bulgaria”, 2001-2003 r.; Twinning Project BG 0203.06 “Institutional Strengthening of the Prosecution Service to Fight Organised Crime, Commercial Crime and Corruption”, 2003-2005.; Twinning Project BG/2005/IB/JH/01 “Strengthening of Bulgarian Justice: Enforcement of the new Penal Procedures Code; Strengthening of Intergovernmental Cooperation between the Prosecution Service and other Bodies for Fighting Organised Crime and Corruption”, which will continue until May 2008.

¹²⁹ http://ec.europa.eu/enlargement/pdf/financial_assistance/phare/zz_jha_0533_final_version_160306_en.pdf

¹³⁰ See Annex No 4

¹³¹ See Annex No 4

¹³² Report on Bulgaria’s progress on accompanying measures after accession, 27 June 2007, page 6, <http://www.evropa.bg/bg/del/info-pad/press-releases/doklad.html>

¹³³ On 24 July 2007 the National Assembly approved the new LJ (see Annex No 4)

¹³⁴ For details, see the respective topics below.

The monitoring of the impact of the PPC, which entered into force in April 2006 is well-developed¹³⁵. The monitoring working group holds regular meetings every month. Since the end of 2006 it has adopted seven opinions on the provisions of the PPC, which are published and disseminated and are aimed at contributing to a more unified case-law on penal cases. The working group analyses data on problems observed in the enforcement of the PPC submitted by the executive and the judiciary and proposes measures for resolving them. On this basis a proposal for amendments to the PPC was submitted to the NA by a group of MPs and it will be a part of the autumn legislative programme of the NA¹³⁶. The APC was enacted on 12 July 2006 but the opening of cases in the administrative courts began since 1 March 2007. That is why its monitoring was initiated quite recently. Monitoring criteria have been developed since 2006. They focus on protection of rights, strengthening of good governance and acceleration and raising the effectiveness of decision-making. In March 2007 an intergovernmental working group for monitoring and analysis of the APC was set up.

At present there is no mechanism for systematic and regular reporting of observations from the process of procedural code monitoring¹³⁷.

The new Civil Procedures Code (CPC)¹³⁸ is aimed at achieving timely and economic civil proceedings to improve the conditions for economic activities of local and foreign natural persons and legal entities in Bulgaria. Expectations are that the Code will be adopted by the National Assembly by the end of July 2007.

Despite of the serious legislative framework for reform of the judicial system and of Bulgarian law enforcement, more efforts are necessary to elaborate new and enforce the existing normative instruments. For this purpose it is necessary to: conduct timely training in order to popularize the amendments; develop an effective system for monitoring of the enforcement of the new legislation and reporting the results of it; to elaborate criteria and a mechanism for assessing the impact of their application; to improve the skills of the employees of the Ministry of Justice and magistrates for monitoring the legislation.

3. Structures, Institutional Building and Coordination between the Judicial Bodies

The judicial system **encompasses the Supreme Judicial Council (SJC), the Inspectorate adhered to the SJC and judiciary bodies (court, prosecution office, investigation) .**

3.1. Court

In the Republic of Bulgaria justice is rendered by the Supreme Court of Cassation (SCC), Supreme Administrative Court (SAC), courts of appeal, regional, military and district courts. Specialised courts may be established by law. Upon the adoption of the APC and the latest amendments to the LJ, administrative courts were set up. They will hear all administrative cases except the cases falling under the jurisdiction of the SAC.

¹³⁵ Report on Bulgaria's progress on accompanying measures after accession, 27 June 2007, page 9, <http://www.evropa.bg/bg/del/info-pad/press-releases/doklad.html>

¹³⁶ Report on Bulgaria's progress on accompanying measures after accession, 27 June 2007, page 11, <http://www.evropa.bg/bg/del/info-pad/press-releases/doklad.html>

¹³⁷ Report on Bulgaria's progress on accompanying measures after accession, 27 June 2007, page 10, <http://www.evropa.bg/bg/del/info-pad/press-releases/doklad.html>

¹³⁸ Approved by the National Assembly on 6 July 2007

Court specialisation is one of the instruments for ensuring speedy and effective justice.

The rising needs of citizens and legal entities for administrative legal protection in recent years lead to a relatively large number of administrative cases¹³⁹. In this respect, the setting up of administrative courts raises the quality of **administrative justice**. Timely, effective and reliable administrative justice is an essential element of the judicial reform and is an important factor for improving the business environment.

In order to improve the effectiveness of justice, it is necessary to ensure conditions and to undertake actions for strengthening of the newly set-up administrative courts.

Popularisation and utilisation of the possibilities for alternative dispute resolution will also unload the judicial system from the inevitable rise in the number of cases related to enforcement of the *acquis communautaire*.

3.2. Public Prosecution Office

The structure of the Public Prosecution Office corresponds to the court structure and consists of a Prosecutor General, the Supreme Prosecutor’s Office of Cassation (SPOC), Supreme Administrative Prosecutor’s Office (SAPO), appellate prosecutor’s office, regional, military – regional and district prosecutor’s offices. In the discharge of their duties **prosecutors are independent from the court**.

The Prosecutor General manages the Public Prosecution Office supported by his deputies from SPOC and SAPO. He exercises control for legality and methodical supervision of the activities of all prosecutors. The third amendment to the Constitution stipulates a guiding role of the Public Prosecution Office in crime investigation.

The PPC establishes a **supervisory role of the prosecutor in pre-trial proceedings**. The permanent control and mandatory instructions of the supervising prosecutor introduced by the penal procedural rules are a guarantee for the quality of the performed investigation.

Public trust in the activities of the public prosecutor’s office remains relatively low. The opportunities for access to results from the activities of the prosecutors and for permanent control of the status of the files are not sufficiently developed. More optimum distribution of functions and activities and unloading of the prosecutors from uncharacteristic administrative and technical activities are necessary.

In view of extending the role of the Public Prosecution Office, respectively the number of prosecutors in pre-trial penal proceedings, the capacity of the Public Prosecution Office and its administration should be strengthened so that it may discharge its duties in an effective manner through better internal work organisation and distribution of activities, through training, especially on newly-introduced statutory amendments, through linking and improvement of the information systems of the prosecutor’s offices.

¹³⁹ In 2006 the newly-opened cases at the SAC amount to 12 914. In the previous year 2005, the cases numbered 12 366, and in 2004 - 11 598. The increase is respectively by 548 cases and 1 316 cases. – Report of the President of the SAC on the Activities of the Court in 2006
<http://www.sac.government.bg/home.nsf/vPagesLookup/Доклад%202006~bg?OpenDocument>

3.3. Investigation

The investigation bodies investigate penal cases when this is stipulated by the law. The investigation bodies in the Republic of Bulgaria are the NIS and the regional investigation offices. Regional investigation offices investigate all cases with the exception of the cases falling under NIS competence¹⁴⁰.

The new PPC restricts the investigation as a pre-trial procedural form and narrows down the functional competences of investigators. The powers of the investigators are clearly differentiated from the powers of police investigators. Within the Constitutionally established model of pre-trial proceedings the group of crimes investigated by investigators is narrowed down to 3% of the total number of crimes specified by the Penal Procedure Code. The investigations of other crimes are performed by police investigators. This helps to avoid the overlapping of functions between the investigation bodies and guarantees effectiveness and transparency of the system of pre-trial proceedings.

As a result of the adoption of the new PPC the staff problem with the lack of sufficient number of qualified preliminary investigators is becoming tangible. On the other hand, this position is unattractive for the other investigators who have lost competences due to the reform. At present, a clear concept for the development of the investigation services is also missing.

3.4. Supreme Judicial Council

According to the new LJ, the SJC is a permanently acting body, which represents the judicial power and ensures its independence. The powers of the SJC are regulated in the Constitution¹⁴¹, which underlines the importance of the Council as a body which defines the composition and the organisation of work of the judiciary and performs management of its activity, without interfering with the independence of its bodies. The SJC shall:

- appoint, promote, transfer and remove from office judges, prosecutors and investigators;
- impose the disciplinary sanctions "demotion" and "removal from office" to judges, prosecutors and investigators;
- organise the qualification of judges, prosecutors and investigators;
- adopt the draft budget of the judiciary;
- determine the scope and structure of the annual reports of the CSS, the SAC and the Prosecutor General on the application of the law and activities of courts, prosecutor's offices and investigating bodies submitted to the National Assembly.

The SJC¹⁴² consists of 25 members, whereas the President of the SCC, the President of the SAC and the Prosecutor General are members by right. Eleven of the SJC members are elected by the National Assembly and eleven – by the judiciary. The meetings of the Council are organised

¹⁴⁰ In the new LJ, the NIS and the regional investigators offices are preserved in the structure of the Investigators office (see Annex No 4).

¹⁴¹ Act amending the Constitution of the Republic of Bulgaria (promulgated SG No 12 of 06.02.2007) – Fourth Amendment (§ 6); (see Annex No 4)

¹⁴² www.vss.justice.bg

and chaired by the Minister of Justice, but he does not take part in the vote. The SJC administration is managed by a Secretary General and is appointed on the basis of held competitions¹⁴³.

In the discharge of its functions the SJC is supported by permanent and ad hoc commissions and by the administration. The commissions are composed of SJC members and of experts – court officials from the Council’s administration.

The SJC does not have the required administrative capacity to exercise its numerous legal powers. According to the new LJ **the SJC is a permanently-functioning body** and its 22 elected members are not entitled to occupy other positions. This is a step addressing the EC’s criticism concerning the second benchmark set out in the Cooperation and Verification Mechanism in the area of judicial reform, fighting corruption and organised crime¹⁴⁴.

The most recent Constitutional amendment, also included in the provisions of the LJ, established **the possibility for disciplinary removal from office** of a SJC member and abolished the penal immunity of magistrates¹⁴⁵. Thus a significant deficiency in the functioning of the SJC was overcome. The effect of the introduction of these new provisions is yet to be assessed.

A first important step towards enhancing the role of the SJC in the management of the judicial system, including in its reform is the adoption of its improved legal framework. The necessary administrative capacity for the discharge of its powers should be ensured. A functional analysis is main precondition for improvement of the internal coordination and organisation of the work of the Council and its administration.

3.5. Minister of Justice

The Minister of Justice has specific Constitutional powers regarding the judiciary and the SJC, which are aimed at establishing effective interaction between the judiciary and executive bodies.

The Third and the Fourth Amendments to the Constitution stipulate that the Minister of Justice shall take part in the drafting of the budget, shall manage the property of the judiciary, shall make proposals on career development and shall take part in organizing the qualification of magistrates, whereas the SJC’s decisive role in these areas is preserved.

Structural units are set up under the Minister of Justice to support his relations with the SJC and the judicial bodies for the discharge of his Constitutional powers.

The relations between the SJC and the Ministry of Justice improved considerably, whereby an analysis of the established cooperation practices is performed periodically. The analysis indicates that important and priority issues related to the future courses of development of the judiciary are put forward for discussion in the SJC by the Minister of Justice in his capacity as chairperson of the SJC¹⁴⁶.

¹⁴³ With the new LJ the provisions on the SJC are systemised in 2 sections – legal status and composition, activity and organisation. In order to extend the role of the public prosecution office, the quota of prosecutors SJC members should be increased at the expense of the investigators’ quota.

¹⁴⁴ Report on Bulgaria’s progress on accompanying measures after accession, 27 June 2007, page 8, <http://www.evropa.bg/bg/del/info-pad/press-releases/doklad.html>

¹⁴⁵ Act amending the Constitution of the Republic of Bulgaria (promulgated SG No 12 of 06.02.2007) – Fourth Amendment (§ 6); (see Annex No 4)

¹⁴⁶ In line with the Constitutional amendments, the new LJ regulates the interaction between the judiciary and the executive. It is carried out by the Minister of Justice who, on one hand, coordinates the implementation of state policy

Even though coordination mechanisms between the separate judicial structures are in place (SJC) they must be developed incessantly in view of the changes made and achieving good cooperation between them. Improvement of the activities and cooperation between them will raise the effectiveness of the judiciary’s functioning as a whole.

3.6. Registry Agency

The Registry Agency (RA)¹⁴⁷ is an administration under the Minister of Justice, competent in the following fields:

- Maintaining and improvement of the Property Register
- Maintaining and improvement of the BULSTAT Register
- Management of the Commercial Register (including of its sub-registers)¹⁴⁸

The Agency was set up by the Law on the Cadastre and Property Register¹⁴⁹. Its territorial units are **the registration offices and the recordation offices**. The registration offices perform their functions on the territory of the judicial area of the respective district court¹⁵⁰. The recordation offices perform their functions on the territory of the judicial area of the respective regional court¹⁵¹.

The role of the Registration Agency, which supports the administrative registers of the judicial system, has not won recognition yet. The Agency is an administration under the Ministry of Justice and at the same time it is a supplier of information on the judicial system. The period 2006 – 2010 is crucial for the successful establishment and development of the Registration Agency in line with the legal requirements and the international and European standards.

The Registry Agency must be assisted in respect of ensuring an open and reliable work organisation of the registration offices and the recordation offices. The skills of its employees in project management, implementation and operating with specialised

in the justice area and on the other ensures independently or through the respective structural units of the Ministry of Justice assistance for the judiciary bodies in the discharge of their functions. A differentiation between the competences of the executive and of the judiciary in the area of financing, property issues and control over the activities of the judicial administration at all levels is made, whereas balance is established regarding the administration of judicial activities. The powers of the Minister of Justice are aimed at creating effective interaction with the judiciary bodies without infringing their independence in hearing and resolving cases.

¹⁴⁷ www.registryagency.bg

¹⁴⁸ Law on the Cadastre and Property Register: The Register consists of the real estate lots. The deeds by which ownership is recognized or transferred or by which another real right is instituted, transferred, amended or terminated, restrictions and mortgages are levied, as well as other actions, circumstances and legal facts stipulated by the law are subject to registration in the Register.

BULSTAT Register: legal entities, which are not traders, natural persons exercising a freelance profession or craftsmanship, natural persons – insurers are subject to registration in the BULSTAT Register.

Commercial Register (launched as of 01.07.2007): The Commercial Register is a unified centralized electronic database containing the registered circumstances and announced acts, which is managed by an information system. Traders, branches of foreign trades and circumstances related to them stipulated by the law are subject to registration in it. A separate case in electronic form is kept for each trader and branch of foreign merchant.

¹⁴⁹ Law on the Cadastre and Property Register (Art. 58a et seq.); (see Annex No 4)

¹⁵⁰ Law on the Cadastre and Property Register.

¹⁵¹ Law on the BULSTAT Register, Law on the Commercial Register.

information systems related to the registers must be improved.

4. Transparency and Accountability of the Judicial System

The effective combating of corruption in the judiciary including through ensuring more transparency of its activities is part of the judicial reform process.

4.1. Structures for Control and Combating Corruption within the Judicial System

As we already mentioned above in the analysis on the state of the public administration, a Commission for Combating Corruption (CCC) has been set up for overcoming and combating corrupt practices in the judicial system. It is a permanent auxiliary body of the SJC and holds regular weekly sessions. The CCC's work is related to implementation of the priorities and measures foreseen by the **Strategy for Combating Corruption in the Judicial System** and the Programme for its implementation. These measures are aimed at popularizing the efforts and actions of the judiciary in **prevention of corrupt practices and increasing the transparency** in the functioning of the judicial system¹⁵². CCC decisions ascertaining corrupt behaviour of magistrates and administrative staff of the judiciary bodies must be reported in a timely manner to the SJC so that it may undertake immediate disciplinary measures. In the discharge of its functions, **the CCC works with** the respective offices of the MoJ, the Ministry of Interior, the Ministry of Finance, the Audit Office, the Commissions for Combating Corruption of the CoM and the NA, NGOs.

In order to achieve operability and effectiveness of the joint work with the specialised units for combating corruption in the system of the legislative, executive and judiciary, **a Council for Coordination of the Anti-Corruption Commissions has been set up** – the Commissions for Combating Corruption at the SJC, the NA and the CoM¹⁵³.

An important mechanism for accountability and control of the judicial system is the **SJC Inspectorate** introduced by the most recent Constitutional amendment and regulated by the LJ amendments. The Inspectorate checks the activities of the judiciary bodies without infringing the independence of judges, jurors, prosecutors and investigators in the discharge of their functions. In practice it supports the SJC by being responsible for collecting significant information for the discharge of its disciplinary, organisational and staffing powers. The NA, which may elect inspectors, may remove them (upon a SJC proposal). The Inspectorate must provide publicly information concerning its activities and to submit an annual report to the NA.

Upon the setting up of the SJC Inspectorate, the existing Inspectorate under the Minister of Justice will check only the organisation of the judicial administration and the offices in the courts, the activities of enforcement agents, of registration judges and of notaries and will assist the Minister in the process of selection, control and qualification of trustees.

In view of the specific functions of the SJC Inspectorate in relation to guaranteeing transparency and accountability of the judicial system, it must develop sufficient administrative capacity of its administration and to ensure the specialisation of inspectors for the discharge of their duties. The improvement of inspectors' skills in relation to judicial

¹⁵² In the implementation of the Programme priorities the CCC has developed an exemplary model of cooperation between the judiciary bodies and the public organisations and associations in the area of counteracting corrupt practices at a regional level. The CCC has powers to perform checks on specific signals and complaints, to analyze information on the existence of corrupt practices in the judicial system, to develop specific measures for prevention and fighting of corruption in the judiciary and to put them forward for adoption by the SJC.

¹⁵³ See V above, 3.2. Anti-corruption Policy.

administrative activities, procedural law, analyses, budget and finances, development of strategies and policies in line with the international standards, public relations and other will lead to effective functioning of the Inspectorate..

4.2. Instruments and Measures for Transparency, Combating and Prevention of Corruption in the Judicial System

In some courts measures for strengthening work transparency are undertaken through: creation of homepages for announcing the schedule of hearings in a specific day, with an option to add also judgments; introduction of so-called “Open Days” for receiving citizens with complaints; using means for employee identification.

CCC has elaborated **Rules on setting up an organisation for receiving signals from citizens** in relation to corrupt practices in the judiciary – investigation service, public prosecutor’s office and courts. In accordance with these rules **signal boxes** have been placed at the judicial bodies and officers have been designated to send information on the received signals regularly to the CCC. 172 complaints – 160 from natural persons and 12 from legal entities were filed in the period December 2003 – July 2006. The necessary statutory steps were taken on 87 of the complaints, on 52 of the complaints the CCC sent an answer directly to the complainants and 33 of the filed complaints were not answered because the issues raised were outside of CCC’s competences. The main issues raised in complaints are related to the correctness and legality of delivered acts, allegations of crimes committed by magistrates or court officials, to case proceedings or delays and other.¹⁵⁴

If citizens are not confident that the complaint will be examined carefully, the achievement of positive results from the “hotlines” for corruption signals on the Internet websites of the courts and from TV campaigns encouraging whistle-blowing is impeded.

The local efforts for increasing court transparency and raising the awareness and access must be developed into standards for best practices and spread across the whole country. Their popularizing and introduction in more courts will contribute to the increase of public trust in the judicial system.

An efficient mechanism for independent examination or investigation of serious complaints from citizens and business sector should be elaborated.

An important element of the judicial reform in relation to achieving transparency of judicial activities is the adoption of an **Ethic Code for magistrates**. The SJC has adopted **Rules on professional ethics of judges and of prosecutors** and a **Moral Code for investigators**.

Another important element in strengthening of transparency and professional ethics in the judicial system is the legally established duty of **magistrates to declare their income and property** annually, as well as prior to appointment and removal. The procedural legislation contains requirements for withdrawal or taking a judge off a case when there are grounds for conflict of interest.

¹⁵⁴ Information on complaints lodged with the CCC of the SJC and signals sent through the anti-corruption boxes in the judicial buildings - <http://www.vss.justice.bg/bg/start.htm>

Unified ethic standards for the work of magistrates, measures for popularizing them should be developed and periodic evaluation should be performed in order to guarantee their updating in view of ethical problems arising in practice.

Another important factor influencing the transparency of the work of the judicial system is **the access of the public and the media to court cases**. Media presence in the courtrooms is still restricted. **Most court judgments are not publicly accessible**, although particularly significant cases of the higher courts are published on their websites. However, supreme magistrates may forbid this for some judgments. **As a whole, there is no public access to transcripts or other documents from court hearings**. Judges or court clerks may provide a court case under specific circumstances. The new APC introduced an obligation of the court to inform the parties concerning delivered acts by sending them copies of the acts. This is an important step towards strengthening accessibility and transparency of the work of the court.

Mechanisms for transparency of the work of the judicial system should be elaborated through regulating public and media access to court trials, taking into consideration the principle of protection of the personal affairs of citizens and legal entities.

4.3. Openness and Control for Greater Effectiveness

Good administration (case processing, case allocation, monitoring of case proceedings) in line with clear, speedy and transparent procedures may have a preventive effect in limiting the opportunities for corrupt behaviour and at the same time it is a basic instrument for the establishment of a transparent and effective judicial system. Such observance of case proceedings reduces the possibilities for corrupt decisions. **Various techniques for modern judicial administration** have been introduced at the courts: in some there is internal monitoring and monitoring by the higher instance courts, a system for random case allocation has been introduced in almost all of them¹⁵⁵; part of the courts have case-tracking software. According to the new LJ voted in June 2007, the “random selection” principle of court and prosecutorial case-files becomes mandatory. The system of random case allocation has not yet been introduced so widely in the Public Prosecution Office.

Random case allocation should be introduced everywhere, taking into account the requirement for specialisation of magistrates and its functioning should be evaluated. Monitoring and effective management of case proceedings must be a standard practice in all courts. This would be eased largely by the introduction of a modern case management system.

Every six months the SJC requests and summarizes information from the courts, prosecutor’s offices and investigation offices, as well as the annual reports on their activities;

¹⁵⁵ However, random case allocation could pose some problems, because two related cases could be allocated to different judges. Moreover, clear pressure exists between random allocation, on one hand, and specialisation in larger courts, on the other, where the number of judges hearing specific cases might be limited.

The SJC collects information electronically every six months on different types of cases from the various courts (district, regional, courts of appeal, military) on the basis of statistical forms¹⁵⁶ approved by it. The collected information consolidated according to types of courts compared to the envisaged positions for staff on payroll and the occupied positions for staff on payroll is used to calculate magistrates’ workload and their actual workload on the basis of actual hours of performed work.¹⁵⁷

The SJC receives detailed reports from the Public Prosecutor’s Office, the SCC and the SAC with enclosed summarized information of the proceedings on files and case, charts and a detailed analysis, as well as an analysis and statistical data on closed, merged and referred investigations to the National Investigation Service and the regional investigation offices. This whole information, included in one joint report on the whole judicial system, but permitting a comparison between the separate courts, prosecutor’s offices and investigation bodies is an important instrument in the work of the SJC related to taking managerial and staffing decisions.

A working group composed of magistrates and experts (from the SJC administration, the MoJ and the judiciary bodies) was set up by a SJC decision on matters of statistics related to the functioning of the judiciary. One of the tasks of the working group is to develop **criteria for determining the optimum number of judges** needed for speedy and quality resolving of cases. The absence of precise criteria and methodologies for assessing the normal workload of magistrates impedes the application of the principles of speediness and effectiveness of court trials. A new methodology for performance evaluation of the work of magistrates will be elaborated¹⁵⁸. This will assist objectively for evaluation of the workload of the various courts and their staffing needs.

The court statistical system must ensure an objective and transparent evaluation of the work of the judges. There is no analysis on the effectiveness of the reporting system used until now on the basis of purely statistical data. Additional measures should be undertaken for improving the accountability of courts, accelerating resolution of cases and improving the quality of adjudication.

It is of crucial importance to undertake more purposive measures for accelerating the resolving of cases must be undertaken. The adoption and deployment of a new methodology for evaluation of the work of magistrates is of crucial importance should be encouraged, whereas the effectiveness and preciseness of the application should be monitored and possible problems and weakness imposing a need for improvement should be taken into account.

Disciplinary liability in view of increasing the effectiveness of the judiciary bodies encompasses a large part of SJC powers. Refinement of the rules on disciplinary liability of judges, prosecutors and investigators under the LJ is a significant element of the judicial reform. **The Strategy for Prevention and Counteracting Corruption in the Judicial System** envisages as a mid-term priority the **improvement of the criteria for evaluation of magistrates’ behaviour** and the procedure for ascertainment of disciplinary violations and disciplinary punishment. **A register**

¹⁵⁶ <http://www.vss.justice.bg/bg/start.htm>

¹⁵⁷ Court statistics are included as a section in the chapter on cooperation between the judiciary and the executive in the new LJ, because in substance it is one of the expressive forms of this cooperation.

¹⁵⁸ It will be based not only on the number of cases heard and resolved by magistrates, but on their type, complexity and time spent by one magistrate from the receipt of a case until its closing. This also includes the time for self-improvement, training and free time.

on disciplinary proceedings and a register of penal proceedings against magistrates have been developed and are kept by the SJC administration. The majority of disciplinary proceedings were opened for failure to perform official duties and delay in the delivery of acts (for judges and prosecutors).

The SJC must analyze the regulatory framework of disciplinary proceedings, of the practices related to the criteria for disciplinary liability. Rules and mechanisms for improvement of the disciplinary liability procedures must be developed.

5. Upgrading of Human Resources in the Judicial System

5.1. Legal Status and Number of Employees in the Judicial System

Magistrates (judges, prosecutors and investigators), whose general status is regulated in the Constitution and LJ, and **court officials** work in the judiciary.

5.1.1. Magistrates

According to statistical information about the workload of the magistrates, the total number of judges on payroll in the country is 1 870 in 2006¹⁵⁹ and the prosecutors on payroll for 2005 are 1 281. 70 was the monthly average number of investigators who worked in the National Investigation Service in 2005. By a SJC decision 480 staff positions on payroll for investigators were transferred to the Public Prosecution Office, which increased the number of its staff. Updated statistics about the magistrates on payroll, the occupied and vacant positions as well as for the workload of the magistrates are annually presented in the **Report on the Activities of the Bodies of Judicial Power**¹⁶⁰.

An ad hoc Staffing Commission has been set up under the Supreme Judicial Council. When taking decisions on opening of new staff positions, the Commission applies as a criterion the proportion between the average workload according to the staff calculated on the basis of the number of closed cases. When the average staff workload of the respective court is above the average for the country (for the same type of courts) new staff positions should be opened in order to come down to the average workload for the country. This approach towards determining the needs for increasing the number of staff positions does not deal with the types of cases (their diversity and complexity etc).

Official data indicates that there is no serious problem in relation to the lack of sufficient staff positions in a specific body or unit of the judicial system.

In view of the enforcement of the new Penal Procedures Code (PPC) and in view of the new functions of the Public Prosecutor’s Office related to it, the need to increase the number of prosecutors on payroll and of court officials employed at the Public Prosecutor’s Office should be analyzed.

¹⁵⁹ <http://www.vss.justice.bg/bg/start.htm>

¹⁶⁰ <http://www.vss.justice.bg/bg/start.htm>

5.1.2. Court Officials

In the discharge of their functions the judicial bodies are supported by an administration.¹⁶¹ The administration of the judiciary bodies is the administration of the SJC, the SCC and SAC, of the Prosecutor General, of the SPOC and the SAPC, the NIS, of courts, prosecutor’s offices and investigation offices.

The SJC issues a **unified classificator** of the designations of the specific positions, the minimum education degree and other requirements, the salary and ranking remuneration. **Court officials are appointed by the court chairman** after a competition on the basis of the Labour Code. Their number is determined by the heads of the respective judiciary bodies. In 2005 the number of court officials in the country working in the district and regional courts amounted to 4 037 staff positions. In 2005 1 506 court officials worked in the prosecutor’s offices.

The court administrator plans, organises and manages the court officials, is responsible for managing the administrative activities of the court, introduces programme decisions on long-term planning, budget policy, finance, automation and supply of equipment.

In order to improve the work of the courts the number of judges and the number of court officials working in the specialised administration should be balanced. Training events aimed at the needs of the court officials will enhance their competences and will ease the administrative activities of the judicial system.

5.2. Selection and Career Development

5.2.1. Magistrates and Court Officials

According to the LJ judges, prosecutors and investigators are appointed, promoted, transferred and removed from office by a decision of the SJC. In these cases and upon initial appointment in the judicial bodies a **centralized competition** is held, organised by the SJC administration at least twice per year.¹⁶²

The general competitive principle is a basic standard when applying for positions in the judicial system. Competitions for junior judges, prosecutors and investigators are held. In this respect the SJC adopted an **Ordinance on Competitions for Judges, Prosecutors and Investigators**, which introduces the competitive principle in the appointment of magistrates. The Ordinance defines the criteria and procedure for evaluation of magistrates’ professional and ethical abilities. As per the requirements of the Competition Ordinance and in relation to the setting up of the new administrative courts at the end of September 2006, the SJC adopted a decision to hold a competition for appointment of judges in the new administrative courts.¹⁶³

The competitive principle has been introduced also for positions other than junior magistrates, including for public enforcement agents and registration judges. Planning of the appointment of junior magistrates has been introduced. **Wide access to information on the vacant positions** in the judiciary has been envisaged, as well as a possibility for direct applying of

¹⁶¹ LJ (Art. 340); (see Annex No 4)

¹⁶² LJ (Art. 176); (see Annex No 4)

¹⁶³ The new LJ introduces three regimes of appointment in the judiciary bodies – two are based on a competition and the third regulates career growth. Competitions for appointment of junior judges, junior prosecutors and junior investigators are preserved, whereby those who have passed the competition undergo mandatory six-month training at the National Institute of Justice (NIJ). The procedure for holding the competitions, evaluation and ranking of the candidates are envisaged to be regulated by a SJC ordinance.

magistrates for appointment, promotion and transferral to vacancies in the judicial bodies. Thus dependence solely on the assessment of the administrative head in relation to promotion of already appointed magistrates is avoided.

The wide application of the competitive principle upon initial appointment in the judicial system ensures higher effectiveness of the system for selection of judges, prosecutors and investigators. However, the success of the Competition Ordinance largely depends on its correct enforcement and on the introduction of a modern software system.

In order to ensure the competitive principle in the judicial system it is important to guarantee the precise enforcement of the Ordinance on Competitions for Judges, Prosecutors and Investigators; to develop the capacity of SJC to coordinate the holding of the competitions; to create a modern software system for centralized holding of competitions for appointment of magistrates.

5.2.2. Performance Evaluation

By a LJ¹⁶⁴ a new regulatory framework of performance evaluation of magistrates was introduced, according to which the SJC defines by an ordinance the performance evaluation criteria and procedure. In 2006 the SJC adopted an **Ordinance on Performance Evaluation of Judges, Prosecutors and Investigators**. Performance evaluation is aimed at raising trust in the judiciary and enhancing magistrates’ personal motivation. Performance evaluation is performed when irremovability status is acquired, upon promotion in rank or in office and every 5 years.

Court officials are also subject to performance evaluation. Their performance evaluation is aimed at establishing a level of professional qualification and its correspondence with the requirements contained in the job description; a just remuneration for the officials; improvement of the work relations and team work; at achieving a transparent and just procedure for professional development.

A permanent **Commission on Proposals and Performance Evaluation** has been set up under the Supreme Judicial Council to support the activities related to the occupational status of magistrates.¹⁶⁵

Despite of the existing legal requirements and procedures, there is no standard mechanism with well-defined criteria for evaluation of magistrates’ work. The lack of precise criteria and methodology for evaluation of the normal labour workload of the magistrates from the separate judicial units impedes the observance of the requirements for a timely and effective trial. Furthermore, the process of adoption of a Regulation for Evaluation of the Work of Magistrates in relation to promotion or demotion should be accelerated. This regulation will ensure the effective enforcement of the Ordinance on Performance Evaluation of Judges, Prosecutors and Investigators.

In view of effective holding of competitions and of performance evaluation, correct and unified enforcement of the secondary acts should be achieved through training. Also performance evaluation methodology should be elaborated to create a unified mechanism with well-defined criteria for evaluation of the quality of the work of magistrates.

¹⁶⁴ LJ (Art. 196) (see Annex No 4)

¹⁶⁵ In the new LJ, and in line with the recommendations of European experts, its role in magistrates’ career growth has been enhanced. The criteria for performance evaluation are regulated in the law in view of transparency and control in the career growth of judges, prosecutors and investigators.

5.3. Training in the Judicial System

5.3.1. National Institute of Justice

With the amendments to the Judiciary Act from 2003, the Magistrates Training Centre was transformed into the **National Institute of Justice (NIJ)**¹⁶⁶, under the financial and organisational supervision of the SJC. The NIJ is managed by a Management Board, whose members include four representatives of the SJC and three representatives of the Ministry of Justice. The SJC issued a statute for the Institute regulating the activity of the NIJ and the organisation of its work.

The NIJ provides centralized training aimed at improving the efficiency of the administering of justice and upgrading the qualifications of the magistrates and court officials. The trainings provided by the NIJ are mainly centralized trainings, but in the future will also include regional trainings. The subject-matter of the trainings is determined on the basis of the results of periodically conducted surveys on training needs. The courts and Prosecutor’s Office annually receive a questionnaire for them to point out their priority areas and issues. In addition, at the end of the evaluation forms that are filled out by participants, there are questions concerning their topics of interest. The survey also covered state agencies (SJC, MoJ, MoI, the Prosecutor’s Office, the National Information Security Commission and others), professional organisations of magistrates and court officials and international partners. The National Institute of Justice delivers all the trainings and other activities envisioned by the Judiciary Act. In the three years since its establishment the volume of its training activities and number of staff have increased threefold, and its budget – almost twofold.

To the extent that the trainings delivered by the NIJ are practically oriented, the trainers are mainly practitioners: judges, prosecutors, investigators, lawyers, inspectors from the MoJ, court officials. For subject areas related to new legislation the NIJ also invite university lecturers and research scholars. The practitioner-trainers undergo train-the-trainer courses. All of them are hired under civil contracts, with the exception of the so-called “permanent trainers”, i.e. magistrates which are seconded for one year to the NIJ by the SJC in order to deliver the compulsory trainings for junior magistrates. The permanent trainers have to be approved by the Management Board, the others – by the Director of the Institute.

The funding of the NIJ comes from the budget of the Judiciary, from international and other programmes and projects, donations and own resources related to trainings. The national budget covers only those of its activities which are compulsory by law. These are the compulsory introductory training and initial training, as well as trainings in certain subject areas part of the ongoing training.

The NIJ works in partnership with the legal departments of universities in designing the training curricula and delivering the trainings. The NIJ also has signed a framework agreement for cooperation with the Academy of the MoI, however collaborations with other training institutions have not been established to the extent needed. Since 2005, the NIJ has the status of observer within the European Judicial Training Network – the organisation of the training institutes of the EU member states.

5.3.2. Trainings

Introductory Training

Junior judges, junior prosecutors and junior investigators go through a compulsory 6-month training course at the National Institute of Justice immediately upon taking into office.

Initial Training for Upgrading Qualifications

¹⁶⁶ www.nij.bg

As per the requirements of the Judiciary Act, upon first entry into the Judiciary, the judges, magistrates and investigators undergo an extensive course for **upgrading their qualifications** through the respective qualification programs adopted by the SJC.

On-going Training

The public role of the magistrates demands that they acquire and upgrade their knowledge in areas directly related to their profession. To this end, the NIJ delivers courses on new legislation, as well as other qualification courses (public procurement, commercial law).

The correct and precise implementation of the Administrative Procedure Code (APC) is a responsibility not only of the judiciary, but also of the state administration. The establishment of a unified system of procedural rules for issuing acts by the administration guarantees rule of law and effectiveness of the administration itself. **Joint initiatives between the judiciary bodies and state administration** involving the conduct of forums, trainings and exchange of experience in the implementation of the APC will contribute to its effective implementation.

The Institute has the readiness to also conduct trainings on the Civil Procedure Code, Family Code and the Administrative Penal Code, upon their adoption.

Training on EU Law

The national Institute of Justice delivers training on EU Law since 2001 through its “Introduction to EU Law” training course. Since 2002, it also delivers specialised seminars in on the following topics: intellectual property rights in the EU, court and police cooperation on criminal and civil cases, cooperation between courts on civil cases, and the case law of the European Court of Justice. The NIJ also offers **train-the-trainer courses on EU Law**.

With the assistance of TAIEX, EIPA, GTZ, MATRA, PHARE and other programs, the NIJ also organises seminars on topical issues for Bulgarian magistrates: cooperation between national courts and the European Court of Justice; remedies within the EU; the roles of the national judge within the EU; combating fraud against the financial interests of the European Communities; combating organised crime and others.

In the period 2000 to April 2007, the NIJ delivered 155 trainings with over 4,400 participants. In addition, in 2007, it organised 11 regional trainings with 198 participants, as well as 5 courses for 125 magistrates on “Remedies of Court Cooperation on Criminal and Civil Cases” under the PHARE “Court Cooperation on Criminal and Civil Matters” Twinning Project.

Court Administration Training

An extensive survey was conducted in 2002 on the training needs of the court officials and administrative managers. The training topics are updated annually by a working group, which includes representatives from the two target groups, based on the evaluation forms filled in at the end of each training and on the changes in legislation.

The NIJ started its work on training the court administration in 2005. In May 2007 the programme encompasses 19 training topics, including: work on criminal and civil cases; the summons process; the effective system for administrative justice; servicing citizens and others.

The first pilot programme on introductory training of court officials was delivered in 2006. The training of administrative managers and court administrators began in 2007.

Learning and Resource Centre

The Learning and Resource Centre of the NIJ was opened in 2007. The centre will conduct distance learning, as well as information gathering, analysis and dissemination, to serve the needs of the judicial system and their training.

In the period March – September 2007 the NIJ will be conduct its first pilot distance learning course for magistrates, which was developed with the help of the Judicial School of the General Council of the Judiciary of Spain within the framework of a PHARE Twinning Project.

With the assistance of the Dutch government’s MATRA program, an EU Law Documentation Centre to the NIJ is being built, which will open doors at the end of 2007. The Centre will contribute to the strengthening and development of the trainings on EU law and will offer Bulgarian magistrates widespread and easy access to resources on EU law and case law. In March 2007 the NIJ was awarded the status of European Documentation Centre.

Still to come is the introduction of a system for collecting, processing and classifying court decisions for the purposes of the trainings.

Opportunities for Trainings

Setting up information systems within the Judiciary prompts the increase in trainings on skills to work with these systems and for **increasing computer literacy of magistrates and court officials.**

Only a small number of magistrates and court officials have very good foreign language and IT skills. Still to come is the introduction of specialised trainings for separate groups of senior court clerks.

The opportunities for specialised trainings for court officials need to be increased.

The need for specialised training for administrative managers for improving organisational and management skills in accordance with European standards for good governance has also been ascertained. In order to enhance the transparency of the work of the judicial system at all levels, it is necessary for managers and speakers of the bodies of the Judiciary to be trained in working with the media.

In relation to reforming the justice system, it is necessary to ensure that the professional qualifications of judges be upgraded in view of the large volume of special legislation and European legal standards for building a Single Internal Market, as well as to continue training on newly adopted legislation, possibly also though introducing compulsory on-going training on certain topics. The curriculum for the EU law training needs to be expanded.

Establishing the cooperation between the NIJ and the IPAEI, the Public Finance School and the Diplomatic Institute in relation to topics related to their work and to the judicial system (APC, finance and accounting, project management), will increase the quality of the trainings offered.

Strengthening the capacity of the NIJ is of key importance for increasing opportunities and improving conditions for conducting trainings for magistrates, administrative managers and court officials. The development of the NIJ is targeted towards answering to the increasing needs for training through introducing distance learning and regional trainings. These trainings are important prerequisites for increasing the effectiveness of the judicial system and for ensuring greater transparency of the work of magistrates.

Relating the training programmes to the new challenges and new training needs stemming from Bulgaria’s membership in the EU is a significant factor for accelerating the judicial reform and improving the quality of the measures taken.

6. Development of information technology in the judicial system

The deployment of information technology in the judicial system is done on the basis of the Information Strategy of the Bulgarian Judicial Bodies¹⁶⁷ which was elaborated and updated in March 2006 within PHARE Twinning project “Cooperation in penal and civil matters”. An Action Plan accompanying the Strategy has been developed to ensure the gradual deployment of the developed information systems throughout the country. The deployment of the information systems is regulated by the Judiciary Act and by an Ordinance developed by the Ministry of Justice and the Supreme Judicial Council. The information services related to the activities of the judicial system are based on approved by the SJC **automated information systems** whose development, deployment and upgrade are coordinated by the MoJ. The introduction of integrated automated information systems **will significantly increase transparency and predictability** of the activities of the Judiciary and will contribute towards minimising opportunities for corruption.

The results expected from the deployment of information technology in the judicial system are linked to the increase in the quality of the administrative services offered; improving the cooperation with external institutions through a comprehensive information stream; acceleration of the procedures for bringing an action to the court and judgment on the case; ensuring the timely provision and control of judicial information; achieving full alignment with the general programme for the development and implementation of e-Government in Bulgaria.¹⁶⁸

The basic principles and activities towards introducing, deploying and developing of the automated information technologies within the Judiciary have been regulated with the new LJ¹⁶⁹. Integrated automated information systems have been planned to be deployed and this will significantly increase transparency and predictability of the activities of the judicial bodies and will overcome the existing possibilities for corruption.

The conditions for the development, deployment and upgrade of the automated information systems of the Judiciary have been set out by a Decree of the Minister of Justice.¹⁷⁰ The provision of information in relation to the activities of the Judiciary is done through automated information systems coordinated by the Ministry of Justice.¹⁷¹

Databases on the needs of the judicial system need to be created and maintained for the development and modernisation of the information systems. In order to ensure transparency of the work of the judicial system, internet sites with up-to-date information about its activities need to be developed.

It is important that a functioning Data Centre and Disaster Recovery Data Centre are in place for the information systems in the judicial system to be effective. To this end, a concept paper

¹⁶⁷ Information Strategy of the Judicial System in the Republic of Bulgaria for 2006-2009 (see Annex No 4)

¹⁶⁸ Programme of the Ministry of Justice for an accelerated judicial reform ensuring quick, efficient, transparent, fair and accessible justice - <http://www.mjeli.government.bg/strategies.aspx>

¹⁶⁹ LJ (art. 385); (see Annex No 4)

¹⁷⁰ Ordinance No 8 from 30.06.2006 on the rules and procedures for design, deployment, exploitation and development of the automated information systems within the judicial system (see Annex No 4)

¹⁷¹ The rules and regulations in the information technology and the IJSCC have been subsumed in a chapter of the new LJ and has been further elaborated in texts regulating the role of the SJC. The IT services supporting the activities of the Judiciary entail the use of automated information systems approved by the SJC, and the activities related to the design, deployment and development of the systems is coordinated by the MoJ.

needs to be developed first on the implementation of such centres. In this way data and the functionalities of the system will be able to be recovered in the case of unexpected (force majeure) circumstances.

It is important that the information technology for distance learning be introduced/upgraded in order to improve witness protection.

6.1. Competent authorities on the IT activities within the Judiciary

The bodies that have decision-making powers on issues related to the deployment and maintenance of information systems within the Judiciary are:

- The SJC, supported by a standing committee on “Scientific Know-how and Information Technology” with the SJC. According to the rules of procedure of the SJC and its administration, the SJC assists the judicial bodies in the development and maintenance of the Integrated Information System for counteracting crime. The standing committee discusses problem areas in relation to NIJ activities aimed at improving the didactics of the learning process and the implementation of modern training technology; jointly with the MoJ supports the SJC in the organisation, implementation of the Information Strategy of the judicial bodies of the Republic of Bulgaria for the period 2003 – 2007.

- The Information Services and Technology Directorate with the MoJ. The Directorate:
 - participates in the development and drafting of the legislative framework regulating activities and interactions in relation to the Integrated Information System for Countering Crime
 - Participates in the creation and maintenance, carries out direct maintenance and disseminates the standards of the Single Information System for Counteracting to Crime (IISCC)
 - provides expert consultations on the coordination of projects for the development and adaptation of organisational systems compliant with the requirements of IISCC
- The Registry Agency (RA) under the Minister of Justice

The IT Services Directorate of the Agency facilitates the functions of the Agency as per the Law on the Cadastre and Property Register, the Law on Commercial Register and the Law on the BULSTAT Register by ensuring the design, deployment and functioning of all information systems relevant to the work of the various structural units of the agency, as well as of their infrastructure; by managing and coordinating the setting up and maintenance of the infrastructure facilitating the agency’s IT activities; by ensuring links between the property register and other registers, and the links between the commercial register and other registers and information systems, and monitoring controlling how they functioning.

6.2. State of the information technology of the judicial system

Under the 2002 “**Improvement of the Implementation of Information Technology within the Judicial System**” PHARE project some technical equipment was delivered to serve the needs of the judicial system, including servers, work stations and communication technology. As a result of this delivery the judicial system currently has a **working IT infrastructure in place in the courts**. Every court has a computer network which allows the use of the server by every user. The total number of computers in the courts is around 5,000, and the number of servers used is 220.

Every court registrar has been technologically equipped, which has resulted in a decrease in the time needed to service citizens.

All courts have Internet access.

The Prosecutor’s Office still needs computers, further work on setting up the local networks, new server configurations due to the increase in number of prosecutors and staff with the introduction the new Penal Procedure Code.

The implementation of a project for the delivery of hardware and communications equipment for the needs of the judicial system will continue to be implemented in 2007.

The process of deployment of automated information systems throughout the Judiciary will be completed with the establishment of nation-wide interoperability among the courts around the country. Special attention needs to be paid to the training of staff and magistrates that will be using the newly designed IT systems and applications to guarantee their effective exploitation.

6.3. Information systems and registers set up within the judicial system

In the context of Bulgaria’s full membership in the EU additional upgrades will need to be made to the existing information systems developed to serve the needs of the Judiciary under various projects with international funding. Such upgrades may be prompted by various different in nature reasons: identified gaps in their development; increased demands on the side of the citizens and business with sector regard to the services offered; the need to bring the systems into alignment with the practices and changing legislation in accordance with EU requirements, and others. Such an upgrade in the information systems will enhance the scope and improve the quality of the services offered by the judicial bodies. Consequently, the users’ satisfaction will increase and the image of the Judiciary will improve in the eyes of the public.

It is expected that the integration of the information systems developed within the framework of projects under PHARE 2002 and 2003 will be successful.¹⁷²

6.3.1. Single Information System for Fight against Crime (SISFAC)

According to the Judiciary Act the judicial bodies, the Ministry of Interior, the Ministry of Defence, the Ministry of Justice and the Ministry of Finance should implement and maintain a **Single Information System for Fight against Crime**.

The deployment, maintenance, exploitation and upgrade of the SISFAC are carried out by the Ministry of Justice, but work on the design and deployment of the system has still not been completed. The **SISFAC will work as a common interface** for all ministries whose work is related to criminal procedures. Their information systems need to feed information to the SISFAC in a strictly defined format and under conditions.

6.3.2. Electronic Case Management System (ECMS)

The ECMS has been developed under a Unites States Agency for International Development (USAID) project. The ECMS is being used by 26 courts around the country. The system allows

¹⁷² Report on the Execution of the Programme for the Implementation of the Bulgarian Judicial System Reform Strategy for the period 2006 – March 2007,

http://www.mjeli.government.bg/Strategy_files/Docs/otchet_reforma_06_mart_2007.doc

judges and court officials to work with electronic versions of the case documents including: registration of the cases, inputting information into the documents and moving cases from one work station (status) to another.

Due to the limited use of the system by several courts only, it is planned that the ECMS be replaced by the Court **Case Management System** developed under “Improving the Implementation of IT Systems in the Judicial System” PHARE 2002 project.

6.3.3. System for Random Allocation of Cases

With the amendments to the Judiciary Act¹⁷³ a provision was introduced to the allocation of cases among judges, prosecutors and investigators to be done on the random selection principle and in accordance of the sequence in which the cases have been received. A system for random allocation of the cases was developed by the SJC. The final and integration tests of the system were completed in 2006, the installation has also been completed and the system has been deployed in 152 of a total of 153 courts around the country, and subsequently will be integrated as a module under “Case Management System”.

6.3.4. Integrated System of Registers

In relation to the registry reform taking place in Bulgaria, as well as in view of the underlying priorities of the government’s **Strategy for the Creation of a Central Register of Legal Entities** and of an **Electronic Registry Centre** of the Republic of Bulgaria, a system has been developed within the framework of the Improving the Implementation of IT Systems in the Judicial System” PHARE 2002 project to include registers kept by the courts, the Ministry of Justice and the Registry Agency.

6.3.5. System for the Issuing of Conviction Status Certificates

The system has been developed within the framework of the Improving the Implementation of IT Systems in the Judicial System” PHARE 2002 project. This system has been deployed and works effectively in more than 90% of the regional courts around the country. It is envisaged that this system be integrated with the court case management system.

6.3.6. Unified Information System (UIS)

The Unified Information System serving the needs of the Prosecutor’s Office has been developed and deployed at the Chief Prosecutor’s Office, in some of the departments of the Supreme Prosecutor’s Office of Cassation and in the prosecutor’s offices of the Sofia appellate District. The system is planned to be fully deployed in all prosecutor’s offices around the country by 2007. Its main purpose is to provide an audit trail and transparency in the review process of case files as well as in relation to monitoring and control of the execution of tasks by the administrative staff and magistrates from the Prosecutor’s Office.

6.3.7. Cadastre and Property Register

A Cadastre and Property Register is currently being developed under a World Bank project should be deployed by 2008.

The aim of the project is to set up a system for property registration that guarantees one of the fundamental rights of citizens – the right to property. This will ensure better services provided to citizens.

¹⁷³ LJ (art. 12a); (see Annex No 4)

6.3.8. Unified Information System in the Field of International Judicial Cooperation on Criminal and Civil Cases

In October 2005 the Ministry of Justice started the implementation of the *Judicial Cooperation on Criminal and Civil Legal Issues* PHARE 2004 project. A separate component of the project has been dedicated to the development of an Unified Information System in the Field of International Judicial cooperation on Criminal and civil Cases. Its implementation will ensure **the quick exchange of data with the respective foreign institution in accordance with the established common European rules for the use of information.**

The implementation of a project for the development of Unified Communicational Connectivity among the Ministry of Justice, its structural units and the courts around the country.¹⁷⁴ The implementation of communicational connectivity will ensure the successful implementation of the subsequent stages in the development of the UISCC.

An important prerequisite for the full implementation of the systems is the establishment of integrated communicational connectivity between the judicial bodies and the Ministry of Justice. An integrated communication environment guarantees information security and is a mandatory prerequisite for the deployment of the developed information systems.

A large number of information systems have been and will be developed to serve the needs of the judicial system. However, the independent existence of information systems without any interconnectivity among them will only make the work of the magistrates more difficult and will lead to the fragmentation of data.

The introduction of many different information systems in the judicial bodies triggers the need for the provision of reliable connectivity among the different institutions and upgrading the skills of the experts using them.

For the effective functioning of the judicial system, it is important to ensure operational compatibility and connectivity among the information systems of the judicial administration and those of the state administration, as well as upgrade and fine-tuning of the existing information systems. This will enable open access and exchange of information among the bodies of the judiciary, the state administration, with civil society and business sector.

6.4. e-Justice

Every service related to the provision of information in electronic format and concerning the judicial system as well as the electronic exchange of legal information through communication networks can be classified as a service within the e-Justice system. In this sense, there are many services in Europe and internationally that fall under the category of e-Justice services:

- Internet-based services related to the provision of information to the public (or even the exchange of data between citizens and the judicial bodies);
- Internet-based services related to the exchange of information between organisations (business-to-business);

¹⁷⁴ Until present its implementation continues. 35 communication points in some of the district, regional courts and the registry offices.

- Internet-based services in support of intra-organisational processes (such as human resources management);
- Services for facilitating the communication among judicial bodies (such as e-mail security services through the use of electronic signatures);
- Services related to the digital recording of sound and video (such as systems for recording court hearings);
- Services for video communication (such as systems for visual and verbal distance communication).

Under the PHARE project called “Support for the Implementation of the Strategy for the Reforming of the Judicial System through the Implementation of Information Technology – e-Justice” an assessment of the needs was done, a greenfield project was elaborated and the development of an e-justice system for Bulgaria was initiated. The delivery of the needed hardware has also been planned to happen within the framework of the project.

The most important result of the project is definitely the **report on the concept of e-justice**. This report will constantly be updated by the Ministry of Justice over the next few years.

According to the approach adopted by the Ministry of Justice, e-justice in Bulgaria should be oriented towards ‘providing services for citizens’. The main reasons for this are the following: (a) the judicial system is already being serviced by several information systems and is to a great extent computerised; (b) information from these systems currently does not reach citizens; (c) Bulgaria needs to increase transparency towards ensuring a justice system functioning in compliance with the *acquis*.

The e-Justice system and the services that will be introduced in accordance with the e-justice Greenfield project have to comply with certain principles:

- **Transparency:** to ensure transparency of justice and the public administration, to strengthen the public trust in the justice system
- **Accessibility:** to allow quick and reliable access for the public to the needed information
- **User-friendliness:** to offer useful and easy to use instruments
- **Quality of Services:** to deal away with red tape and long queues, to demonstrate care of the state for its citizens
- **Usefulness:** the services offered should be targeted at real needs of the public and business sector
- **Completeness:** the whole information and if possible all transactions should be provided in one place.

The e-Justice portal will be the entrance to the e-Justice system. It will play the role of a gateway to e-services in the judicial area. Citizens can be granted access to certain sections such as official and current information regarding the judicial system and procedures, the courts, bankruptcy, conviction status certificates, legal aide, legislation, registers and others. Lawyers, notaries, bank clerks, enforcement judges and others on the other hand can have access to services providing them with timely and current data essential to their work.

Compared to regular services, the availability of services via Web portal presupposes significant benefits for society such as: (a) people will ‘interact’ with the judiciary only in one place; (b) the e-services will be available 24/7; (c) the Judiciary’s e-services will be accessible from

every point in the country (or the world) via the Internet; (d) numerous inquiries will be processed per day ; (e) the centralized portal will allow for all e-justice services to be standardized in order to also make them user-friendly for non-specialists; (f) e-services will save citizens a lot of travel time, waiting time, etc.

A series of benefits are expected for the Ministry of Justice and for the government, such as: (a) taking an important step in the direction of fully-fledged e-government; (b) increased transparency of the justice system; (c) economies of scale on maintenances, travel, postal expenses and paper; (d) improved use of human resources; (e) improved data protection and security; (f) improved management, uniformity, better conditions, etc.

In view of improving the quality of the services offered to citizens and business sector by the judicial system, it is necessary that actions be taken to implement e-justice in Bulgaria and its periodic update. The possibilities as well as the content offered by the e-justice system and centralized portal will need to be improved.

VI. SWOT ANALYSIS OF THE STATUS OF THE STATE ADMINISTRATION

| STRENGTHS | WEAKNESSES |
|--|---|
| <ul style="list-style-type: none"> • Continuity of the administrative reform • Established legislative framework • Setting up of MSAAR as the responsible institution for the administrative reform implementation • Progress in the development of the rules and system for human resources management and for encouragement of career development • Establishment of the administrative infrastructure for performance of external and internal control over the work of the administration – the system of Inspectorates, the National Ombudsman • Good educational level of the employees, especially in the central and regional administrations • Established educational and training institutions and introduced system for training of the employees, especially those entering into position • Introduced general rules for administrative service delivery and the “one-stop-shop” principle • Provided access to the Internet for all administrations • Adopted major part of the legislative basis for e-governance | <ul style="list-style-type: none"> • Weak effectiveness of the users’ feedback mechanisms • Incomplete reorganisation of the administrative structures, especially the territorial units of the central executive power • Weak internal and interdepartmental coordination, particularly on regional level and between the territorial units of the central executive power and the municipal administrations • Underdeveloped mechanisms for policy-making • Underdeveloped mechanisms for assessment of policy implementation, for quality of services provided and satisfaction of users • Limited application of models for quality enhancement and effectiveness of the activities performed by the administration such as outsourcing and PPP • Underpayment and lack of qualified employees, especially in the small municipalities • Limited effect of the existing mechanisms for motivation and incentives for career development of the employees • Lack of interoperability between the administrative information systems and underdeveloped e-documents flow |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> • Availability of various possibilities for improvement of the internal processes in the administration with the help of ICT • Availability of good Bulgarian experience in the field of administrative service delivery and improvement of the | <ul style="list-style-type: none"> • Incompleteness of the anticorruption policy due to the slow reform of the judicial system and the slow change in the public perception of the problem • Lack of confidence among the municipal administrations and still weak desire for |

organisation of work at various administrative levels which can be disseminated

- Availability of good European management practices which can be adapted and integrated into the Bulgarian conditions
- Established cooperation with other institutions and NGOs and availability of experience for the implementation of an integrated approach for counteraction of corruption
- Interest from the business sector for involvement in good policy-making and partnership in their implementation

partnership among them

- Development of a tendency towards increase of the functions and structure of the administration with the introduction of new legislation
- Inability of the administration to offer competitive opportunities for career development in comparison with those in the private sector
- Slowing down of the economic growth
- Lack of confidence from the business sector and the civil society in the speed and effectiveness of the administrative reform implementation

VII. SWOT ANALYSIS OF THE STATUS OF THE STRUCTURES OF THE CIVIL SOCIETY

| STRENGTHS | WEAKNESSES |
|--|---|
| <ul style="list-style-type: none"> • Stable legislative framework for the CSS • Well developed institutional structure • Built capacity for service delivery • Established conditions for dialogue between the CSS and the state administration at all levels (ESC, NCTC) | <ul style="list-style-type: none"> • Low organisational capacity • Lack of vision and strategy for development • Deficit of knowledge and skills • Strong financial dependence of the CSS on the state, local authorities or international donors • Insufficient use of the Internet as a source of information in the small municipalities • Insufficient coordination and communication with the state administration |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> • Improvement of the competence for effective partnership, conflict resolution and dialogue • Improvement of the cooperation among the central, regional and local structures of the organisations and among the individual CSS • Delivery of specialised trainings • Participation in the process of policy and decision-making • Development of the services offered by CSS • Development of a common vision and strategy for CSS development | <ul style="list-style-type: none"> • Lack of political support for the inclusion of the CSS in the process of policy-making • Loss of qualified staff due to financial instability |

VIII. SWOT ANALYSIS OF THE STATUS OF THE JUDICIAL SYSTEM

| STRENGTHS | WEAKNESS |
|--|---|
| <ul style="list-style-type: none"> • Adopted basic legislative and strategic documents regulating the structure and activities of the judicial system • Established coordinating and control mechanisms for the conduct of anti-corruption policy • Set up National Justice Institute for centralised training of magistrates and court officials • Presence of general competition as the main principle in the initial recruitment in the judicial system • Endorsed rules for creation, introduction, use and development of automated information systems in the judicial system | <ul style="list-style-type: none"> • Insufficient administrative capacity of the bodies of judicial power for the fulfilment of their powers • Considerable need for enhancing the specialised qualification of the magistrates, due to the dynamic introduction of new national legislation and their work with the <i>acquis</i>, as well as need for training possibilities for court employees • Presence of various information systems • Lack of national connectivity between the automated information systems in the judicial power. • Lack of continuity and interrelation in project planning |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> • Use of mechanisms for enforcement and monitoring of the implementation of the newly approved legislation • Accumulated experience in the implementation of the administrative reform which can be used to improve the administering of the processes in the judicial system and institutional strengthening of its bodies • Development of mechanisms for regulation of the access of the public and the media to the work of the judicial system • Availability for various opportunities for improvement of the internal processes with the help of ICT | <ul style="list-style-type: none"> • Slow process of update of the legal framework for structuring and work of the judicial system due to the scope and depth of the amendments undertaken • Low confidence in the judicial system • Lack of active actions on the part of the magistrates and the government for implementation of the reform in the judicial system |

IX. BASIC CONCLUSIONS OF THE EX-ANTE EVALUATION

1. Purpose of the ex-ante evaluation

The specific objectives of the ex-ante evaluation of OPAC are as follows:

- Overall consistency between the analysis, the SWOT analysis and strategy of OPAC
- Coordination with other Operational Programmes, as well as consistency with the Community Strategic Guidelines on Cohesion and with national priorities
- Optimisation of the of financial resources allocation between the priority axes
- Impact evaluation of the sub-priorities proposed within OPAC.

The selected team of consultants started working on 08/03/2006. The final report of the ex-ante evaluation team was provided on 06/09/2006. The comments of the ex-ante evaluation are integrated in the text of OPAC. The ex-ante evaluation is an integral part of the Programme.¹⁷⁵

2. Comments of the ex-ante evaluation on the different sections of OPAC

2.1. OPAC Objective

The ex-ante evaluation concluded that the objectives are well elaborated and provide a solid foundation for OPAC. They are consistent with the national priorities, the priorities of the Lisbon strategy, the Community Strategic Guidelines on Cohesion, and the NSRF.

2.2. Socio-economic and SWOT analyses

The analytical part of OPAC gives a thorough overview of the current state of Bulgarian state administration, illustrated by a range of facts, surveys and statistics. The analysis provides useful, relevant data and supporting comments for both the SWOT analysis and the Programme’s strategic directions. It also describes relevant Bulgarian legislation, key strategic documents on administrative reform, on transparency of institutional working processes and on combating corruption, on implementing the “one-stop-shop” principle of service delivery and e-Government, on HR management and training, as well as documents on the current status of implementation of various strategies. Nevertheless, the consultants found some gaps in the analysis and the supporting evidence. More specifically, there was no detailed analysis of the **lack of transparency** as a major impediment to sustainable economic development.

The ex-ante consultants recommended further restructuring of the document so as to ensure comprehensive coverage of all themes inherent to the strategic and specific objectives of the Lisbon Agenda, ESF and Community Strategic Guidelines on Cohesion. To ensure consistency, the restructuring of the document was to start with the analysis, and then continue throughout the SWOT analysis and the strategy itself. The text of OPAC reflects these recommendations.

The SWOT analysis provides an excellent opportunity to relate analysis to strategy. The consultants gave recommendations on how to fill in gaps and remove inconsistencies in order to establish a clear connection between the analysis and the SWOT analysis. The text of OPAC fully reflects these recommendations.

¹⁷⁵ The complete final report of the ex-ante evaluation can be accessed on the web site of the MSAAR: www.mdaar.government.bg/docs/en_Ex-ante_Final%20Report%2002.2007.pdf

2.3. Priority axes, sub-priorities and indicative activities

The main recommendations for improving both the external consistency (with policy, strategies and guidelines) and the internal consistency (between priority axes and sub-priorities) are presented in Annex 5 of the Interim Report of the ex-ante evaluation.

The team proposed relocating some of the indicative activities to different sub-priorities and including additional activities. The consultants considered important that priority axes 1 and 2 refer more explicitly to activities improving the functioning of institutions. They proposed that the list of beneficiaries be extended to include other training institutes apart from IPAEI. It was further recommended to strengthen the judicial system through OPAC. These recommendations were taken into account and the National Institute for Justice and the judiciary bodies were included in the respective sub-priorities of the Programme.

It was recommended the three priority axes to be regarded as an integrated strategy. The priorities and their respective sub-priorities and indicative activities are united under one common objective – improving the performance of state administration in delivering services to business sector and citizens, improving the quality of life of citizens based on sustainable economic growth, and providing more and better jobs. In pursuing this objective, the priorities can complement each other.

With respect to to this, the OP should aim to find the balance between:

- providing a clear focus – so that its objective is clear to the stakeholders and the potential beneficiaries, and so that, following the EU principle of concentration, it can optimise its impact, and achieve its targets;
- retaining sufficient flexibility – so as to allow an appropriate range of operations to be funded, and to re-allocate resources among alternative eligible activities over a programming period, which is potentially 10 years long (N+3 included).

2.3.1. Definition of state administration and role of the judiciary

The ex-ante evaluation proposed that, whatever the formal definition of “state administration” within the Bulgarian legislation, the scope of the OP should include the judiciary, plus all other administrations delivering public services. The fact that the judiciary is independent from the executive authorities should not prevent them from becoming target beneficiaries of OPAC. The same principle applies to the socio-economic partners (SEP).

2.3.2. The Role of the Institute for Public Administration and European Integration and other training institutions

OPAC can be used to strengthen IPAEI’s key role in coordinating state administration trainings and assessing its training needs.

2.3.3. Proposals for amendments in the Strategic Part of the OPAC

Another recommendation is that the country’s problems of primal importance are tackled first by providing for better governance, combating corruption, and improving service delivery.

All these issues are covered by the existing priority axes, their sub-priorities and proposed indicative activities. E-Governance development needs to include unified access to services and high-quality service delivery, which requires improved quality of face-to-face and telephone-based services, together with the gradual build-up of e-services.

The ex-ante team proposed one fundamental change to the priority axes themselves – combining administrative service delivery with e-Governance development under Priority Axis III.

In Priority Axis I “Good governance” the separate sub-priority for purchase of equipment was removed, and instead combined with all other sub-priorities as a financing in a complementary manner.

The consultants further advised that the judiciary and the civil society structures (CCS) are included under Priority axis II. Overall, the consultants evaluated as good the range and the consistency of this Priority axis with the SWOT analysis, and did not propose significant changes, apart from further enhancing the services related to law enforcement, and involving more training institutes other than IPAEI.

Regarding Priority Axis III, the recommendation was to make service delivery more effective by applying the “one-stop-shop” principle and utilizing the Internet and call centres/hot lines.

These recommendations for changes were accepted and duly reflected in the text of OPAC.

2.3.4. Monitoring indicators

The ex-ante consultants elaborated a theory on the nature and purpose of the good performance indicators, following the European Commission (EC) guidelines.¹⁷⁶ Then they evaluated separate indicators and developed a scoring system to rank them according to their quality, measured against generally-accepted criteria. Ultimately, a revised set of indicators, which could help to implement the Programme more effectively, was proposed and adopted.

2.3.5. Implementation and monitoring

The institutional framework for implementation of OP, as simplified as regulations allow, was approved by the ex-ante consultants. The separation and distribution of functions within the structure are appropriate for sound financial management. The coverage of functions should enable the MA to meet its obligations as laid down in the Structural Funds (SF) regulations. Other issues assessed were: the inclusion of partnership; certain recommendations for ensuring effective management and monitoring; a monitoring and management information system; a communication strategy. These recommendations are covered within the text of OPAC.

2.3.6. Impact assessment

The application of a socio-economic impact evaluation is obvious in more “traditional” OPs, which finance investments in physical and human capital. It is technically more difficult to make a thorough impact assessment of programmes such as OPAC.

Nevertheless, it is feasible to evaluate the impact of administrative reforms and capacity-building programmes with respect to gross domestic product (GDP) and employment in Bulgaria. The ex-ante evaluation consultants utilised the “Guide of the European Commission for the Evaluation of Socio-economic Development” and the recommendations of the evaluation units within the World Bank and the Organisation for Economic Cooperation and Development (OECD).

¹⁷⁶ Common Guidelines for Monitoring and Evaluation, European Commission, 1995; The Evaluation of socio-economic development, The Guide, Tavistock Institute in association with GHK and IRS, December 2005

2.3.7. Socio-economic impact of OPAC

In order to assess the overall impact of the programme, and given the inter-connection between the different priority axes, the ex-ante evaluation included an initial empirical research, based on the existing theory and data provided by the World Bank on public governance.¹⁷⁷

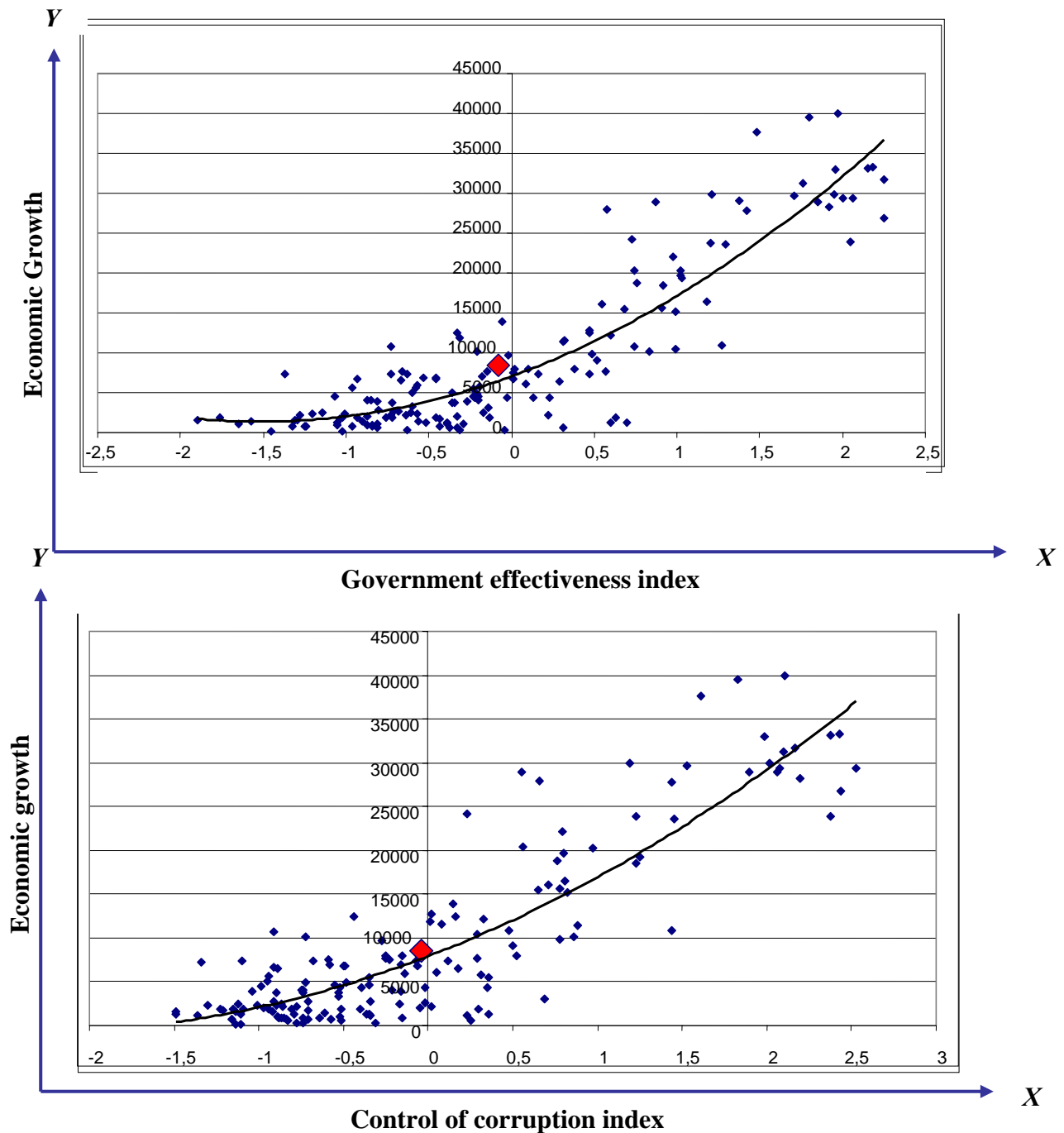
The results of the survey indicated two correlations:

- First, a strong correlation was found between each of the four key “governance indicators” for state administration (quality of regulatory regimes, government effectiveness, application of the rule of law, and control of corruption) and a country’s economic development.
- **Second, Bulgaria is close to a “turning point”, whereby even the smallest improvement of quality of public governance and better control of corruption could lead to large-scale results with respect to the increase of GDP per capita, labor productivity, domestic and foreign investment, and employment.**

The chart below demonstrates the strong correlation between two of the four indicators – index of government effectiveness and control of corruption (measured on the *x*-axis), and economic development (GDP per capita at the respective Purchasing Power Parities on the *y*-axis). The other two indicators (quality of regulatory regimes and rule of law) show the same interdependence.

¹⁷⁷ The World Bank governance indicators are: “voice” and accountability; political stability; government effectiveness; regulatory quality; rule of law; and control of corruption” On the World Bank’s Governance & Anti-Corruption (GAC) Strategy: *Key Features, Concerns, Debates, Misconceptions, and Next Steps* – and selected issues on Governance Indicators www.govindicators.org Daniel Kaufmann & Colleagues, *The World Bank Presentations in Brussels, Berlin, London and Paris, 21-26 September 2006*

Figure 10: Correlation between the indicators for government effectiveness and control of corruption, and GDP per capita



Source: OPAC ex-ante team calculations

◆ Bulgaria

Based on these data and calculations, the ex-ante evaluation consultants concluded that Bulgaria will manage to bring the quality of its public services and the control of corruption close to the levels observed in most of the new EU member states. Enhanced government effectiveness and improved control of corruption will significantly contribute to the increase of GDP per capita and the subsequent increase of employment, salaries and general societal welfare.

Different studies on the relationship between the indicators and economic growth reveal that the country’s productivity (GDP) relates closely to competitiveness and investment. Strong governance, effective rule of law, and a favorable business environment create opportunities for capital investment, enterprise and job creation, competition, investment in research and innovation, etc. On the other hand, weak governments, ineffective implementation of legislation, and corruption create uncertainty and risk, which affect investment decisions. This complicates and raises the cost of starting businesses, of import and export, of labor force procurement, etc.

2.4. Impact of the whole OP on the regional and social cohesion

The above mentioned impact assessment is of macro-economic nature. It does not indicate the impact on different regions and on social cohesion. It is possible that faster economic growth may have a negative impact on regional and social cohesion, due to agglomeration effects and a faster restructuring of the economy of individual regions. This risk further justifies the creation of regional development and human resources programmes.

X. STRATEGY OF THE OP “ADMINISTRATIVE CAPACITY”

Under the global economy conditions, most countries undertake serious efforts to reform their administrations. As a member state of the European Union (EU), Bulgaria has set itself the goal to use all the advantages of EU membership in order to improve its social and economic development. The obligations deriving from EU membership place greater challenges before its administration. Strengthening the member state’s institutional and administrative capacity is of key importance for the implementation of reforms and effective enforcement of the EU policies. The main objective is to develop a culture of innovation and to break the bureaucratic functioning of the administration. The reform of the administration will help improve the investment climate, and enhance economic growth and employment in the country.

OPAC is a strategic document for modernising Bulgarian state administration for the period 2007-2013. It is elaborated in compliance with **the European and national policy for improving the institutional and administrative capacity** and is a means for reaching the aims of:

- Community Strategic Guidelines on Cohesion, 2007-2013
- Revised Lisbon Agenda, 2005
- National Reform Programme, 2006-2009
- National Strategic Reference Framework, 2007-2013

Administrative capacity and good governance are a **basic priority in the** Community Strategic Guidelines on Cohesion, 2007-2013. The reasons for outlining this priority are:

- The effectiveness of administration and of administrative service delivery is related to the increased efficiency of economy and more investments
- Well functioning institutions and administrations are a prerequisite for the successful policy-making and implementation and better management of public funds, which contributes to the social and economic development of the country.

The two **main goals for improving the administrative capacity** set in the **Community Strategic Guidelines on Cohesion**, are:

- Support for good policy and structuring of programmes, monitoring, impact assessment and analysis through studies, statistical data, expertise and forecasts, supporting the interdepartmental coordination and dialogue between the public institutions and the private sector
- Enhancing capacity for implementation of policies and programmes. This goal requires focusing on legislation enforcement, training needs analysis, career development and performance evaluation review, implementation of the good governance principles, training of managers and employees in the administration, development of key services.

The development of administrative capacity is a **new priority of the European Social Fund** for the programming period 2007-2013. The basic goal of the ESF is to support the social and economic development and to address the requirements for accelerated reforms in the EU. This includes support to the reform of the state administrations, aiming at improving competitiveness and economic growth. The new ESF priority is focused on the modernisation and improvement in the functioning of the state administration and its ability to formulate and implement well the national and European policies. It is not related to improving the capacity for managing the SF, the CF, the EAFRD, the EFF.

The goal of the **Revised Lisbon Agenda** is to increase economic growth and to create better opportunities for work in the EU in the conditions of sustainable development. State administrations

will play an important role in this process. This requires **appropriate legislation, an administration capable of delivering quality administrative services, a transparent judicial system and compliance with the partnership principle.**

The effective administrative capacity and public service delivery is a basic requirement for economic growth and development. Thus, in line with the Revised Lisbon Agenda, the EU funds will support investments in the human capital of the administrations and in administrative service delivery at all territorial levels.

The **National Reform Programme** (NPR) 2006-2009 of Bulgaria is a strategic document aiming at a systematisation of the efforts of the government to achieve high and sustainable rate of economic growth and employment by defining a medium-term framework of measures and priorities in the field of macro and micro-economic development, labor market and development of human capital. The improvement of the administrative capacity is a leading horizontal priority of the NPR. It includes specific measures and policies, which will be undertaken with respect to the **additional strengthening of the administrative capacity at all levels**, for the effective policy-making and service delivery.

The **National Strategic Reference Framework** (NSRF) 2007-2013, elaborated in compliance with the general regulations on the European Fund for Regional Development, the European Social Fund and the Cohesion Fund, is a long-term document describing the role of the SF and CF for the period 2007-2013 in support of the global strategic development of Bulgaria.

As part of NSRF, OPAC will contribute to the implementation of **priority axis 2 “Increasing the quality of human capital with a focus on employment” and priority axis 3 “Encouraging entrepreneurship, favorable business environment and good governance”**. Their implementation will increase the social and economic development of the country and will promote a favorable business environment.

In harmony with the goals and policies of the described strategic documents, **OPAC** will support the development of a **modern state administration**. A clear legislative basis, the implementation of good governance principles, the inclusion of stakeholders in policy formulation and the improvement of the capacity of administrative employees to perform their duties, will contribute to the creation of an effective administration which is “facing the people”¹⁷⁸ and is oriented towards the users of administrative services.

State administration reform in Bulgaria was launched in 1998 with the adoption of a Strategy for Developing of Modern Administrative System of the Republic of Bulgaria. As shown in the analysis, since then the main legislative documents and subordinate legislation have been adopted, and a series of measures for improving the administrative capacity have been undertaken. During the last years, several donors have supported this process in the absence of a long-term vision. Such programmes are: the PHARE Programme, MATRA Programme of the Government of the Netherlands, UNDP etc.

With the setting up of MSAAR in 2005, the government defined the implementation of the administrative reform in Bulgaria as basic priority. The Ministry has set itself the ambitious task to support the development of the necessary administrative capacity and the overall modernisation of Bulgarian state administration. This goal is in line with the European initiatives for a better functioning society.

¹⁷⁸ State administration slogan.

After an analysis of the challenges and the lessons learned from the pre-accession period, the **following areas** for the development of the state administration, civil society and judicial system have been outlined as the main orientations of OPAC:

- Optimisation and adaptation of administrative structures
 - Enhancing transparency and accountability of the administration
 - Improvement of strategic planning and policy implementation
 - Effective use of public resources through partnership
 - Implementation of the principles of transparency and accountability in the judiciary
 - Improvement of human resources management and professional competency of state administration, civil society and judicial system
 - Improvement of administrative service delivery to the citizens and the business sector
- Based on the above, the **strategic goal of OPAC** has been formulated:

Improving the functioning of state administration for an effective implementation of policies, quality service delivery to citizens and businesses, and creating the conditions for sustainable economic growth and employment.

Enhancing the professionalism, transparency and accountability of the judiciary.

The OPAC implementation will support the Bulgarian administration, which is aware of its mission to contribute to the development of a modern and prosperous society. This does not mean the creation of a “large” administration, the focus will be rather placed on the competency and quality of its activity.

In order to enhance economic development, a reliable and effective judicial power is needed. This will be achieved through its full accountability and independence from the influence and control of the executive and legislative power.

In order to develop partnerships for the **implementation of effective policies**, OPAC will support the development of the capacity of CSS to enable their involvement in the processes of coordination and consultation with the administration and the active monitoring of its activity.

Having in mind the needs of these three broad target groups, the **specific goals of the Operational programme** are:

- **Effective functioning of the administration and the judiciary**
- **Improving human resources management and enhancing the qualification of employees in the state administration, the judiciary and the civil society structures**
- **Modern service delivery provided by the administration and the judiciary**

The reforms in the development areas identified in the analysis will be achieved through the implementation of the following **4 priority axes** of the Operational Programme:

Priority axis I: Good governance

Priority axis II: Human resources management

Priority axis III: Quality administrative service delivery and e-governance development

Priority axis IV: Technical assistance

Priority axis I reflects the need to strengthen the administrative structures and the bodies of judicial power, increase the transparency and accountability of their work, implement PPP and outsourcing as mechanisms for more efficient management and apply the partnership principle in the formulation of state policy.

Priority axis II is focused on achieving effectiveness of the state administration, the bodies of the judicial power and CSS through human resources management and development.

Priority axis III concerns quality administrative service delivery and the use of information technologies. They will improve the business environment in Bulgaria and encourage the development of entrepreneurship.

Priority axis IV will strengthen the capacity of the MA for OPAC management.

The achievement of OPAC's goals through the activities under the different priority axes will provide the citizens and the business sector in Bulgaria with a modern administrative service delivery which responds to their requirements, an effective and transparent judicial system, as well as active and trained civil society structures which will be competent partners of the state in the process of national and European policies development and implementation.

XI. PRIORITY AXIS I, SUB-PRIORITIES AND INDICATIVE ACTIVITIES

GOOD GOVERNANCE

Introduction

Good governance has been identified in the Community Strategic Guidelines as an important priority and key area, contributing to the attainment of the Updated Lisbon Strategy. It is based on the principles of the rule of law, openness and accessibility, responsibility, accountability, effectiveness, subordination, coordination and predictability. Good governance is achieved by:

- drafting and implementing policies and laws oriented towards the real needs of society and including the broad involvement of civil society and the private sector
- provision of effective access, monitoring and control on management and administration
- clearly differentiated rules and obligations of the institutions and accountability before society, while providing transparency at all levels of state governance
- effectiveness of the administration for reaching set strategic goals
- better quality of services provided to citizens and the business sector
- guaranteeing the legal security of the administration’s work.

Objective of the priority axis

Effective functioning of the administration and the judiciary

Priority axis rationale

The analysis and the SWOT analysis of the state of Bulgarian state administration, of the civil society structures and the judicial system in Bulgaria have indicated the **need of improving the implementation of some of the above-mentioned good governance principles such as** better effectiveness and efficiency, greater transparency and accessibility, better coordination. That is why the first priority axis of OPAC addresses the identified need for basic measures to improve the management, organisation and functioning of the state administration and the judicial system.

Priority axis I is focused on the problem of low effectiveness in the activity of the administration because of its insufficiently improved organisational structure, the presence of duplication of functions and poor work organisation. For this reason, the first sub-priority aims at the **optimisation of structures, functions and processes** in the administration.

In order to guarantee good governance to society and more specifically the legitimacy of the administration’s activities and the optimum use of resources to achieve set goals, the existing **mechanisms for transparency, accountability and control** of the state administration will be improved and new ones will be introduced under this priority axis. The persisting corruption problem in the administration will be addressed through anti-corruption measures and will be linked to and integrated in the overall process of state administration reform.

Besides optimally organised administrative structures, accountability and control, the achievement of good results in the activity of the administration requires quality policy drafting – good planning of goals and correctly set priorities. This is still a serious problem in the Bulgarian

state administration. That is why the latter will be supported in the process of **drafting policies, strategic planning and impact assessment**, as well as in monitoring and follow-up performance evaluation. An emphasis will be placed on encouraging **effective coordination and partnership** between administrative structures as well as with all interested parties and stakeholders, especially civil society structures and the business sector.

The implementation of the good governance principle in the administration also means an optimum and effective use of public resources. As one of the best ways to optimise administrative costs, priority axis I will support the use of the **public-private partnership** potential, for which in Bulgaria no integrated and clear rules and practices exist yet.

Good governance, as a concept and as an identified need of the Bulgarian state administration, includes other aspects, such as good human resources management and quality administrative services for citizens and the business sector, including the development of e-governance. That is why priority axis I is interrelated with and dependent on the other OPAC priority axes. It is a basic prerequisite for their implementation.

The establishment of the **good governance principles as working principles in the judicial system** will also be supported under this priority axis. The goal is to improve the interaction between the bodies of the judiciary, to increase the professionalism and thus the effectiveness in the work of its administrations, to increase transparency of their activity, and to promote confidence of citizens and the business sector in it.

The priority axis also includes **exchanges of experience and experts with other member states**, coordination of joint actions in separate cooperation areas, exchange of information and best practices for the implementation of the good governance principles.

In compliance with Art. 34, para 2 of Regulation (EC) 1083/2006, **10% of the total amount of resources under priority axis I** will be used for complementary financing of actions beyond the scope of the ESF assistance and falling within the scope of the European Regional Development Fund. This complementary financing will be granted only provided that these actions are necessary for the satisfactory implementation of operations and are directly related to it. Justification will be provided within the project proposals. Using this opportunity will allow for the effective achievement of the objectives of the Priority axis.

Scope

Priority axis I is focused on the state administration structures at all levels, on the bodies of judicial power and the civil society structures.

Table 8: Priority Axis I Implementation Indicators

| Type | Indicator | Measurement units | Baseline | Target 2013 | Sources of Information |
|--------|---|-------------------|----------|----------------------------|---|
| Output | Functional reviews carried out by administrative structures | Number | 0 | 1/3 of all administrations | Report on the State of the Administration, MA |
| Output | Information campaigns held | Number | 0 | 20 | MA |

Operational Programme “Administrative Capacity”, 2007-2013

| | | | | | |
|--------|--|--------|----|---|--|
| Output | Bodies of the judiciary that have introduced court case management systems | Number | 2 | 174 of all courts and prosecutor's offices ¹⁷⁹ | MA, MoJ, SJC |
| Result | Administrations that have undertaken optimisation of procedures as a result of a functional review | Number | 0 | All administrations that have carried out a functional review (1/3 of all) | Report on the State of the Administration, MA |
| Result | Administrations that have introduced rules of procedure for monitoring of policy implementation | Number | 0 | 16 ministries; 12 state agencies and commissions; 100 local administrations | CoM, MA, Report on the State of the Administration |
| Result | Legislative drafts accompanied by an impact assessment | Number | 3 | 80 | CoM |
| Result | Normative acts adopted after consultation with stakeholders | Number | 18 | All normative acts adopted | CoM |
| Result | Public sectors that have elaborated specific PPP rules | Number | 0 | 5 | MF, CoM, MA, Report on the State of the Administration |

Note: The administration is in the process of ongoing reorganisation. Therefore, the exact number of the administrative structures in 2013 cannot be defined at present.

¹⁷⁹ In 2007 there are 176 courts and 153 prosecutor's offices in total.

1. Sub-priority 1.1.

Effective Structure of the State Administration

Specific objective of the sub-priority

Improving the efficiency of the administration through promoting organisational development of administrative structures

Rationale

In order to introduce the good governance principles successfully, steps should be taken for **optimising the structures of the state administration**. Through the implementation of this sub-priority, such administrations will be developed which – with respect to working processes, functions, financial and human resources – can act in harmony as internally integrated systems.

The effectiveness of the structure of the state administration in general will be achieved when the **functions and the capacity needed for their performance** are **rationally distributed** among the existing administrative structures. Sub-priority 1.1. will support the optimisation and restructuring of the state administration and the adoption of policy for its organisational development.

The economic development of the country and the ability of citizens to benefit from it will strongly depend on the ability of the **local level structures** to provide quality governance and efficient administrative services. For that reason special attention will be paid to the optimisation of the structures of the municipal administrations, bearing in mind the specific needs of small and big municipalities.

Because of the importance of the **territorial units of the central executive power** and having in mind the volume of performed functions and the big number of employees in these structures, it is necessary on the basis of functional analyses to further develop their functions and structures in order to improve the effectiveness of their work.

The activities under this sub-priority will be carried out simultaneously in the different spheres during the complete programming period but their weight will be different. They will add on and build upon the measures foreseen in the Strategy for Decentralisation and the programme for its implementation.

Within the framework of this sub-priority the following **indicative types of activities** will be funded:

- ***Optimisation of the administration***

The administrative structures at all levels will perform a consistent and complete **review of their functions, responsibilities and capacity, analysis and evaluation of the activity and the working processes**, analysis of the number of the staff with respect to the functions and activities, which they execute. For that purpose a unified methodology for functional analysis will be developed first.

On that basis **the problematic areas will be identified** and measures will be taken, including proposals for changes in legislation and in the rules of procedures of administrative structures. Their purpose will be to allow for the redistribution of functions and activities in order to

avoid duplication, to unify structures, to transfer activities that will all result in achieving greater effectiveness and efficiency of the administration.

The functional analyses will be used **for optimising the different structures and sectors**, more specifically through: improving the organisation, working processes and coordination in the framework of one administrative structure; developing and improving methodologies, internal rules and procedures; developing instructions and manuals for performing specific functions, for management and development of the organisation, for exchange of best practices; proposals for optimisation of staff, of age distribution and proportion men/women, etc.

A mechanism for performance evaluation will be developed and applied (incl. criteria for measuring the administrative effectiveness).

In order to constantly keep track of the current development of the administrative structures and to use the available information for the preparation of analyses and proposals for changes, measures for updating the software of the **Administrative Register** will be supported, including measures for the development of rules for the timely and correct entering of information in it, etc. The mechanisms for collection, submission of information and its summarisation for the **annual reports on the state of the administration** will be improved too, as well as the optimisation of their structure and the development of their methodology. A methodology for ongoing analyses of statistical data as well as for the conduct of constant monitoring of the administrative services will be developed.

- *Organisational development of the separate administrative structures*

In order to guarantee sustainable effectiveness of the administrative structures, **modern techniques for organisational development** will be introduced, such as: strategies for organisational development, including such for the priority sectors of Bulgarian economy (tourism, trade, telecommunications, etc.); models for managing the changes in the administrative structures; methodologies for evaluating the effectiveness and efficiency of administrative structures in performing their functions; cost-benefit analyses; information systems for evaluation of the management processes' effectiveness.

For achieving effective and quality work of the state administration, the results of these activities will be further developed through the introduction of systems for quality management under priority axis III.

Beneficiaries

MSAAR, IPA EI, central, regional and municipal administrations

Target groups

Central, regional and municipal administrations

2. Sub-priority 1.2.

Transparency and Integrity of the State Administration

Specific objective of the sub-priority

Implementing the principles of transparency and accountability in the administration and improving the control mechanisms on its activity

Rationale

Good governance means that **transparency and accountability** of the administration is **guaranteed**. This is achieved by providing **clear and accessible information** to citizens and the business sector for the administration’s activities, including on the implementation of the legislation. The establishment of ethical **standards in the work of the civil servants** and the use of **effective control mechanisms** as well as the presentation of information for their activity will improve the performance of state administration.

The existence of corruption is still the main reason for the lack of confidence of society in the activity of the administration. Corruption decreases the administration’s effectiveness and thus hinders the achievement of set strategic goals. In the framework of this sub-priority, the mechanisms for **counteracting and preventing corruption** will be improved by the planned activities for increased transparency, accountability and control, as well as by the activities directed at the specificities of the “corruption” issue.

The development of the capacity of the Ombudsman and the local public mediators will guarantee additional control on the state administration, will contribute to more accountability and effectiveness of its activity and thus to improved confidence of the society in it.

Within this sub-priority, the following **indicative types of activities** will be funded:

- ***Measures for transparency and accountability of the administration and prevention of corruption***

This activity envisages the country-wide introduction as well as analysis of the weaknesses of the **feedback mechanisms** and the mechanisms for reporting public opinion (except those related to the administrative services delivery). The development and regular update of websites, creation of publishing rules for specific types of information, creation of electronic information bulletins, information databases, online discussion forums, organisation of information campaigns, development of communication strategies, etc. will guarantee that **information on the work of the administration will reach all interested parties**. Opportunities for users to access public information will be also improved, for example through the analysis and classification of existing information and of information management rules, development of a procedure for electronic requests, unification of existing practices for application of the Law on Access to Public Information, etc.

Measures for better awareness will be also promoted with an aim to **prevent corruption** – better awareness of the public about the opportunities for reporting corruption, as well as of the civil servants about disclosed corruption cases. Good practices in the field of anti-corruption and avoidance of conflicts of interest will be identified and will be transferred to a greater number of administrative structures.

In order to help counteract corruption, the **cooperation with civil society, media, etc. as well as the partnership between the administrations and other stakeholders** will be promoted by guidelines for partnerships in the anticorruption field, by seminars, publications, joint initiatives, etc. The implemented activities will be widely promoted.

The work of the different **anticorruption units** will be optimised and analyses, proposals and rules for clear differentiation of responsibility and coordination will be developed.

Regular monitoring of the implementation of anticorruption legislation and strategic documents will be performed; periodic analyses will be made on the measures and results achieved in preventing and counteracting corruption.

- ***Control on the activity of the administration***

This activity envisages to analyse and improve existing mechanisms, if necessary, and to identify the need for new mechanisms for **external and internal control on the management and the activity** of the administration, including from the view point of fighting corruption.

Better publicity of the results of the work of control units is needed (including the creation of unified system for announcing the results) as well as the establishment of unified working standards and development or update of the guidelines/the internal working rules of the control bodies. The need to strengthen the coordination function of the Inspectorate General will be analysed. The effectiveness of the mechanism for checking declarations of assets and of possible conflict of interests both of senior state administration employees and of civil servants will be analysed; adequate measures will be undertaken for supporting the work of control institutions and the publicity of found results.

- ***Improving the capacity of the Ombudsman***

The establishments of models and mechanism for interaction of the Ombudsman with other state institutions will be encouraged.

The establishment of effective mechanisms for unifying the work standards of the Ombudsman and the local public mediators has been envisaged as well as the drafting of rules for their interaction; the elaboration and implementation of common best practices for processing claims and signals from citizens, etc. The active interaction with the civil society structures will be promoted through the establishment of public consultative councils to the Ombudsman for effective monitoring on the activity of the administration and increasing civil involvement in governance. The improvement and upgrading of the software of the Public Register of the Ombudsman will facilitate citizens in filing complaints and being consulted online. Projects for increasing the awareness of citizens will be supported regarding the opportunities for protection of their rights.

Beneficiaries

MSAAR, CoM, central, regional and municipal administrations, Ombudsman, local public mediators, civil society structures

Target groups

Central, regional and municipal administration, citizens, business

3. Sub-priority 1.3.

Effective Coordination and Partnership in Policy-Making and Implementation of Policies

Specific objective of the sub-priority

Improving the process of policy-making and policy-implementation in partnership and coordination with all stakeholders

Rationale

Good governance and the greater effectiveness of the administration activity are based on **clear policies and laws**. Good policy drafting is, on the one hand, a guarantee for their successful execution and reaching the set goals. On the other hand, it is a basis for conducting constant monitoring and control on the execution, which is interrelated with the process of enhancing transparency of the administration.

This sub-priority will support the **overall process of policy-making on central, regional and municipal level as well as their implementation**. It includes analysis and strategic planning, preliminary impact assessment, execution of policies and laws, their implementation management, monitoring, control and ex-post impact assessment.

The different administrative structures do not have the needed expert capacity and knowledge for developing and implementing the policies, that is why they have to use the expertise of actors and stakeholders outside the administration. This sub-priority has the purpose to institutionalise effective mechanisms for **inter- and intra-institutional coordination**, as well as for **consultation** between the administrative structures, civil society structures and the private sector.

The improvement of the process of developing and implementing policies through partnership and good coordination pre-supposes respective **training measures** – in the form of pilot ones within the framework of this sub-priority. The results and lessons learned, and conclusions drawn from the trainings will be used as a basis for designing complete training programmes within the framework of Priority axis II, especially in the field of developing the skills for strategic planning, impact assessment, use of methods for data collection, researches and analyses, consultations, evaluation of the proposals of the different partners; among the senior state administration employees for management of programmes and projects, for human resources and financial management, for strategic thinking and communication skills..

The activities under this sub-priority will add on and build upon the measures foreseen in the Strategy for Decentralisation and the programme for its implementation.

Within the framework of this sub-priority the following **indicative types of activities** will be funded:

- *Policy-making through coordination in the structures of state administration and through consultations and partnership with all stakeholders*

Practical manuals will be developed for the overall process of policy-making which will be clarified and distributed to all levels of the administration. Mechanisms will be developed for internal communication as well as systems for information management, supporting the process of policy drafting and implementation.

Of great importance for the development of coherent policies is the improvement of interaction between the administrative structures at each level as well as between different levels (central, regional and municipal). The activities for better coordination within one administrative structure will be supported under sub-priority 1.1., while this sub-priority will strengthen the **interdepartmental coordination between the different administrative structures and the consultative units**. A review of the legislation that envisages mechanisms for consultation and coordination will be carried out; best practices will be defined; directions, instructions and rules will be developed; based on complete analyses of structure and working processes, the effectiveness of the public consultative units, councils and expert working groups will be improved.

Attention will be paid to the improvement of the relations between territorial units of the central executive power and municipalities within one region, and also the activity of the Regional Governor will be supported for ensuring compliance between national and local interests.

During this process and with the above-mentioned means, the involvement of the stakeholders in the process of policy-making in different ways and through different consultative mechanisms will be encouraged by using different consultative methods (citizens panels, discussions with users and focus groups, questionnaire surveys, etc.), including the use of information and communication technologies. Rules and instructions for the implementation of these methods will be developed, as well.

- ***Impact assessment***

Special attention will be paid to the development of administrative capacity for conducting impact assessment as an important step in the process of policy and law making. The work will be directed towards introducing and implementing assessments of impact on economy, on users; assessment of the social impact and of the impact on legislation. The development of methodologies and manuals/instructions on impact assessment by the administrations will be financed.

- ***Introduction of approaches for implementation management and improvement of the system for monitoring and evaluation of policies and legislation***

Activities will aim at the establishment of an administrative culture and methods that are result-oriented, as well as at a streamlined system for monitoring and ex-post assessment of policy implementation. The development of a culture for measuring results should be applied on central as well as on local level.

Rules and methodologies will be developed for conducting monitoring and control on the implementation of legislation and policies; this will contribute not only to the evaluation of the need for their improvement but also to better control, thus adding value to sub-priority 1.2. It will be possible to make a review of the legislation with respect to possible improvements of control mechanisms and sanctions in cases when legislation is not applied by the administration.

Civil society structures will be included in the process of monitoring and evaluation of what has been achieved through policy implementation.

Beneficiaries

CoM, MSAAR, central, regional and municipal administrations, civil society structures

Target groups

Central, regional and municipal administrations, civil society structures

4. Sub-priority 1.4.

The Administration – Partner of the Business

Specific objective of the sub-priority

Using optimally and effectively public resources through PPP

Rationale

For relieving the administration from functions and tasks that can be performed by the private sector and using the resources and experience of the latter for providing services, as well as for building, utilizing and managing infrastructural projects, this sub-priority will actively support the **implementation of PPP**. This requires thorough analysis and review of legislation, and a respective strategy. The selection of partners from the private sector should be made through observing the principles of publicity and transparency, free and loyal competition, equality, non-discrimination, through clear and transparent rules and procedures for granting concessions and awarding public procurement contracts.

Strengthening the administrative **capacity of the state institutions performing coordination and control in the field of PPP and public procurement** is also especially important for the successful use of the new forms of effective public funds management at all levels of administration. The active PPP use and the achievement of good results is related to the conduct of **information campaigns** for the business sector on the possibilities for partnership with the administration.

It is important that PPP can be formed quickly and effectively. In the first months of the programming period activities will be focused on analysis and development of **guidelines and rules in different sectors**.

The remaining programming period will be dedicated primarily to **the dissemination of information on PPP**. Where needed, **further analyses, updating and improvement of legislation, of PPP rules and guidelines** will be funded.

In the framework of this sub-priority the following **indicative types of activities** will be funded:

- ***PPP and outsourcing – legislative framework, analyses, action plans***

Analyses of administrative functions and activities will be performed in order to define those which could be outsourced to the private sector and civil society. The elaboration of sector analyses and specific PPP rules and guidelines for different sectors, especially in infrastructural sectors with high priority such as environment, transport, tourism and social infrastructure will be supported. Based on best practices and the analyses of the existing forms of partnership, measures for improving the legislation in the field can be taken. Action and implementation plans for PPP and outsourcing will be developed.

- ***Capacity of the administration for implementing PPP and conducting public procurement***

The activities will include the development, improvement and update of methodological tools (guidelines, manuals, standard forms, etc.) for implementing the harmonised legislation and good European practices in the preparation, award and management of PPP projects. Measures to

promote to the business sector and civil society the opportunities provided by PPP will be funded, as for example information initiatives, etc.

The capacity of the state institutions responsible for the coordination and control of PPP implementation and the enforcement of PPL regulations will be improved through the elaboration of manuals, guidelines and working methodologies, analyses, measures for better organisation and through other measures for improving their functioning that are different from the trainings under priority axis II.

Initiatives for updating the existing e-system for public procurement as well as initiatives for implementing the possibility to conduct e-auctions will be supported.

Beneficiaries

CoM, MSAAR, MF, PPA, CPC, central, regional and municipal administration, civil society structures

Target groups

Central, regional and municipal administration, CSS, citizens, business

5. Sub-priority 1.5.

Transparent and Effective Judicial System

Specific objective of the sub-priority

Increasing the confidence of citizens and business sector in the judicial system and improving the organisation of its operation

Rationale

The lack of transparency and the corruption in the judicial system result in low level of confidence in it. Also, the ineffective functioning of the judicial authorities leads to additional costs in terms of time and money, both for the judiciary and for the citizens and the business sector.

The accurate **implementation of legislation** regulating the activity of the judiciary as well as **its monitoring** guarantee an effective and quality jurisdiction. In this sense, the sub-priority will be directed towards improving the existing monitoring mechanism, towards developing new ones and then towards improving the legislation based on found weaknesses.

This sub-priority will be focused on enhancing the effectiveness in the work of the judicial system through **improving the coordination** among the different judicial authorities; strengthening their **organisational development** for better functioning, introduction of methods for modern administering.

Strengthening transparency and accountability in the judicial system is an important factor for building the trust of the public. Undertaking measures with respect to the ethical codes of magistrates, the reporting system in the judiciary, public awareness, better publicity of the judicial system activity will all contribute to achieving this effect. Under this sub-priority special attention will be paid to the activities for effective implementation of counteracting and preventing corruption.

In the framework of this sub-priority the following **indicative types of activities** will be funded:

- ***Improving and implementing the legislation for the judicial system***

The improvement of the existing and the creation of new monitoring mechanisms on the legislation implementation is envisaged, as well as mechanisms for reporting the monitoring results. The elaboration of proposals for improving the legislation in force, for further developing and fine tuning of the existing normative base of the judiciary will be also supported. Criteria and mechanisms for assessment of the impact of legislation implementation will be developed and implemented.

- ***Organisational development and coordination of the judicial authorities***

Activities will be supported for **optimising the organisation and specialisation of the courts**; especially the development of the administrative courts will be also funded. Based on functional analysis, activities will be identified for improving the organisation as well as the process of administering in the judicial bodies; methodological support will be provided to the magistrates. Criteria for statistical analyses of the staff workload in the bodies of the judiciary will be developed for the accurate distribution of work and for identifying the staff needed. The implementation of **coordination mechanisms** among the different judicial authorities will be assisted.

Modern, reliable and efficient **procedures for executing the budget** of the judiciary will be implemented.

Measures for the establishment of a **modern court administration** will be encouraged through: evaluation of the functioning and effectiveness of random case distribution, and its introduction in all authorities which are obliged to use it by law; implementation of different mechanisms for oversight on case processing and effectiveness of case administration; exchange of best practices between courts and the prosecutor’s office.

- ***Accountability, transparency and access to information about the activity of the judiciary***

Measures for improving the **mechanisms for providing information** to the public on the activity of the judicial authorities will be financed. Activities will assist the process of increasing the qualification and improving the working rules for all public relations officers at all levels of the judiciary.

Measures will be undertaken for improving the **accountability system** of the judiciary: development and updating of statistical forms for reporting the activity of the judicial authorities, taking into consideration the changes of the legislation; improvement of the system for collecting and processing the reports. The preparation of analyses on the effectiveness of the reporting system used at present will be also supported.

The **ethical standards of the magistrates** will be reviewed and improved in the light of acquired experience, and possibilities for their unification will be analysed.

- ***Anticorruption practices***

Funding will be provided for projects aiming at improving the **mechanisms for identifying corruption cases** and measures against them.

Also the creation and application of a unified, accessible and transparent **system for examining claims**, guaranteeing feedback reaching the claimants, the courts and the prosecutor’s office, will be supported. The development and implementation of **an efficient mechanism for independent oversight or investigation of serious claims** will be promoted.

The **cooperation between the judicial authorities and NGOs** in the field of counteracting corruption, especially on regional level, will be supported through common initiatives, partnership guidelines and greater publicity.

The successful measures for achieving transparency and combating corruption will be further developed, popularised and disseminated as **best practices**.

Beneficiaries

MJ, RA, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, etc.

Target groups

MJ, RA, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, etc.

6. Sub-priority 1.6.

Transnational and Inter-regional Cooperation

Specific objective of the sub-priority

Improving the capacity of the state administration, civil society structures and the judiciary by utilizing the experience and good practices in good governance of other EU Member States

Rationale

With the use of experience, knowledge and ideas of other EU countries or regions, the sub-priority for transnational and inter-regional cooperation will make it possible to successfully implement good governance principles, to increase the effectiveness of state administration, to improve the processes of policy-making and implementation, to develop partnership models with the private sector and to increase transparency and effectiveness of the judiciary. The activities of this sub-priority will attempt to support the exchange of experience with EU member states having similar practices.

Support will be provided for the exchange of experience and best practices between Bulgarian state administration, judiciary and civil society structures and similar structures in the EU member states which are active in the field of good governance. All activities directed towards the execution of the specific goals of all sub-priorities of priority Axis I are eligible. The following will be funded: development of relations as well as transnational and inter-regional networks with other EU member states; exchange of information and experience in the field of good governance through publications, seminars, conferences, study tours, internships, general consultations and trainings; exchange of programme and project managers and personnel, trainers, representatives of stakeholders; transfer and implementation of best practices from other EU member states; common or coordinated development, testing or approval of services or products; other general activities in the field of priority axis I.

Beneficiaries

CoM, MSAAR, MF, MJ, RA, PPA, CPC, Ombudsman, local public mediators, central, regional and municipal administrations, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor's office, National Investigation Service

Target groups

Central, regional and municipal administrations, Ombudsman, local public mediators; SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor's office, National Investigation Service; citizens and business

XII. PRIORITY AXIS II, SUB-PRIORITIES AND INDICATIVE ACTIVITIES

HUMAN RESOURCES MANAGEMENT

Introduction

Human Resources and the proper management are an indispensable factor for the implementation of the state administration reform. The capacity of the administration is a prerequisite both for the successful implementation of good governance principles and for improvement of administrative service delivery.

Investing in human resources is essential for achieving the goals of the Lisbon Agenda. The proper functioning of the institutions is due mostly to the quality of human resources they can attract, retain and develop. The expectations of the citizens and the business sector for the quality of work of state institutions, as well as the performance of their obligations deriving from Bulgaria’s membership in the EU, require continuous enhancement of the skills and competences of the state administration employees, of the magistrates and the court officials.

The effective participation of the civil society in the development and implementation of policies requires improvement in its capacity for cooperation and dialogue with the administration.

Objectives of the priority axis

Improving human resources management and enhancing the qualification of employees in the state administration, the judiciary and the civil society structures

Priority axis rationale

This priority axis corresponds to the needs for overall modernisation of the working processes under the conditions of EU membership. It includes activities for improvement of human resources management in the administration and the judicial system. Good human resources management is related to the employees’ motivation, which directly influences their efficiency and leads to decrease in staff turnover in the state administration.

The implementation of this priority axis includes also high quality training of employees both in the state administration, the judicial system and the civil society structures.

The trainings for the administration will be delivered by taking into account the different needs of the central, regional and municipal administrations.

In order to achieve effective cooperation with the state administration, it is also necessary to improve the qualifications and competencies of the civil society representatives.

Last but not least, it is necessary to enhance the qualifications of magistrates and court officials and that is a key prerequisite for ensuring fairness, impartiality and efficiency of the Bulgarian judicial system.

Within the state administration and the judicial system there are specialised training institutes. They are independent from each other, providing training to different target groups and in different areas. Although some general trainings in foreign languages and IT skills are delivered, the judicial system, being independent, has its own training needs. Taking into consideration the

various needs of the different target groups, an integrated approach in conducting trainings by the state training institutions will be performed if necessary

The priority axis provides for trans-national and inter-regional cooperation allowing exchange of experience and best practices with European institutions concerning human resources management and training in the state administration, civil society structures and judicial system.

In compliance with Art. 34, para 2 of Regulation (EC) 1083/2006, **10% from the total amount of the resources under priority axis II** will be used for complementary financing of actions beyond the scope of the ESF assistance and falling within the scope of the European Regional Development Fund. This complementary financing will be granted only provided that these actions are necessary for the satisfactory implementation of the operations and are directly related to it. Justification will be provided within the project proposals. Using this opportunity will allow for the effective achievement of the objectives of the Priority axis.

Scope

Priority axis II targets the central, regional and municipal administration, the bodies of judicial power and CSS.

Table 9: Priority Axis II Implementation Indicators

| Type | Indicator | Measurement Unit | Baseline | Target 2013 | Sources of Information |
|--------|---|------------------|--------------------|---|--|
| Output | Newly-developed (and updated) training modules | Number | | | - HRM Software, IPAEI, MA - NIJ, MA |
| | - for the administration | | - 101 | - 200 | |
| | - for the judiciary | | - 5 | - 25 | |
| Output | Total number of trained state administration employees | Number | 52 778 | 385 000 for the whole period ¹⁸⁰ | HRM Software, IPAEI, Report on the State of the Administration, MA |
| | - trained women out of the total trained | % | N/A ¹⁸¹ | 50% | |
| | - trained local administration employees out of the total trained | % | N/A | 60% | |
| Output | Civil society structures that have trained their staff | % | 0 | 20% of all civil society structures | MA |
| | - trained women out of the total number trained | % | N/A | 50% | |
| Output | Total number of trained magistrates and court officials | Number | 3 000 | 21 000 | SJC, NIJ, MA |
| | - trained women out of the total number trained | % | N/A | 55% | |

¹⁸⁰ One trained employee may have gone through more than one training module.

¹⁸¹ Not applicable

Operational Programme “Administrative Capacity”, 2007-2013

| | | | | | |
|--------|---|--------|-----|---------------------|--|
| Result | Staff that has successfully completed the trainings upon receipt of a certificate | % | N/A | 80% | HRM Software, IPAEI |
| Result | Administrations using the Single HRM Information System | Number | 0 | All administrations | MSAAR, Report on the State of the Administration |
| Result | Bodies of the judiciary that have introduced a HRM system | Number | 0 | 200 | SJC, MA |

Note: The administration is in the process of ongoing reorganisation. Therefore, the exact number of the administrative structures in 2013 cannot be defined at present.

1. Sub-priority 2.1.

Modern human resources management in the state administration

Specific objective of the sub-priority

Improving human resources management in the central, regional and municipal administrations

Rationale

The main objective of this sub-priority is to create motivating environment for professional career development in the administration and improved effectiveness of civil servants' performance. Modernisation of the staff recruitment methods in the administration, updating key performance indicators and performance related remuneration of the employees are all essential part of modern human resources management. The career development system will be improved by ensuring maximum development of the potential of all the employees in the administration, based on professional achievements, capabilities and management capacity of civil servants. The activities are focused on the implementation of best HRM practices, using the opportunities provided by the new technologies.

The following **indicative types of activities** will be financed through this sub-priority:

- ***Improving HRM policy***

These activities will support the development of analyses and assessments of the effective implementation of the HRM legislation, as well as the organisation of trainings and control over its enforcement.

- ***Recruitment in the state administration***

Activities for updating and development of procedures for recruitment and selection of employees; promotion of the centralised recruitment of the administration and widening its implementation for other administrative positions; development of traineeship programmes for attracting young and educated people, including representatives of vulnerable groups; implementation and promotion of the mobility principles of the staff in the central, regional and municipal administration through information campaigns, etc will be supported.

- ***Career development***

Activities related to the improvement of the performance evaluation of the state administration employees are envisaged, through: development of criteria for individual performance of responsibilities by the employees, development and widening the common framework and the competency standards, revision of the current evaluation scales, ensuring fair and transparent procedures for career development, etc.

- ***Motivation of administration employees***

Development and improvement of methods for motivating employees will be supported, stimulating their professional development within the state administration. Initiatives for improving the conditions for career and professional development will be encouraged, both for men and for women.

Actions for the functioning of transparent and effective single system for financial incentives will be supported, especially in the small municipalities.

- ***Strengthening the HRM units in the administration***

Increasing the role and strengthening the capacity of the HRM units, enhancing professionalism and effectiveness in the activity of the senior civil servants and strengthening their capacity are envisaged. The activity will include strengthening the capacity of MSAAR for formulation and implementation of HRM policy.

- ***Development of integrated HRM information system***

This activity focuses on the improvement of the HRM policy within the state administration through updating the single HRM information system.

Beneficiaries

MSAAR, central, regional and municipal administrations, Institute of Psychology to the MoI

Target groups

Central, regional and municipal administrations

2. Sub-priority 2.2.

Competent and effective state administration

Specific objective of the sub-priority

Improving the professional competencies of the state administration employees for more effective and efficient performance of responsibilities

Rationale

This sub-priority aims at improving the knowledge and skills of state administration employees through supplementary trainings, other than compulsory state-funded trainings already offered by IPAEI.

The IPAEI compulsory trainings delivered under approved training Programmes will be provided through the use of the annually allocated state funds. The trainings targeted towards improvement of the professional qualifications of the administration employees will be financed under OPAC. Trainings on all topics on the effective absorption of the SF and CF will be financed under the Operational Programme “Technical Assistance”.

The trainings under this sub-priority will contribute to the achievement of the other priority axes objectives.

The skills and qualifications of the employees should be developed through upgrading the education level or continuous professional trainings. In order to achieve this objective, cooperation with universities and European and international institutes will also be established. Coordination of the training activities between the different educational institutions will be encouraged.

The trainings provided for the state administration employees shall be of guaranteed quality and shall target the development of new skills. All levels of the administration will have access to trainings corresponding to their needs. This will ensure delivery of high-quality trainings for each administration. Special attention will be paid to strengthening the qualification of employees of municipal administrations, who play an important role in the EU cohesion policy.

Improvement of the capacity of the human resources management units in the state administration and senior civil servants, representing specific target groups under the OP, will be encouraged.

Substantial part of the sub-priority are activities for strengthening the capacity of IPAEI as the main institution responsible for state administration employees’ trainings.

The following **indicative types of activities** will be financed through this sub-priority:

- ***Improvement of the planning and assessment of the training in the state administration***

The elaboration of an overall analysis of the training programmes reflecting the new trends and the needs of the employees at the different levels of the administration will be supported. This activity will finance projects connected with elaboration and development of systems for training needs assessment and evaluation of the trainings themselves. A better planning of the training for the separate positions and employees is also envisaged. The introduction of new training methods to allow the implementation of the professional obligations of the employees will be supported.

- ***Training of the administration employees***

Under this activity it is envisaged to develop programmes for improvement of the qualifications of the employees on different topics such as: policy making; effective management; coordination and monitoring; financial management; principles for administrative services delivery and skills for work with clients; knowledge of EU; European institutions, policies and decision-making processes under the Acquis; impact assessment on the environment; ethics and anti-corruption practices; foreign languages and computer skills for successful communication with the European institutions, inter-cultural communication; e-government concept; etc.

Trainings on the enforcement of PPL and the Law on Concessions are also envisaged. Trainings on basic knowledge and management of PPP will be supported. Strengthening the administrative capacity of the units with coordinating/controlling functions with respect to the PPP and PPL will also be implemented under this activity.

Projects which provide specialised trainings for human resources management units in the administration and senior civil servants on topics such as: communication and leadership skills, strategic planning, organisational management, implementation of the system for assessment, etc. will be financed under this activity. The centre for assessment and development of the senior civil servants shall be used in the delivery of specialised trainings for them.

With a view of the sustainability of the results achieved within the framework of projects under the PHARE Programme, the elaboration of training programmes and trainings of representatives of the minorities and the vulnerable groups for work in the state administration as well as the establishment of a network of training centres related to the implementation of the Acquis will be supported.

In relation to the work with people in disadvantaged position specialised trainings will be delivered to the employees working at the front offices of the administration.

Assistance will be offered for the specialised trainings for enhancement the capacity of the ICT experts in the state administration, as well as trainings for working with the systems of e-government, directed towards employees in the state administration and the judicial system, including magistrates.

The delivery of trainings preparing for the competitions for entering the state administration is provided through this activity.

The expert capacity of the Ombudsman will be improved in the priority areas of influence of the institution. Measures will be undertaken for enhancing the qualifications of the employees at the Ombudsman’s office through specialised trainings in fields such as non-discrimination legislation, equal opportunities, children protection, etc.

• ***Improving the capacity of IPAEI***

Assistance will be provided to activities for the establishment and implementation of effective methods for training needs assessment in the administration; assessment of the trainings delivered; update of the already existing and development of new forms of training; development and widening of the research and publishing activity of the IPAEI.

Resource information centre which contains resources on trainings, analyses and estimates in the field of public administration is envisaged to be established and developed. Projects for setting up IPAEI as a certification centre for the methodology, the training programmes and trainers for the state administration will be financed. Creation and maintenance of a national system of training standards for employees in the state administration will be supported

Assistance will be provided to projects on improving the cooperation and optimising the relations between the universities and the administration. Funding will be provided for projects for

elaboration of educational programmes in partnership with national and European institutions for functioning of the administration in the conditions of EU membership.

Beneficiaries

MSAAR, IPAEI, central, local and municipal administration, Ombudsman, local public mediators, Institute for Psychology – MoI, Bulgarian Academy of Sciences, Translation and Revision Centre, CSS

Target groups

Central, local and municipal administration; potential candidates for work in the state administration.

3. Sub-priority 2.3.

Strengthening the capacity of the civil society structures

Specific objective of the sub-priority

Improving the knowledge and skills of civil society structures for local and national policies implementation and for effective partnership and dialogue with administration

Rationale

The participation of civil society in the formulation, implementation and monitoring of the European and national policies for economic and social development will provide additional expertise and impartiality and will establish a direct connection with key social groups and public interests. To achieve this it is necessary to strengthen their capacity for partnership with the administration. This sub-priority will focus on training of CSS for dialogue with the administration, for participation in the process of policy-making, monitoring of the activities of the administration and partnership between the different organisations. The trainings will help not only for more effective partnership, but also for improving the CSS capacity for services delivery which will enhance the financial situation of the sector. Furthermore, the institutional and organisational capacity of CSS will be strengthened with a view of an effective implementation of their activities which will guarantee their position as adequate participants in the social and economic life in the country.

The following **indicative types of activities** will be financed through this sub-priority:

- ***Organisational development***

Projects for strengthening the CSS institutional capacity will be financed under this activity – partnerships, establishment of networks for cooperation in different fields. The organisational capacity will also be strengthened through elaboration of development strategies, code of ethics, elaboration of job descriptions for the employees in the CSS, analyses will be developed (functional, organisational, etc.) necessary for the effective and efficient work of the CSS, etc. Information resources will be created and updated such as manuals, web sites, online libraries, data bases, registers, etc.

- ***Elaboration and implementation of training Programmes***

Within the framework of this activity, systems for training needs assesment will be developed and implemented, as well as programmes for specialised and continuous training and systems for evaluation of the trainings delivered. Support will be provided to projects which involve training of CSS for improvement of their effectiveness and efficacy: strategic planning, organisational development, time management, team creation and management, elaboration of business plans, financial management, negotiation techniques, dialogue and conflict resolution, policy making, effective monitoring of the implemented policies and legislation, decision making process, acquiring common EU knowledge – policies, institutions, ethics and anti-corruption, public procurement and PPP, computer literacy, language skills, etc. Projects offering contemporary and effective training methods will be supported.

Beneficiaries

CSS

Target groups

CSS; central, local and municipal administration

4. Sub-priority 2.4.

Competent judicial system and effective human resource management

Specific objective of the sub-priority

Improving the qualifications of magistrates and court officials and elaborating overall human resource management policy in the judicial system

Rationale

This sub-priority is directed towards the introduction of a strategic approach in human resource management within the judicial system. The main prerequisite for the development of the judicial system is the availability of **competent and motivated magistrates and court officials**. The correct development of the human resources will lead to increased effectiveness of the bodies of judicial power, decrease of the time for cases handling and better planning, selection, training and career development of the employed in this system.

For that reason OPAC will support the implementation of **a strategic approach in the planning, selection, performance evaluation and development** which will guarantee the implementation of the transparency and equal opportunities principles. Special attention will be paid to **the development of the mechanisms for selection of the magistrates, assessment of their activities and the improvement of the qualifications of the employed in the system**.

After the accession of Bulgaria to the European Union the responsibilities of the magistrates and the court officials increased. In order to deal with the new challenges they need additional training.

An important condition for the improvement of the skills and knowledge of the employees in the judicial system is the **strengthening the capacity of NIJ** which is the only institution providing specialised training in this field. This will provide quality, and timely training connected with the development. In order to achieve this it is also necessary to improve the whole process starting with the training needs analysis, elaboration of training programmes, planning of the trainings themselves, their delivery and investigation of the results. While the national budget will cover the NIJ activities which are mandatory under the Law, OPAC will support other activities such as: ongoing training on topics which are not determined as obligatory by the SJC, training on European Law, training of court officials, magistrates-tutors and correspondents, trainings of the NIJ staff and the activities of the Learning and Resource Centre, etc.

The improvement of the capacity of the NIJ will lead to its establishment as a competitive specialised training institute in the judicial system.

The following **indicative types of activities** will be financed through this sub-priority:

- **Improvement of the HRM**

This activity will provide support for improvement of the human resource management in the judicial system through introduction of system for **centralised conduct of competitions for appointment of magistrates** and for provision of wide access to information about vacancies in the bodies of judicial power.

Analysis will be made of the **needs for changes in the staff number** of magistrates and court officials in the bodies of judicial power. Initiatives will be supported for establishment of

stable criteria for professional development, for establishment and implementation of **new methodology for assessment of the work of the magistrates** and for the establishment of a complete system for **assessment of the workload** in the judicial system. The effectiveness and accuracy of its implementation will be monitored and taking into account possible weaknesses leading to necessity for their improvement.

After assessment of the necessity encouragement will be provided for the creation of **integrated information systems for human resources management** in the bodies of judicial power.

Assistance will be given to the elaboration of clear criteria for stimulating and sanction of the court officials. Support will be provided for: improvement of **the procedure for imposition of disciplinary liability of the magistrates**; register of the disciplinary proceedings and register of the penal proceedings against magistrates.

- *Training for the judicial system*

Training needs analyses will be performed for the magistrates and court officials and the monitoring system for conducted trainings will be improved. Assistance will be provided for carrying out **assessments of the delivered trainings and their results** with a view of elaboration and/or improvement of training programmes.

On the basis of the established needs **specialised trainings** will be delivered on: improvement of the computer literacy of the magistrates and court officials, work with specialised software, information security, newly adopted legislation, specialised legislation, i.e. in the environmental field, different areas of EU Law judicial and police cooperation in penal and civil cases, judicial cooperation in civil cases and case law of the European Court of Justice; cooperation between national courts and the ECJ; judicial protection in the EU; role of the national judge in the EU; fight against financial interest frauds related to the EU financial interests; fight against organised crime, etc.

Special attention will also be paid to the training of the administrative managers and court administrators for improvement of their organisational and management skills, as well as to the training of the inspectors in the Inspectorates at the SJC.

Encouragement will be provided for **joint initiatives** between the bodies of judicial power and the state administration for implementation of meetings and trainings and exchange of experience in the **enforcement of the Administrative Procedural Code**.

- *Strengthening the capacity of NIJ*

Measures will be taken for widening and strengthening of the capacity of NIJ to **make training needs analyses** of the magistrates and court officials and for improvement of its management, as well as for establishing cooperation with other training institutions.

For the achievement of sustainability of the activities already envisaged under PHARE Programme, the capabilities of NIJ **to organise trainings** will be supported through: development of distance online training; establishment of a system for outsourced trainings delivery, mostly for court officials, on the basis of the network of magistrates-correspondents; elaboration and distribution of CDs, manuals, researches and other training materials for the training needs by the Learning and Resource Centre.

Assistance will be provided to the **Learning and Resource Centre of the NIJ** through the development of its capabilities for collection, research and distribution of information for the needs of the judicial system and the training.

Beneficiaries

MoJ, Registry Agency, NIJ, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, etc.

Target groups

MoJ, Registry Agency, NIJ, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, etc.

5. Sub-priority 2.5.

Transnational and interregional cooperation

Specific objective of the sub-priority

Improving the capacity of the state administration, civil society structures and the judiciary by utilizing the experience and good practices in human resources management of other EU Member States

Rationale

The sub-priority for trans-national and inter-regional cooperation will provide an opportunity through the use of the experience, knowledge and ideas of other EU member states or regions for improvement the human recourses management policy in the central, local and municipal administrations, improvement of the professional competence of the administration employees, improvement of the knowledge and skills of the CSS for achieving effective partnership and dialogue with the administration and improvement of the qualifications of the magistrates and the court officials.

The following **indicative types of activities** will be financed through this sub-priority:

It is possible to implement activities supporting the achievement of specific goals of each sub-priorities within priority axes II. Assistance will be provided to initiatives for exchange of experience and best practices in the field of human resources management between the Bulgarian state administration, the bodies of judicial power and CSS and corresponding structures in the other EU member states. Assistance will be given to the elaboration of analyses and implementation of the experience of European HRM systems, establishment of relations and trans-national networks with other EU member states, exchange of information and experience in the field of HRM through seminars, conferences, working groups, traineeships and trainings, exchange of experts and trainers, representatives of the stakeholders and other activities within the scope of priority axis II.

Beneficiaries

MSAAR, MoJ, Registry Agency, IPAEI, central, local and municipal administrations, Ombudsman, local public mediators, CSS, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, NIJ, Institute for Psychology to MoI

Target groups

Central, local and municipal administration, Ombudsman, local public mediators, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, CSS

XIII. PRIORITY AXIS III, SUB-PRIORITIES AND INDICATIVE ACTIVITIES

QUALITY ADMINISTRATIVE SERVICE DELIVERY AND E-GOVERNANCE DEVELOPMENT

Introduction

The process of modernisation of the state administration and the judicial system is closely related both to the introduction of the good governance principles and improvement of human resource management and to the improvement of the administrative service delivery to the citizens and the business sector.

The public opinion and expectations of the citizens and the business sector towards the administration and the necessity for improvement of the business environment impose a reconsideration of the policy in the field of public services, the quality of which should be improved in all aspects. Based on best practices and innovative solutions the administration should set as a key priority in its activities the focus on the user of services. The same is also valid for the judicial system the effective functioning of which is the main prerequisite for favourable business environment, security and the rule of law.

Objective of the priority axis

Modern service delivery provided by the administration and the judiciary

Priority axis rationale

The results of the analysis reveal a number of deficits in the quality of administrative service delivery and the reliability of the administrative and judicial systems. When planning measures to redress them, efforts should **be directed more to the interests and needs of the administrative services users**, rather than to the way of work of the state institutions. It is necessary to develop simultaneously all the means to improve the administrative service delivery – improvement of the legislation in force and the internal administrative working rules, integration of the information systems and the processes and services supported by them, introduction of quality management systems, development of e-governance, etc.

The priority axis is mainly oriented towards **improving the qualitative aspect** of administrative service delivery, and **not only to achieving the quantitative indicators in terms of** number of created front offices, volume of provided services or number of administrations with Internet sites, etc.

An important element of this policy is the continuous **customers’ opinion surveys** and the elaboration of solutions in compliance with their expectations, which shall affect both the working processes and management and yield results in the organisations.

The objective of the priority axis is to render simplified, free of regulative burden administrative services, which shall be provided in rationally built administrative structures (service centres) by specially trained employees. This will facilitate the fulfilment of the defined goals to improve administrative service delivery and achieve good governance. The modern state government is related also to the introduction of information and communication technologies for optimisation of the working processes.

The introduction of information technologies in the judicial system will lead to its more effective functioning, enhanced transparency in the activities of the judicial institutions and better service delivery to the citizens and the business sector on the part of the bodies of the judiciary.

The use of best practices and exchange of experience with other EU member states will contribute to the introduction of innovation and positive experience for raising the quality of administrative service delivery.

MSAAR maintains two Internet-based systems (Report on the State of the Administration and System for Self-assessment of the Administrative Service Delivery) through which it receives and analyses information about the actual state of the administrations and the administrative service delivery. As a ministry which leads a horizontal policy, MSAAR implements projects directed both towards support of structures which do not have enough resources and capacity and towards encouragement of the leading administrations in this respect. In this way adequacy of the measures with respect to the different structures and the level of their development are ensured. This will also be the leading policy in the support of projects within the framework of OPAC.

In compliance with Art. 34, para 2 of Regulation (EC) 1083/2006, **10% from the total amount of the resources under priority axis III** will be used for complementary financing of actions beyond the scope of the ESF assistance and falling within the scope of the European Regional Development Fund. This complementary financing will be granted only provided that these actions are necessary for the satisfactory implementation of the operations and are directly related to it. Justification will be provided within the project proposals. Using this opportunity will allow for the effective achievement of the objectives of the Priority axis.

The complementary funding under this priority axis will be used in: the integration of services; development of the “one-stop-shop”, “single line”, “single fiche” models; introduction of quality management systems; development of traditional methods for administrative service delivery; provision of services to disadvantaged people; improvement of the system for customers’ feedback; development of e-services; provision of standard communication environment and interoperability; development of information systems of the bodies of the judicial system.

The necessary financial resources under the Priority axis are guaranteed since the OPAC’s additionality with other measures on administrative services and e-government, financed by the national budget, is provided.

Scope

The state administration on central, regional and local level, CSS , bodies of the judiciary.

Table 10: Priority Axis III Implementation Indicators

| Type | Indicator | Measurement Units | Baseline | Target 2013 | Sources of Information |
|--------|---|-------------------|------------------------------------|---|---|
| Output | Administrations that have introduced quality management systems | Number | 89 (16% of the administrations) | 125 (approx. 25% of the administrations) | Report on the state of the administration, MA |
| Output | Reviews of administrative services for their online delivery | Number | 800 | approx. 2000 (all administrative services) | Report on the State of the Administration, MA |

Operational Programme “Administrative Capacity”, 2007-2013

| | | | | | |
|--------|--|--------|---|--|---|
| Output | Administrations that have introduced systems for in-house electronic exchange of documents | Number | 270 | All administrative structures | MSAAR, MA |
| Output | Newly-developed/updated information systems of the bodies of the judiciary | Number | 9 | 15 | MoJ, SJC, MA |
| Result | Administrations that observe the time standard for service provision (20 min) | Number | 357 (75% of all administrations) | 466 (98% of all administrations) | MSAAR |
| Result | Administrations that have introduced practices for improving the access of disadvantaged to service delivery | Number | 0 | 70 | Report on the State of the Administration, MA |
| Result | Administrative services delivered online | Number | 100 | 1000 | Report on the State of the Administration |
| Result | Services included in the e-justice portal | Number | 0 | 10 | MoJ, SJC, MA |
| Result | Administrations that have reached stage “excellent” in the “one-stop-shop” principle | Number | 12 (3% of the total number of administrations that provide services) | 70 (15% of the total number of administrations that provide services) | Report on the State of the Administration, MA |

Note: The administration is in the process of ongoing reorganisation. Therefore, the exact number of the administrative structures in 2013 cannot be defined at present.

1. Sub-priority 3.1.

Improvement of the service delivery to the citizens and the business sector, including through e-governance development

Specific objective of the sub-priority

Developing quality administrative services targeted to customers

Rationale

The efficient and effective service delivery to the citizens and the business sector depends to a large extent on the establishment of a stable organisational environment, awareness of the public of the services provided and the establishment of high ethical standards in the administration. The improvement of the administrative service delivery adds to the increase of the confidence of the citizens and the business sector in the administration.

The better service delivery to the citizens and the business sector requires both integration of the administrative services and the development of the forms for their provision. In the provision of services to the citizens this includes both the improvement of the traditional channels for administrative services (postal services and by telephone, on-the-spot services) and the introduction of new technologies in the provision of administrative services. As a priority the integration of services will be directed initially towards the business sector (opening a company, building a production site, realisation of commercial activities, etc.) since in most cases these services are connected with the participation of several administrations. Another important element in the integration of services will be focusing on the administration at the local level as the main place where the users request and receive services.

Assistance will be provided for the further development of the service model “one-stop-shop” and the goal is by 2013 to increase the number of administrations with effectively functioning “one-stop-shop” at the stage “developing” and “excellent”.

With a view of improving the quality of the services it is important that the mechanisms for customers’ feedback be used effectively. The customers and the civil society should be consulted in order to achieve improvement of the administrative service delivery.

The elaboration of a policy for quality management is another key element in the improvement of the administrative service delivery. A wider use of quality management systems by more administrative structures will be achieved through promotion of the possibilities for their use, as well as through support of the administrations in their introduction.

The overall improvement of the administrative service delivery is a complicated process, part of which is the introduction of e-government (integration of information systems, creation of centralised information resources in the areas of common interest, re-engineering of the administrative processes, etc.) and the development of e-services. In this context, the e-governance development is closely linked to the development of the “one-stop-shop” and “single fiche” principles of service delivery.

The provision of integrated e-services leads to increase of the level of satisfaction of the citizens and the business sector thus achieving greater transparency, time and resources saving and mitigation of the administrative process.

The optimal attainment of these goals requires an increase in the still insufficient number of e-services offered to the citizens and the business sector. Important indicators are not just their number, but also their quality and most importantly their level of realisation (the goal is achieving the transaction level). Together with the development of e-services it is important to provide more opportunities to the citizens for public access to the Internet, paying special attention to the vulnerable groups of the population. In this respect, within the OPAC the introduction of e-services will be combined with the creation of access points with the necessary trained staff that will provide possibilities for the use of e-services. On the other hand, the Operational Programme “Regional Development” will support the completion of the modernisation of the transmission telecommunications network, the extension of the local telecommunication network in border and sparsely populated areas and the further digitalisation of this network. This will also help decrease regional disparities through improvement of the access to information technologies and services for all social groups. At the same time, the introduction of the e-governance systems and principles will place the Bulgarian business sector on a par with its partners and competitors from the region and within Europe.

A large part of the administrative service delivery for the business sector is related to the regulatory regimes. Mitigation of the administrative barriers for the private sector through reforms in the field of the regulatory regimes and performing preliminary impact analyses of the proposed regimes will lead to improvement of the business climate and strengthening the competitiveness of the Bulgarian economy.

The following indicative activities will be funded within the framework of this sub-priority:

- ***Overall improvement of the administrative service delivery to the citizens and the business sector***

As a basis for this activity **analyses** should be made of the services offered, the possibilities for their improvement and for the introduction of best practices in the service delivery. Emphasis will be placed on the analysis of the most commonly requested services, provided mostly on local level. Within the framework of this activity projects will be developed for optimisation of the processes in the administration, both for **standardisation and integration of services (integration and interaction of the respective information systems)**, with a particular focus on the wider application of the “one-stop-shop” principle.

Emphasis will be placed on the integration of services mostly on local level, since the municipal administrations are the closest contact point with the customers of administrative services. Priority will be given to the integration of services directed to the business sector since in most cases they require communication among a larger number of administrative structures.

Improvement of the quality of service delivery at the border crossing points is an important element for the modernisation of the administration. That is why within the framework of this activity encouragement will be given to **the improvement of the principle for “single line” checking and payment on the “single fiche” principle at the border crossing points**. On the basis of a uniform model, the OPAC will focus on strengthening the administrative capacity for application, monitoring and control of the functioning of the “single fiche” system, which by the end of 2007 is envisaged to be introduced in all road transport border crossing points at EU external borders with resources from the national budget. The OPAC will also finance promotion activities (information campaigns, specialised materials etc.) on the benefits from paying by the ‘single fiche’ as a way for limiting corruption.

A prerequisite for the improvement of the administrative service delivery is also to increase the **possibilities for access by users to information** about the services offered, including through

alternative channels and new practices such as call-centres. In this case it is a question of flow of information from the administration to the customers. Within the framework of this activity mechanisms should be developed and improved for the receipt of **feedback** for the quality of the services provided and for measuring the level of satisfaction of the citizens and the business sector from those services. Assistance will be provided for the introduction of reliable and controlled systems for handling complaints, proposals and signals with respect to the administrative service delivery. Assistance will be provided for the application in practice of the Methodology for research and measuring the satisfaction of the customers.

Another measure for improvement of the services provided is the development and presentation by the administration of a Client’s Charter. Under this activity assistance will be provided for the promotion of this type of documents, improvement of the control of their application and introduction of compensation mechanisms for the customers in cases of failure to meet the envisaged standards on the part of the administration.

- *Quality management systems*

Under this activity funds will be provided for the introduction of quality management systems for the administrative service delivery and in particular promotion of the ones based on the excellence model of European Foundation for Quality Management (EFQM), like the Common Assessment Framework (CAF), in order to start their wider introduction and application on the part of the administrations. In connection with the support of the administrations in the introduction of quality management systems a number of measures will be taken for promoting the benefits from their introduction, such as: organisation of conferences and seminars, elaboration of information and training materials, etc. Support will be provided for the creation and coordination of a mechanism for the quality management policy, including measures such as: creation of a centralised Internet portal with the latest information on the quality management systems and the best practices and challenges before the administrations that have introduced such systems; creation of groups for benchmarking and bench-learning, creation of pools of experts in the administration who will assist the introduction of quality management systems in other administrations; development and introduction of quality index (rating), etc. Assistance will be provided also to the overall coordination both on national and European level in the participation of Bulgarian administrations in European conferences on quality, events for presentation and promotion of CAF, various quality awards and other similar initiatives.

- *Administrative service delivery to disadvantaged people*

This activity is directed towards the special needs of the disadvantaged people, including in this group both people with disabilities and representatives of the minority groups, the elderly, etc. On the one hand, projects will be financed for facilitation of the access to administrative services mostly to the people with disabilities. In this case what is meant is mostly the development of different channels for access to services by these people. There will be funds also for different forms for improvement of the awareness of people with disabilities of the services offered such as elaboration of brochures and information boards for people with impaired vision, etc.

On the other hand, there are services which target mostly vulnerable groups and the objective here will be to analyse these particular services and lower the administrative barriers for their provision. In this sense, the optimisation of these particular services will be financed as well as the facilitation of the administrative procedures related particularly to these services. Hiring of specialists, who will provide information and support to filling and submitting documents in the administrative service delivery centres, will be supported. The use of good practices of other EU Member States will be also encouraged.

In order to improve the service delivery to vulnerable citizens, the OPAC will support the inclusion of NGOs as “mediators” between the administration and vulnerable citizens for the implementation of activities such as: information campaigns, ongoing provision of information, assistance to users of a particular type of services, etc.

- ***Improvement of the business environment***

This activity aims at improving the business climate in the country. It is of crucial importance to make analyses of the regulatory burden on the economy, of the legal framework regulating the business sector on the part of the state, as well as the elaboration of mechanisms for impact assessment of the newly introduced and current regulatory regimes through consultations with all stakeholders. Within the framework of this sub-priority emphasis will be placed on the preliminary impact analysis of the regulatory regimes making a distinction from a similar type of measures for policy-making and preparation of legislation, envisaged under Priority axis I. The possibilities of outsourcing of some of the regulatory regimes from the administration to the private sector, branch organisations and other non-governmental organisations will be considered.

- ***Development of e-services***

The e-governance development requires as the basic step the implementation of activities on the application and amendment of the legislation in this field, as well as, on the analysis and re-engineering of particular administrative processes with a view of their adaptation to the requirements of e-governance. Projects will be funded for promotion of the offered e-services and their advantages among the end-users through the realisation of information campaigns, elaboration of information materials and brochures and other similar measures. Assistance will be provided to the introduction of Charters of the e-services for the citizens and the business sector. Technologically disadvantaged social groups will be encouraged to use e-services. Places for public e-access to services (the so-called “kiosks”) will be created, including for people with physical disabilities. The necessary hardware will be provided with resources from the national budget, and the OPAC will finance activities on the development of the relevant software or other type of technical assistance for the creation and introduction of these kiosks.

Support will be given to the creation of a **broadband central e-portal** as a main tool for the provision of e-services.

Support will be provided for the elaboration of new and **integrated e-services**. The development of e-services will be a step-by-step process, beginning with the provision of access to comprehensive information on the requirements and procedures of all administrative services through a **centralised web site**. After that, through e-services official documents and forms will be provided and could be used in paper form, as well. This will guarantee easy access to information and more transparency.

In parallel, a system for communication with the administration and for filing complaints will be developed through which support and consultations will be given to the customers of services and also feedback will be gathered on the quality of the service delivery. After the completion of this stage, through pilot projects the gradual introduction of more complex services for the provision of documents will start, before the services widen their scope to total provision of documents to the citizens and the business sector by electronic means.

The preliminary research and assessment will determine the speed and scope of the provision of e-services and the aim is to reach a level which allows 100% of the official documents to be available by electronic means and most e-services to be accessible by electronic interface (Internet, mobile services, etc.) The first priority is reaching the “transaction level” of the services in the list of 20 indicative administrative services offered by electronic means.

The bigger interest on the part of the business sector for direct access to e-services will be taken into account, as well as the preference of the people from the smaller municipalities to receive access to services through the above-referred kiosks, set in the bigger administrative centres.

- *Civil society and administrative services*

In order to encourage and develop the dialogue with the civil society this activity will assist in the realisation of projects for the development and improvement of models for active inclusion of this sector in the process of improvement of the administrative service delivery: participation in preliminary impact analyses of the introduction of regulatory regimes; assessment of the quality of the administrative service delivery; proposals for rationalisation of the administrative procedures, etc.

Beneficiaries

MSAAR, central, regional and municipal administration, CSS

Target groups

Central, regional and municipal administration, citizens, business

2. Sub-priority 3.2.

Standard information and communication environment and interoperability

Specific objective of the sub-priority

Providing standard and interoperable information and communication environment for better administrative service delivery to citizens and business sector

Rationale

The weak progress of the e-governance development in Bulgaria is determined by the lack of single information environment in the state administration, lack of commonly accessible standard software modules that realise basic functions, duplication of data in the information systems of different institutions and outdated communication systems. For the adequate development of the integrated administrative service delivery it is necessary to achieve interoperability and standardisation of the data exchange in e-governance while observing the principle of one-time provision and multiple use of data.

The integrated document exchange environment provides interoperability among the information systems in the administration and the efficient unification of the resources for completion of complex administrative services.

The introduction of an integrated centralised system for georefering of data as part of the e-government will give the opportunity to share spatial information and resources among the institutions.

Within the framework of OPAC assistance is envisaged mostly for the realisation of the analytical part of the development of an integrated information and communication environment and the provision of interoperability. Funding will be provided for activities such as: analysis of the current status, harmonisation of documents, in line with the standards approved in the EU, development and improvement of software, development of technical requirements and specifications, elaboration and improvement of strategic documents related to the policy of e-governance development in Bulgaria, etc.

The hardware realisation of these activities will be financed from the state budget. This is a guarantee for the necessary funding of the envisaged activities with the estimated financial resources under the Priority axis.

The seeming overlapping of some of the activities under this sub-priority is related to the necessity for exercising similar procedures in the process of their implementation aiming at formalisation of the tasks and achieving different end results.

The following **indicative types of activities** will be financed within the framework of this sub-priority:

- *Standard information and communication environment*

The projects under this activity will focus on the creation of a single system for data exchange in the state administration and other centralised systems which present a common interest for the administrative structures, streamlining a centralised platform for development of portals and e-services, creation of specific tools for monitoring of information security and improvement of the

security in data storage and in the management of e-documents; analyses of the processes for restoration of data and analyses of the architecture and the parameters of the state information and communication infrastructure with the aim of optimisation.

Projects for the promotion of electronic signature through the organisation of information campaigns, elaboration of information materials and other similar activities, as well as the development of modules for Multilanguage functionality will also be financed. Assistance will be provided for the creation, application and control of the use of a national model for the creation of in-house rules for work with electronically signed documents.

- ***Interoperability***

This activity covers the creation of an environment, systems and modules for compatibility of the inter-ministerial flow of e-documents. Funds will be given also for the provision of interoperability between the information systems of the administration and those of the civil society structures. Other projects will be directed towards upgrading the computer software in the state administration for the provision of e-services, compatible with the European Interoperability Framework.

As part of the main challenges before the e-governance development in Bulgaria within the framework of this activity funding will be given to the improvement of the centralised system of e-government, as well as for the development of the pilot system for e-region and its integration into the centralised system.

Beneficiaries

CoM, MSAAR, SAITC, central, regional and municipal administration, CSS

Target groups

Central, regional and municipal administrations, citizens, business

3. Sub-priority 3.3.

Improvement of the service delivery provided by the bodies of the judiciary through development of information technologies

Specific objective of the sub-priority

Increasing the effectiveness and transparency in the activity of the bodies of judiciary through the introduction of integrated automatic information systems

Rationale

The use of information technologies in the judicial system will improve the effectiveness and transparency in the jurisdiction. It will give the opportunity both to the structures of the judiciary for a quick and effective data exchange among themselves and also to the citizens and the business sector to make different information checks and receive the information they need by electronic means.

The introduction of **information technologies at all levels in the judicial system** will speed up the procedures for filing cases and their solving, it will provide the timely presentation and control of the court information, it will improve the quality of the provided administrative services, of the cooperation between the bodies of the judiciaries and external institutions. The main task of this sub-priority is to continue the already initiated process of **integration of the information systems** and to guarantee their full applicability in the courts, the prosecutor’s office, and the investigator’s office. The activities under this sub-priority will support also the realisation of the Information Strategy for the Judicial Bodies in the Republic of Bulgaria for 2006-2009.

Encouragement will be provided for the introduction and wide use of e-justice as a new approach, as well as the use of innovative practices in this field.

Within the framework of OPAC it is envisaged to provide assistance mostly for the further **improvement (update) of the already established information systems** (improvement of the existing modules; creation of new ones, etc) with a view of the amendments in the legislation and compliance with the new EU requirements. The emphasis will be placed on the realisation of activities of analytical nature.

Investment projects including **hardware realisation** of the respective activities will be funded by **the national budget** and other appropriate sources. This guarantees the necessary funding of the envisaged activities with the financial means envisaged under this Priority axis.

The following **indicative types of activities** will be financed within the framework of this sub-priority:

- ***Improvement of the information systems of the bodies of the judiciary***

This activity will encourage the improvement and update of the information systems, creation of databases for the needs of the judicial system and web sites. At the moment the systems provide one-way connection, that is, they only provide information. The objective is to achieve a transaction volume so that the citizens and the business sector to be able to communicate with the systems and to achieve a coordinated development of a single communication environment for the judicial system.

It is envisaged a concept (blueprint) to be elaborated which will allow the recovery of data and functionality of information systems as a consequence of losses caused by unpredictable circumstances (force majeure).

Assistance will be provided to activities related to the improvement of the information security in the information systems of the bodies of the judiciary.

Encouragement will be given to the use of paperless flow of information between the Ministry of Justice, the prosecutors, the courts, the bailiffs, etc.

On the basis of the needs analysis support will be given to the creation of overall systems for electronic management which, in addition to the typical tasks of the magistrates, will also include the following activities: financial-economic management, accounting, human resources management, qualifications of the staff, etc. Improvements will be made to the existing unified information systems (for example, the one for the needs of the Prosecutor’s Office); their adaptation in the case of amendments to the legislation; improvement and update of the existing modules and development of new ones.

- ***Interoperability in the judicial system***

The activity is directed towards provision of interoperability and possibility for data and/or documents exchange among the information systems in the judicial systems and between them and the single environment for document exchange of the state administration. It will also provide direct exchange of data and documents with the respective EU systems.

It is envisaged also to improve the Single Information System for Fight Against Crime (SISFAC) in the context of the information exchange on penal cases in the EU.

Assistance will also be provided for the development and improvement of the existing and future registers of the judicial system. Update and improvement will be provided for the information systems of the Property Register, the Commercial Register and BULSTAT Register for harmonisation with the amending legislation; establishment of connection and exchange of data with EC registers.

- ***E-justice***

The activity is directed towards increase of the quality of the services provided to the citizens and the business sector through improvement and development of the system and the centralised portal for e-justice. Support will be provided to realisation of access to other information systems and registers on the basis of a single interface. Within the framework of the activity encouragement will be given to the regular update of the concept of e-justice.

Beneficiaries

MoJ, the Registry Agency, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, etc.

Target groups

MoJ, the Registry Agency, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, etc.

4. Sub-priority 3.4.

Transnational and interregional cooperation

Specific objective of the sub-priority

Improving the capacity of the state administration, civil society structures and the judiciary by utilizing the experience and good practices in administrative service delivery and e-governance of other EU Member States

Rationale

The exchange of best practices and experts between the Bulgarian administration, the judiciary and CSS and similar institutions from other EU member states working in the field of improvement of administrative service delivery and the development of e-governance is an opportunity for optimisation of the results of the undertaken actions and for the introduction of innovations in this field. These initiatives will help improve the capacity of the administration and the judiciary for quality provision of services and achieving greater satisfaction by the customers from the provided services.

The following **indicative types of activities** will be financed within the framework of this sub-priority:

Encouragement will be provided for activities related to the exchange of experience and best practices between the Bulgarian state administration, the judiciary and the civil society structures and similar structures in the EU member states related to the improvement of the administrative service delivery and the e-Governance development.

It is possible to have activities supporting the realisation of the specific objectives of each one of the sub-priorities within Priority axis III. Funding will be provided for: establishment of links and transnational networks with other EU member states; exchange of information and experience in the field of administrative service delivery and e-governance through publications, seminars, working groups, conferences, working visits, traineeships, common consultations and trainings; exchange of programme and project leaders and staff, trainers, representatives of the stakeholders; transfer and introduction of best practices from other EU member states; other joint activities in the field of Priority axis III.

Beneficiaries

MSAAR, central, regional and municipal administration, MoJ, the Registry Agency, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, CSS

Target groups

Central, regional and municipal administrations, MoJ, the Registry Agency, SJC, SJC Inspectorate, SCC, SAC, courts, Prosecutor’s office, National Investigation Service, citizens and business

XIV. PRIORITY AXIS IV, SUB-PRIORITIES AND INDICATIVE ACTIVITIES

TECHNICAL ASSISTANCE

Introduction

The technical assistance is focused on improving the capacity for effective and efficient management and implementation of OPAC in accordance with the requirements of Regulation (EC) No 1083/2006, Regulation (EC) No 1081/2006 and Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund.

Objective of the priority axis

Achieving the OPAC objectives through a high level of ESF funds absorption

Priority axis rationale

The technical assistance supports and facilitates the MA in the process of programming, management, control, beneficiaries and projects selection, monitoring, evaluation and publicity of the Operational Programme. Under this priority axis the capacity of the potential beneficiaries to apply and implement the projects under OPAC will be improved. Promotion of the programme among the general public and the media will ensure awareness of its goals and the results from its implementation.

Using good practices and exchange of experience with other EU member states for working with ESF will contribute to the effective management and implementation of OPAC.

In compliance with Art. 34, para 2 of Regulation (EC) 1083/2006, **10% from the total amount of the resources under priority axis IV** will be used for complementary financing of actions beyond the scope of the ESF assistance and falling within the scope of the European Regional Development Fund. This complementary financing will be granted only provided that these actions are necessary for the satisfactory implementation of the operations and are directly related to it. Justification will be provided within the project proposals. Using this opportunity will allow for the effective achievement of the objectives of the Priority axis.

Scope

Managing Authority, beneficiaries of OPAC, Internal Audit Unit in MSAAR, CSO, citizens, business sector, media

1. Sub-priority 4.1.

Management and implementation of OPAC

Specific objective of the subpriority

Efficient and effective management and implementation of OPAC

Rationale

This sub-priority ensures support for the management and implementation of OPAC (control, monitoring, evaluation and selection of projects, etc.) Its main goal is to provide effective management, implementation, control, monitoring, evaluation and auditing of OPAC through financing support activities. These include expenditures for preparation, selection, evaluation and monitoring of the operations, for audits and on-the-spot checks, for salaries, including social insurances for civil servants and state officials, for monitoring and evaluation of OPAC, for external expertise at all levels of OP implementation, for support of project proposals evaluation.

The focus will be on the continuous strengthening of the administrative capacity of the civil servants in the units, responsible for OPAC management and the concomitant material, human and technical resources for the fulfilment of their tasks and responsibilities.

The following **indicative types of activities** will be financed within the scope of this sub-priority:

- ***Procedures and documents for OPAC management***

All necessary procedures, guidelines, manuals and documents for management and implementation of OPAC will be elaborated and improved within this activity. Support for preparation of the strategic and procedure documents for the next programming period will also be provided.

- ***OPAC management***

This activity involves the preparation of a project pipeline and schemes for implementation of OPAC sub-priorities. The MA will be supported in the development of documents for tendering and calls for project proposals. The participation of external evaluators for quality and independent evaluation of the project proposals will also fall within the scope of this activity. It provides for financing of on-the-spot checks of the sub-priorities, evaluations of the programme implementation, support for financial inspection and control of the sub-priorities.

Trainings for strengthening of the MA and MC capacity will be delivered to enable them to function effectively. The functioning of the MC will also be supported providing for efficient fulfilment of its responsibilities.

The introduction of a motivation scheme for the experts within the MA for the extra work in the process of OPAC management is envisaged.

To achieve effective management, monitoring, control and evaluation of the sub-priorities under OPAC, the MA will be supported with the necessary technical and technological equipment. The meetings of the MC, the working groups to the MC and evaluation committees will also be technically covered.

- *Capacity of the beneficiaries*

The capacity of the beneficiaries to develop, manage and successfully implement projects under OPAC will be enhanced. Special attention will be paid to the skills to manage grant schemes under the individual sub-priorities of the Programme.

- *Audit*

The internal auditors of the MSAAR will be trained to conduct effective audit of OPAC implementation. Internal and external audits of the Programme will be organised within this activity.

Beneficiary

MA of the OPAC

Target groups

MA of OPAC, beneficiaries of the OPAC, internal auditors of MSAAR

2. Sub-priority 4.2.

Promotion of OPAC

Specific objective of the sub-priority

Increasing the public awareness of OPAC and ensuring transparency and openness in its implementation

Rationale

The sub-priority’s goal is to support the MA in the implementation of Communication plan (CP) of OPAC. It also aims to ensure that the assistance provided within the framework of the European Social Fund through OPAC for the period 2007-2013 will be transparent for the general public, the OPAC beneficiaries and all stakeholders. This sub-priority has to increase the public awareness of OPAC implementation, as well as of the positive role of the Community in the process of the establishment of efficient and competent administration in Bulgaria.

The sub-priority will aim to ensure:

- Increasing the public awareness of the scope, objectives and results of OPAC and the value-added of the Community assistance
- Informing the potential beneficiaries of EU funding opportunities provided by ESF through OPAC
- Explaining to the beneficiaries their responsibilities with regard to the implementation of OPAC

The following **indicative types of activities** will be financed within the scope of this sub-priority:

- ***Elaboration and implementation of the OPAC Communication plan and of the Annual Communication Action Plans***

The elaboration and implementation of the OPAC Communication plan and of the Annual Communication Action Plans will be supported within this sub-priority. All the information and communication activities provided therein will be financed.

To achieve this, various communication tools will be used and will be combined to achieve maximum effect. A dedicated OPAC website will be created and will be updated regularly. Information days will be organised for each call for project proposals, where specific information will be delivered to the potential beneficiaries and applicants on the application possibilities and procedures. Broad information campaigns will be carried out in order to increase the public interest towards the programme and to encourage the potential beneficiaries to apply with quality project proposals. The campaigns will include various events – seminars, conferences, etc. Activities for presenting of the OPAC implementation and results to the media and the public will also be financed. Information and publicity materials will be designed and produced – brochures, hand-outs, posters, etc. A regular newsletter will be developed and will be available on the OPAC website. In case of need or interest it will also be published on a hard copy. All the materials produced will be branded with the logo and slogan of OPAC, thus ensuring unique identity and visibility of the programme.

Beneficiary

MA of OPAC

Target groups

MA of OPAC, beneficiaries of OPAC, citizens, business, media

3. Sub-priority 4.3.

Transnational and interregional cooperation

Specific objective of the sub-priority

Improving OPAC management and implementation through the other EU Member States experience and good practices

Rationale

The exchange of good practices and experts with the institutions of other EU member states working with the ESF is an opportunity to improve the management and implementation of the OPAC. The participation of MA experts, representatives of the MC and beneficiaries of OPAC in initiatives for presentation of best practices in the ESF absorption will enable the efficient implementation of their obligations and functions.

This sub-priority will support the exchange of experience and good practices between the MA of OPAC and corresponding structures in the EU member states for management and implementation of the programme. The organisation of study visits in institutions working with the ESF is envisaged. Participation in working groups, initiatives, information networks for exchange of experience in the management and implementation of the OPAC will be financed. The organisation of seminars and events, visits of experts for exchange of experience will also be part of this activity.

Beneficiary

MA of OPAC

Target groups

MA of OPAC, beneficiaries of OPAC, citizens, business, media

XV. INDICATIVE FINANCIAL FRAMEWORK FOR THE PERIOD 2007-2013

Table 11: Indicative financial allocation, 2007-2013

| Priority Axis | % from the total resources for the Operational Programme |
|--|---|
| Good governance | 24% |
| Human resources management | 41% |
| Quality administrative service delivery and e-government development | 31% |
| Technical Assistance | 4% |

XVI. FINANCIAL PLAN FOR THE PERIOD 2007-2013

In accordance with the preliminary financial allocation, the total budget of the OPAC for the period 2007-2013 will amount to 13% of the total assistance under the ESF.

Table 12

At current prices, Euro

| Year | | ESF (1) | Cohesion Fund (2) | European Union, total (3)=(1)+(2) |
|-------|---|--------------------|----------------------|---|
| 2007 | In regions without provisional aid | 11 175 817 | | |
| | In regions with provisional aid | | | |
| | Total | 11 175 817 | | |
| 2008 | In regions without provisional aid | 16 359 955 | | |
| | In regions with provisional aid | | | |
| | Total | 16 359 955 | | |
| 2009 | In regions without provisional aid | 22 275 971 | | |
| | In regions with provisional aid | | | |
| | Total | 22 275 971 | | |
| 2010 | In regions without provisional aid | 23 473 086 | | |
| | In regions with provisional aid | | | |
| | Total | 23 473 086 | | |
| 2011 | In regions without provisional aid | 25 130 207 | | |
| | In regions with provisional aid | | | |
| | Total | 25 130 207 | | |
| 2012 | In regions without provisional aid | 26 796 574 | | |
| | In regions with provisional aid | | | |
| | Total | 26 796 574 | | |
| 2013 | In regions without provisional aid | 28 459 114 | | |
| | In regions with provisional aid | | | |
| | Total | 28 459 114 | | |
| Total | In regions without provisional aid | 153 670 724 | | |
| | In regions with provisional aid | | | |
| | Grand total | 153 670 724 | | |

Operational Programme “Administrative Capacity”, 2007-2013

Table 13: Financial plan by components

Administrative Capacity OP (CCI 2007BG05POO002) - Priority axes by source of funding (in EUR, at current prices)

| Priority axis | Community funding (a) | National counterpart (b)=(c)+(d) | Indicative breakdown of the national counterpart | | Total funding (e)=(a)+(b) | Co-financing rate (f)=(a)/(e) | For information | |
|---|-----------------------|----------------------------------|--|-------------|---------------------------|-------------------------------|-------------------|---------------|
| | | | Public (c) | Private (d) | | | EIB contributions | Other funding |
| Priority axis I Good Governance | 36 880 974 | 6 508 407 | 6 508 407 | | 43 389 381 | 85% | n.a. | n.a. |
| Priority axis II Human resources management | 63 004 997 | 11 118 529 | 11 118 529 | | 74 123 526 | 85% | n.a. | n.a. |
| Priority axis III Quality administrative service delivery and e-government development | 47 637 924 | 8 406 693 | 8 406 693 | | 56 044 617 | 85% | n.a. | n.a. |
| Priority axis IV Technical Assistance | 6 146 829 | 1 084 734 | 1 084 734 | | 7 231 563 | 85% | n.a. | n.a. |
| Total eligible expenditure | 153 670 724 | 27 118 363 | 27 118 363 | | 180 789 087 | 85% | n.a. | n.a. |

In accordance with the provisions of Art. 53 (1) of Regulation EC 1083/2006, ESF financing is calculated vis-à-vis eligible public costs

Table 14: Financial plan (annual allocation), current prices in EUR

| Year | Total (ESF, National budget) | ESF | National budget |
|-------------------------|------------------------------|--------------------|-------------------|
| 2007 | 13 148 020 | 11 175 817 | 1 972 203 |
| 2008 | 19 247 006 | 16 359 955 | 2 887 051 |
| 2009 | 26 207 025 | 22 275 971 | 3 931 054 |
| 2010 | 27 615 395 | 23 473 086 | 4 142 309 |
| 2011 | 29 564 949 | 25 130 207 | 4 434 742 |
| 2012 | 31 525 381 | 26 796 574 | 4 728 807 |
| 2013 | 33 481 311 | 28 459 114 | 5 022 197 |
| Total: 2007-2013 | 180 789 087 | 153 670 724 | 27 118 363 |

XVII. COMPLIANCE OF OPAC WITH THE OTHER OPERATIONAL PROGRAMMES

The decision for the elaboration of OPAC was taken later, after the other operational programmes (OPs) were in quite an advanced development stage. This enables both the use of the experience of the other working groups and to avoid overlapping with the scope of other OPs. The coordination with respect to complementarity and compliance of the different Operational Programmes, the two strategic plans and OPAC has been reached through participation of representatives of the respective structures in the Working Group for the elaboration of the Programme. Due to its specific coverage, OPAC does not overlap with the other OPs, the Rural Development Programme and the National Strategic Plan for Fisheries and Aquacultures, but it supplements them.

OPAC is a horizontal operational programme and is aimed at the state administration, the judiciary, the socio-economic partners and the non-governmental organisations in the Republic of Bulgaria.

Another programme, elaborated in accordance with the National Strategic Reference Framework and that will be co-financed by the ESF is **OP “Human Resources Development”** (OPHRD). Its strategic objective is to improve the quality of life of the Bulgarian people through enhancing human capital, achieving higher levels of employment, increasing productivity, enabling access to high-quality education and life-long learning, as well as intensifying social inclusion. Priority axis 3 of the OPHRD envisages investments for strengthening the administrative capacity of the educational and training institutions and for improving the quality of educational and training services. Priority axis 6 is focused on health care, social services for prevention of social exclusion, improving the efficiency of the institutional systems in the field of labour market, labour conditions, social and health care services, e-services for employment. Part of this priority axis is also capacity building of social inclusion institutions and health care services. OPAC will not finance activities in the above-mentioned areas.

In compliance with Art. 5 (3) of Regulation (EC) No 1081/2006 OPAC will finance activities targeted at capacity building of the social-economic partners (SEP). OPHRD on the other hand will support the joint activities of SEP for enhancing the adaptability of workers and enterprises (priority axis 2), as well as the cooperation with their partners from other EU Member States (priority axis 7).

In the implementation of transnational and interregional cooperation sub-priorities, OPAC will not support beneficiaries who have been granted assistance under the priority axis “Transnational and interregional cooperation” of OPHRD.

The stimulated partnership between the academic institutions, the business sector and the administration is directed towards the development of adequate business sector and administrative knowledge and skills. These interventions supplement one another in three OPs: OPAC, OPHRD and **OP “Development of the Competitiveness of the Bulgarian Economy”** (OPDCBE).

The **OPDCBE** has the objective to develop a dynamic economy, competitive at the European and the world market, and it will be co-financed by the European Regional Development Fund. The creation of conditions for the development of the small and medium enterprises, (activities specified in the OPDCBE) requires improved capacity of the Bulgarian administration for high-quality administrative service delivery to the business sector and reduced regulatory regimes (activities foreseen in OPAC). Both OPs will jointly contribute to higher economic growth and to reducing the administrative barriers for the business sector.

Another OP, co-financed by the ERDF, is the **OP “Regional Development” (OPRD)**. Its objective is to improve the quality of life and the labour conditions, with better access to basic services and creation of new possibilities for improved regional competitiveness and sustainable development. Priority axis 4 of the OPRD foresees capacity building interventions for local and interregional development and support for local initiatives which require the active participation of local and regional stakeholders. This priority axis is focused on small-scale local investments and interregional cooperation. Operation 4.1. of the OPRD covers only improvement of the educational, health care and business infrastructure in the small municipalities. Operation 4.2. will support projects for cooperation between Bulgarian municipalities (associations of municipalities) and their partners from EU Member States. On its part, OPAC will be focused on the modernisation of the state administration in service to the Bulgarian citizens. Under the OPRD, a capacity building plan for OPRD beneficiaries will be developed (it will be mostly targeted at the local and regional administrations). The MAs of the OPRD and of the OPAC will coordinate the activities included in the plan during the whole planning and implementation process.

Priority axis 2 of the OPRD covers activities on creating the necessary infrastructure for improving and expanding ICT networks in the context of the transition to information society. ICT infrastructure projects for municipalities will be supported. The OPRD will support the completion of the modernisation of the transmission telecommunications network, the extension of the local telecommunication network in border and sparsely populated areas and the future digitalisation of this network. This will also help decrease regional disparities through the improvement of access to information technologies and services for all social groups. Thus, the Programme will provide an environment suitable for the development of e-services as set out in Priority Axis III of the OPAC, and will ensure their availability. At the same time, the introduction of e-services under the OPAC will be combined with the establishment of access points with the necessary staff trained and will thus provide the opportunity for using e-services.

The **Rural Development Programme (RDP)** has the following goals for the 2007-2013 programming period: development of competitive and innovative agriculture, forestry, and food processing sectors; preservation of the natural resources and environmental protection in the rural areas, improving the quality of life and diversifying employment opportunities in rural areas. It will supplement the activities envisaged in the OPAC for improving the capacity at local level through investments in the Leader approach. It will be used for the establishment and strengthening of **local action groups (LAG)** and for encouragement of the application of local development strategies, drafted by the groups. In order to eliminate any possibility for overlap between the RDP and OPAC, the LAGs and the activities foreseen in the local strategies will not be co-financed under OPAC.

For the improvement of the administrative services and for the development of e-government, use will be made of the possibilities for investments in infrastructure, supported in the **OP “Transport”** and **OP “Environment” (OPE)**. Both programmes will be supported by the ERDF and the Cohesion Fund.

The specific strategic objectives of the OP “Environment 2007 – 2013” are:

- Preservation and improvement of the condition of water resources
- Improvement of waste management and soil protection
- Preservation of the biodiversity and protection of nature

To avoid any overlap between the OPE and OPAC, the latter will not support activities related to the establishment of Managing Authorities of the identified sites from NATURA 2000 and their further support in view of improving the administrative capacity and the effectiveness of the state administration.

The capacity availability is one of the main prerequisites for effective absorption of the EU Funds. That is why every OP includes a **priority “Technical assistance”**. It will assist for the realisation of activities for improving the knowledge and skills of the Managing Authorities, the Intermediate Bodies and the beneficiaries of the programmes. With regard to the Priority axis IV “Technical assistance”, OPAC will provide support for the Programme management, implementation, monitoring, control and evaluation as well as for publicity measures, programme promotion and exchange of experience. With regard to the existing capacity of local and regional authorities, OPAC will support them by providing training activities related to the specificities of the OP.

OP “Technical assistance” (OPTA) will be used for strengthening of the capacity of the Central Coordination Unit, the Audit Authority, the Certifying Authority, the Managing Authority of the OPTA and the local and regional authorities as potential beneficiaries of other OPs. That is why OPAC does not generally foresee measures for improving the capacity of the entire state administration for working with the EU Funds, but only foresees capacity building measures for the OPAC Managing Authority, the Internal Auditing Unit and the beneficiaries of OPAC. Training activities for local and regional authorities regarding the general principles related to receiving financial assistance from the Structural Funds and the Cohesion Fund of the EU, such as public procurement, audit trail, verification of expenditures, financial management and control, horizontal principles, etc. are included under OPTA. OPAC, on the other hand, will provide training for the local and regional administrations aiming at strengthening their general capacity in fields such as public administration management, strategic planning, policy-making and policy implementation, organisational development, human resources management, accounting etc.

XVIII. PREVENTION OF OVERLAPPING AND DUPLICATION OF THE FINANCING

National authorities will make sure that activities planned to be financed under the Operational programme will not overlap or duplicate with activities financed under the other EC instruments such as the PHARE programme, the Transition and Schengen Facility. Adequate mechanisms will be set up by the Managing Authority to ensure that there will be no overlapping or duplication of financing (including interaction with the NAC, the NAO, Implementing Agencies, SPOs, beneficiaries and contractors, the monitoring committees, and exchange between management information systems). In cases when other financing from the EU is possible in fields falling under the scope of projects under the OPAC, this should be reported to the EC as part of the annual implementation report and in accordance with a jointly approved template.

The Management of Projects and Programmes Directorate is a Sectoral Coordinator for the programming of PHARE/TF projects on public administration reform and on the acquis. Considering that the programming of both PHARE and TF Programmes is almost complete, the Directorate has a full overview on the approved and ongoing projects and is consequently in a position to prevent any potential overlap. The OPAC Managing Authority also performs the functions of a Secretariat of the Sectoral Monitoring Sub-Committee (SMSC) “Public Sector/Development of the Administrative Capacity” where all ongoing PHARE and future TF projects are monitored on a monthly basis.

On the other hand, the “Management of EU Funds” Directorate in the Ministry of Finance performs functions of National Aid Coordinator, as well as a Central Coordination Unit (CCU). The Directorate, therefore, exercises overall coordination of the management of PHARE, TF and the Structural Funds and the Cohesion Fund. Moreover, the CCU expert in charge of the monitoring and evaluation of the “Public Administration Reform” sector is also responsible for the OPAC. This division of tasks is a stable basis for ensuring a smooth coordination between PHARE and OPAC, especially bearing in mind that the “Management of EU Funds” Directorate is also a member of the SMSC and of the Monitoring Committee of the OPAC.

An effective coordination and even utilization of EU funds is secured via the above mentioned coordination mechanisms, thus avoiding potential overlap of the assistance provided.

XIX. HORIZONTAL PRINCIPLES

The Managing Authority of the OPAC will monitor at all stages of its implementation the application of the guiding horizontal principles of the Structural Funds:

- Gender equality and prevention of discrimination
- Innovations and mainstreaming
- Partnership – participation and empowering of all parties concerned in the processes of programming, implementation and evaluation of programmes and projects
- Sustainable development

In relation to this, it is of great importance to ensure also wide public awareness about the possibilities for application of the indicated principles by all parties concerned.

1. Gender equality and prevention of discrimination

The application of the principle of gender equality and prevention of discrimination on the basis of gender, race, ethnical origin, religion or beliefs, injuries, age or sexual orientation is a compulsory integral part of all policies and practices supported by the Structural Funds.

The priorities and the activities of the OPAC are observing the principle of gender equality and lack of discrimination. An important task of the Managing Authority is to ensure its observance during all phases of the OPAC implementation.

While implementing the Programme, emphasis will be given to the development of adequate tools and procedures that will guarantee the effective application of the principle in the context of the different priorities of the OP.

- Financing analyses, research and evaluations of the efficiency of activities, included in the principle of gender equality and prevention of discrimination
- Financing training for representatives of different levels (Managing Authority, Monitoring Committee, social-economic partners, NGOs, beneficiaries) about the role of the principle of gender equality and prevention of discrimination during the OPAC implementation
- Dissemination and promotion of existing best practices as well as the forms and ways of implementing the principle of gender equality and prevention of discrimination when developing project proposals
- Monitoring the implementation of the principle through the indicators for evaluation and selection of projects and activities to be financed under OPAC
- Taking account of and evaluating the principle of gender equality and prevention of discrimination at project level and priority level through the defined indicators for implementation

A large target group for the activities supported by the OP consists of civil servants in the state administration. The gender equality and non-discrimination policy is being observed in the state administration. At the moment most of the civil servants at all administrative levels are women. Female civil servants occupy most managing positions in the administration.

The state administration should also be open to work opportunities of vulnerable groups representatives. Priority axis II is directed also towards the provision of specialised and on-going training for the development of the skills of all people working in the administration.

Measures will be undertaken to inform the public for this horizontal policy. The Managing Authority will make sure that all sub-priorities co-financed by the Structural Funds are in compliance with and contribute to the equal opportunities policy and legislation of the Community.

The equal opportunities principle will also be guaranteed at meetings of the Monitoring Committee.

2. Innovations and Mainstreaming

Within the framework of every operational programme special attention is being paid to the encouragement and incorporation of innovation measures. The application of the innovation principle means development of new approaches and exchange of best practices when enforcing the different policies.

The Managing Authority shall select the topics for supporting innovations within the framework of the partnership and shall define the appropriate conditions for their realisation.

In the OPAC, the support for different elements of innovation activity will be realised in the framework of the different priorities. Support will be given to activities related to the development of innovations and mainstreaming, improvement of the tools of the existing policies and practices, as well as the dissemination of best practices.

In the process of monitoring and evaluation, the degree of projects, programmes and activities innovation will be taken into account, the success of a given innovative activity will be periodically assessed, and ways will be sought for the dissemination of the results and best practices.

The realisation of the principle for innovations encouragement and mainstreaming will be done through the use of appropriate tools and procedures:

- The use of the positive experience of other EU member states;
- Funding of analysis, studies and evaluation of the effectiveness of actions, included in the principle of innovations and mainstreaming;
- Dissemination and popularising of the existing best practices in the field of innovations and mainstreaming as well as the forms and the ways for the application of the innovation principle in project development;
- Reporting and impact assessment through performance indicators, specified for the respective sub-priority.

3. Partnership

As a main element of the good governance, the Managing Authority of every OP stimulates the appropriate participation of social partners in actions supported by the OP.¹⁸² The Regulation requires the provision of adequate participation and access of the social partners and NGOs to activities supported under the OP. In compliance with Art.5.3 of Regulation 1081/1006, the MA of OPAC will encourage social partners to participate in capacity-building activities, including networking activities. Up to 2% of the funding granted to OPAC will finance such activities.

The application of the principle of partnership and empowerment is an important component of all policies and practices supported by the Structural Funds. The basic objective of this principle

¹⁸² Regulation No 1081/2006 for the ESF (Art. 5)

is to guarantee to a sufficient degree the access and participation of socio-economic partners and other parties concerned in the processes of programming, monitoring and evaluation of the ESF support.

The partnership principle will be implemented through the use of appropriate tools and procedures such as:

- Implementing the principle through the evaluation criteria and selection of projects and activities to be financed under OPAC
- Selecting the social-economic partners and NGOs as main beneficiaries for certain OPAC activities
- Taking account of and evaluating the partnership principle at project level and priority level through the defined indicators for implementation
- Including representatives of the social-economic partners and NGOs in the OPAC Monitoring Committee

4. Sustainable Development

The concept of sustainable development is the basis of the economic policy of the Community and represents a comprehensive long-term objective laid down in the Sustainable Development Strategy from Goteborg. It is directed towards continuous improvement of the quality of life for the present and future generations through the creation of stable communities, capable to effectively manage and use resources and to benefit to the maximum from the potential of the economy in relation to the environment and the social innovations, providing for prosperity, environmental protection and social cohesion. The Lisbon Strategy is closely related to the EU objectives for sustainable development.

In the context of the EU Sustainable Development Strategy, the OPAC sets the goal to contribute to economic prosperity by encouraging sustainable development of the administration through better effectiveness, efficiency, transparency and accountability in its activities.

In order to promote sustainable development, the activities under OPAC will be directed towards the following areas:

- Introduction of the principle of good governance in the administration
- Promotion of innovations
- Development of e-services
- Promotion of employment possibilities in the administration among the young people
- Promotion of life-long learning

The Managing Authority of OPAC will guarantee the implementation of the principle of sustainable development through the use of appropriate tools and procedures:

- Funding of analysis, studies and evaluation of the effectiveness of actions, included in the principle for sustainable development
- Dissemination and popularisation of the forms and ways for application of the principle of sustainable development in project design
- Incorporation of the principle of sustainable development in the process of selection of activities under the OPAC

- Reporting and impact assessment through performance indicators, specified for the respective sub-priority

XX. SPECIAL PROVISIONS

All operations financed by OPAC have to be in compliance with the provisions of the Treaty establishing the European Community (EC Treaty) as well as with the EU legislation in the field of economic competition and environment.

Public procurement

All issues concerning the activities related to granting of public procurement contracts are regulated by the Law on Public Procurement (LPP) that is in force since 1 October 2004. With the latest amendments and supplements of the LPP from the year 2006, the whole normative framework has been harmonised with the European law and with the requirements of the EU directives in the field of public procurement. The LPP and the secondary legislation for its enforcement contain provisions that guarantee the principles of publicity and transparency, free and fair competition, equal treatment and non-discrimination.

The state policy related to public procurement is enforced by the Minister of Economy and Energy. An independent administrative structure – the Public Procurement Agency – has been established under his guidance; the Agency has the responsibility to guarantee the effectiveness of the public procurement system in Bulgaria.

The operations financed by OPAC will be implemented following the strict application of the public procurement rules.

The Managing Authority guarantees that public procurement contracts or concessions awarded, concerning projects benefiting from the assistance of the European Social Fund comply with the provisions of Directives 2004/17/EC , 2004/18/EC , Regulation (EC) No 1564/2005 or the Treaty principles where applicable.

State aid

After the accession of the Republic of Bulgaria to the EU, the provisions of Art. 87 and 88 of the Treaty establishing the European Community as well as the regulations' provisions in the field of state aid are directly applicable. The European Commission possesses ultimate powers regarding evaluation and control of the compliance of state aid with the free competition principles.

Hence, any public support under this programme must comply with the procedural and material State aid rules applicable at the point of time when the public support is granted.

The Minister of Finance is the national body responsible for the monitoring, transparency and coordination of state aid.

The Managing Authority is fully responsible for ensuring compliance with the state aid rules under this Programme. It is responsible for the identification of operations and activities falling under State aid rules. In these cases it controls the legality of provided state aid, forwards notifications and monitors the enforcement of decisions of the European Commission regarding these cases. The relations between the Managing Authority and the European Commission on state aid issues are to be realised via the Minister of Finance.

In this regard the main responsibilities of the Managing Authority under national and Community laws are:

- to report to the Minister of Finance for granted state aid
- to inform the Minister of Finance in advance for every intention to grant new state aid
- when the aid is falling into the scope of a block exemption regulation, to ask in advance for the agreement of the Minister of Finance for the planned state aid
- to exercise control for conformity with the law of the provision of de minimis aid in compliance with the active regulation of the European Community concerning the application of Art. 87 and 88 of the EC Treaty to de minimis aid. To inform the Minister of Finance within up to three days from the date of granting of aid falling into the scope of the de minimis aid
- to keep an own register of the state aid and de minimis aid, being responsible for the authenticity of the data in it, and to provide access for the Minister of Finance upon his request."

Environmental impact

The implementation of the OPAC operations will have no direct environmental impact. In this connection, the Ministry of Environment and Waters of the Republic of Bulgaria were asked, in compliance with the Directive 2001/42/EO, for its opinion about the necessity of an environmental risk assessment regarding the OPAC. In its answer, the Ministry stated that such an assessment is not necessary, referring to the provisions of the Law on Environmental Protection.

Due to this fact, no environmental impact assessment for the Programme will be made. At an individual project level, the principle of environmental impact will be observed where applicable.

XXI. OPAC IMPLEMENTATION AND MANAGEMENT

1. Institutional framework for OPAC management

1.1. Managing Authority

With Decision No 965/16.12.2005 of the Council of Ministers Management of Projects and Programmes Directorate (MPPD) has been designated to act as MA of the OPAC.

In accordance with the European Commission recommendations for maximum simplification of the OPAC management structure no Intermediate Body has been established to implement the OPAC. That requires the clear separation of functions between the different actors (MA and beneficiaries).

The Managing Authority (MA) shall be responsible for effective and efficient management, and implementation of the Operational Programme. According to Art. 60 of the EC Regulation No 1083/2006, the responsibilities of the MA include the following:

- Ensuring that operations are selected for funding in accordance with the criteria applicable to the Operational Programme and that they comply with applicable Community and national rules for the whole of their implementation period
- Verifying that the co-financed products and services are delivered and that the project expenditures declared by the beneficiaries for operations comply with the Community and national rules; verifications on-the-spot of individual operations may be carried out on a sample basis in accordance with the provisions of EC Regulation No 1828/2006
- Ensuring that there is a system for recording and storing in computerised form accounting records for each operation under the Operational Programme and that the data on implementation data necessary for financial management, monitoring, verifications, audits and evaluation are collected
- Ensuring that beneficiaries and other bodies involved in the implementation of operations maintain either a separate accounting system or an adequate accounting code for all transactions relating to the operation without prejudice to national accounting rules
- Ensuring that the evaluations of the Operational Programme referred to in Art. 48(3) of the EC Regulation No 1083/2006 are carried out in accordance with Art. 33 of EC Regulation No 1083/2006
- Setting up procedures to ensure that all documents on expenditures and audits, required to ensure an adequate audit trail, are held in accordance with the requirements of Art. 90 of the EC Regulation No 1083/2006
- Ensuring that the Certifying Authority (CA) receives all necessary information on the procedures and verifications carried out in relation to expenditures for the purpose of certification
- Guiding the work of the Monitoring Committee and providing it with the necessary documents required to permit the quality of the implementation of the Operational Programme to be monitored in the light of its specific goals
- Drawing up and after approval by the Monitoring Committee, submitting to the Commission the annual and final reports on the Programme’s implementation
- Ensuring compliance with the information and publicity requirements laid down in Art. 69 of EC Regulation No 1083/2006

The Management of Projects and Programmes Directorate consists of three departments. The distribution of functions by departments as of 01.04.2007 is as follows:

Programming and Contracting Department

Functions of the department

- Develops a system of projects
- Develops the criteria for project selection
- Consults beneficiaries on project proposal development
- Implements the calls for proposals and prepares the proposal tender documents
- Selects the members of the evaluation committees and presents them to the Minister for approval and appointment
- Acts as a chair and secretariat of the evaluation committees
- Presents the evaluation report for selection of projects for approval to the director of the MA
- Prepares the contracts with the beneficiaries and presents them for approval and signature to the Minister/Director of MA
- Prepares the tender documents and carries out the procedures for public procurement under the TA
- Approves the tender documents of the beneficiaries under the different tenders organised by them
- Stores all documents related to the calls for proposals
- Prepares the certification report for compliance of the projects
- Checks irregularities (for delivery of goods and services) on-the-spot and reports them to the Irregularities Officer

Monitoring and Publicity Department

Functions of the department:

- Checks the tender documents, the implementation of the procedures, the contracts with the beneficiaries for compliance with the EU policies
- Checks the tender documents for compliance with the eligibility rules and the public procurement rules
- Monitors the implementation of the projects and the work of the beneficiaries
- Summarises the reports on irregularities and if necessary takes corrective actions
- Prepares certification reports for compliance of the projects
- Summarises all compliance reports and sends them to the CA
- Acts as secretariat of the MC
- Periodically prepares reports for the implementation of the Programme and submits them to the MC for approval (including suggestions for reallocation of resources)
- Operates with the MIS at project level
- Operates with the database of the EC and submits the necessary information to the EC

- Assumes responsibility for the evaluation of the OP
- Ensures compliance with the requirements for information and publicity of the Programme implementation, including the responsibility for development, implementation and coordination of the OPAC Communication Plan on national, regional and local level.

Financial Management Department

Functions of the department:

- Carries out 100% checks of the expenses of the beneficiaries against the eligibility rules
- Carries out on-the-spot sample checks of the financial documents of the respective activities/sub-priorities
- Periodically checks and approves the certification reports submitted by the beneficiaries at sub-priority/activity level and summarises them at priority axis level
- Receives requests for payment by the beneficiaries
- Operates with the OPAC accounting system
- Checks for the existence of a separate accounting system and audit trails with the beneficiaries
- Prepares payment forecasts
- Prepares requests for payment to the CA based on the forecasts
- Pays the beneficiaries after certification of the expenses
- Stores all accounting documents

1.2. Certifying Authority (CA)

The National Fund (NF) Directorate within the Ministry of Finance has been designated as Certifying Authority for the OPAC. According to Art. 61 of the EC Regulation No 1083/2006 the responsibilities of the NF (CA) include the following:

- Drawing up and submitting to the Commission certified statements of expenditure and applications for payment
- Certifying that:
 - the statement of expenditure is accurate, results from reliable accounting systems and is based on verifiable supporting documents
 - expenditures declared comply with applicable Community and national rules and have been incurred in line with operations selected for funding in accordance with the criteria applicable to the programme and in compliance with Community and national rules
- Ensuring for the purposes of certification that it has received adequate information from the Managing Authority on the procedures and verifications carried out in relation to expenditures included in the expenditure statements
- Taking account for certification purposes the results of all audits carried out by or under the responsibility of the Audit Authority
- Maintaining accounting records of expenditures declared to the Commission in computerised form

- Keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the general budget of the European Union prior to the closure of the Operational Programme by deducting them from the next statement of expenditure.

1.3. Audit Authority (AA)

The Audit of EU Funds Directorate within the Ministry of Finance has been designated as an Audit Authority for the OPAC. The Audit of EU Funds Directorate has two departments: EU Pre-accession and Structural Funds Department and ISPA and Cohesion Fund Department. The Audit of EU Funds Directorate is directly subordinated to the Minister of Finance.

In compliance with Regulation 1083/2006 the responsibilities of the AA include the following:

- Within nine months of the approval of the Operational Programme, present to the Commission an audit strategy covering all bodies which will perform the audits
- Ensure that audits are carried out to verify the effective functioning of the management and control system of the Operational Programme
- Ensure that audits are carried out on operations on the basis of an appropriate sample to verify expenditure declared
- By 31 December each year from 2008 to 2015:
 - (i) Submit to the Commission an annual control report setting out the findings of the audits carried out during the previous 12 month-period ending on 30 June of the year concerned in accordance with the audit strategy of the Operational Programme and reporting any shortcomings found in the systems for management and control of the Programme. The first report due by 31 December 2008 shall cover the period from 1 January 2007 to 30 June 2008. The information concerning the audits carried out after 1 July 2015 shall be included in the final control report supporting the closure declaration referred to in point (e);
 - (ii) Issue an opinion, on the basis of the controls and audits that have been carried out under its responsibility, as to whether the management and control system functions effectively, so as to provide a reasonable assurance that statements of expenditure presented to the Commission are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular (Art 62, 1 (d) – EC Regulation No 1083/2006)
- Submit to the Commission by 31 March 2017 at the latest a closure declaration, assessing the validity of the request for payment of the final balance and the legality and regularity of the underlying transactions covered by the final statement of expenditure, which shall be supported by a final control report

The AA ensures that the audit work is carried out in compliance with the international audit standards.

When the audits and controls are carried out by a different institution, the AA ensures that they are functionally independent.

1.4. Compliance Assessment Body

The functions of Compliance Assessment Body (single for all Operational Programmes in Bulgaria) under Article 71 of Regulation 1083/2006 will be performed by the “Audit of EU Funds” Directorate within the Ministry of Finance in accordance to CM Decision from August 2006. The “Audit of EU Funds” Directorate is responsible for making an assessment of the systems of the Operational Programmes and giving an opinion on their compliance with the provisions of Regulation 1083/2006. For the performance of the Compliance Assessment (including elaboration of methodology, performance of compliance assessment audits and elaboration of reports) of the Operational Programmes the “Audit of EU Funds” Directorate will be assisted by external experts and auditors.

1.5. Monitoring Committee

According to Art. 65 of the EC Regulation No 1083/2006 and CoM Decree No. 182/21.07.2006, the Monitoring Committee observes the effectiveness and quality of the implementation of the Operational Programme, and:

- Considers and approves the general criteria for selecting the operations
- Periodically reviews the progress made towards achieving the specific targets of the Operational Programme on the basis of documents submitted by the MA;
- Examines the results of implementation, particularly the achievement of the targets set for each priority axis and the evaluations referred to in Art. 48(3) of EC Regulation No 1083/2006;
- Considers and approves the annual and final reports on implementation referred to in Art. 67 of EC Regulation No 1083/2006;
- Receives information for the annual control report, or for parts of the report, as well as any relevant comments the Commission may make after examining that report or parts of the report;
- May propose to the MA revisions or review of the Operational Programme which could support the achievement of ESF objectives or improve the management of the Programme, including the financial management;
- Considers and approves any proposal for amending the content of the Commission decision on the contribution from the ESF.

Upon its constitution, the MC adopts detailed rules of operation.

The composition of the MC has been defined by Order of the Minister of State Administration and Administrative Reform No. P-42/20.09.2006.

The voting members of the Monitoring Committee are representatives of:

- The Managing Authority of the OPAC
- The Ministry of State Administration and Administrative Reform
- The Ministry of Regional Development and Public Works
- The Ministry of Economy and Energy
- The Ministry of Labour and Social Policy
- The Ministry of Transport
- The Ministry of Environment and Waters
- The Ministry of Agriculture and Forestry

- The Ministry of Finance:
 - The Central Coordination Unit
 - The Certifying Authority
 - The MA of OP Technical Assistance
- The Agency for Economic Analyses and Forecasts
- The Council of Ministers:
 - The Economic and Social Policy Directorate
 - The Strategic Management and Planning Directorate
 - The Coordination of EU and International Financial Institutions Issues Directorate
- The Ministry of Health
- The Ministry of Justice
- The Ministry of Education and Science
- The Executive Agency for Fisheries and Aquaculture
- The Public Procurement Agency
- The IPAEI
- The National Statistical Institute
- The National Association of Municipalities in the Republic of Bulgaria
- The Regional Councils for Development of the Planning Regions
- The Bulgarian Industrial Association
- The Bulgarian Chamber of Commerce and Industry
- The Union for Economic Initiative
- The Confederation of Employers and Industrialists in Bulgaria
- The Bulgarian Industrial Capital Association
- The Confederation of Independent Trade Unions in Bulgaria
- The Confederation of Labour “Podkrepa”
- The Trade Unions Association “Promiana”
- The Bulgarian Union of Private Entrepreneurs “Vazrajdane”

NGOs may participate in the MC as observers.

At the initiative of the MA, the composition of the Monitoring Committee may be revised and expanded in order to guarantee representative membership and partnership of all stakeholders, without the need to revise the OPAC.

The Chair of the Monitoring Committee is the Deputy Minister of State Administration and Administrative Reform, in charge of the OP Administrative Capacity. The Chair of the Monitoring Committee is a non-voting member. The Secretariat of the MC is the Monitoring and Publicity Department of the MA.

2. Implementation of the Programme

2.1. Role of the Beneficiary

The Beneficiary applies for implementing projects, co-financed by the ESF under the OPAC. Upon signature of a contract/agreement with the MA for implementation of specific projects, the beneficiary is responsible for implementing project activities correctly and precisely in accordance with the contract signed with the MA.

The beneficiary selects a contractor for the project by preparing tender documentation, organising tenders in accordance with the Law on Public Procurement or CoM Decree No 55/12.03.2007 and signs a contract with the selected contractor.

The contractor guarantees that reimbursement will be requested only for expenditure actually incurred and eligible under the contract.

Once contracted and service provided, invoices are issued by the contractor and submitted to the Beneficiary. The Beneficiary conducts 100% checks of the invoices and carries out verification of the compliance of the provided products/services with the criteria set, incl. on-the-spot checks, if necessary.

The beneficiary pays 100 % of the invoice value to the contractor with its own resources and prepares a request for payment to the MA up to the amount of the verified invoice.

A verification report of the delivered products or services is prepared and together with the invoices and the request for payment are submitted for verification and approval to the Financial Management Department and to the Monitoring and Publicity Department of the MA.

In addition, the beneficiary is responsible for:

- Summarizing detected irregularities in a report and submitting this report to the MA
- Ensuring that the public is informed of the EU projects co-financed under the OPAC
- Preparing regular project progress reports and submitting them to the MA

In order to ensure the necessary data and reporting to the MA, the beneficiary guarantees the maintenance (filing and archiving) of financial data, supplementary documents and reports consistent with the requirements of Art. 60 of EC Regulation No 1083/2006.

2.2. Selection of Projects for Financing

The Managing Authority carries out the complete responsibility for the project selection procedure. The MA prepares the main operation selection criteria and presents them for approval to the Monitoring Committee.

The Managing Authority guarantees the transparency, objectivity and effectiveness of the selection procedure and therefore, the quality of the approved projects, based on the strategic approach for service reform by combining more than one project.

In order to guarantee objective evaluation, the Evaluation Committee members and the experts, who are related in any way to the project proposal under evaluation, do not participate in the evaluation process.

Evaluation Committees function at the national level and include representatives of the Managing Authority, the beneficiaries, the relevant ministries, the civil society structures and the district and municipal authorities. Evaluation Committees may also include independent experts invited for their specialised expert knowledge in a specific field necessary for the correct evaluation

of the projects. The evaluation of projects is performed in accordance with the project selection criteria, approved by the Monitoring Committee.

2.3. Financial Management of the OPAC

Financial management and control of all funds (national and EC) are a shared responsibility of the MA and CA.

The described division of functions and responsibilities in the claim and certification processes is based upon the current national legislation and the established EU rules.

The procedures for management and control of the OPAC are subject to compliance assessment in accordance with Art. 71 of EC Regulation No 1083/2006 and the interim payment is subject to the reliability of these systems.

2.3.1. Body responsible for receiving funds from the EC

With a CoM Decision No. 988 the National Fund Directorate within the Ministry of Finance has been designated as the entity responsible for receiving funds from the EC for OPAC.

2.3.2. Body responsible for making payments to beneficiaries

The MA of the OPAC shall be the entity making payments to beneficiaries. The Financial Management Department reimburses expenditures and makes payments requested by beneficiaries in accordance with the respective co-financing made by the beneficiary with no delay or deductions.

2.3.3. Role of the Managing Authority

Upon signature of the contracts/agreements with the beneficiaries, the MA is responsible for collecting information on the expenses submitted by the beneficiaries in a monthly report (written document, consisting of a summary information on all invoices paid during the period, analysis of the information, description of each invoice, relevant contract, detailed description of all procedures and methods, used in the verification process).

The MA checks the report for:

- Compliance (the invoices apply to a project approved in the framework of the Operational Programme and this can be verified)
- Formal checks (the invoices have been issued to the beneficiary’s name and address, the date of performance is after the date of approval of the application, etc.)
- Content (the invoices contain eligible expenditure included in the support contract, which correspond to the objectives of the operation, etc.)
- Credibility (the invoices have not been submitted to another Programme; according to formal checks the invoices meet legislative requirements, etc.).

The MA prepares a general report at sub-priority level, annexed with project lists and references made to the verification of the beneficiaries. With the verification report the MA confirms that:

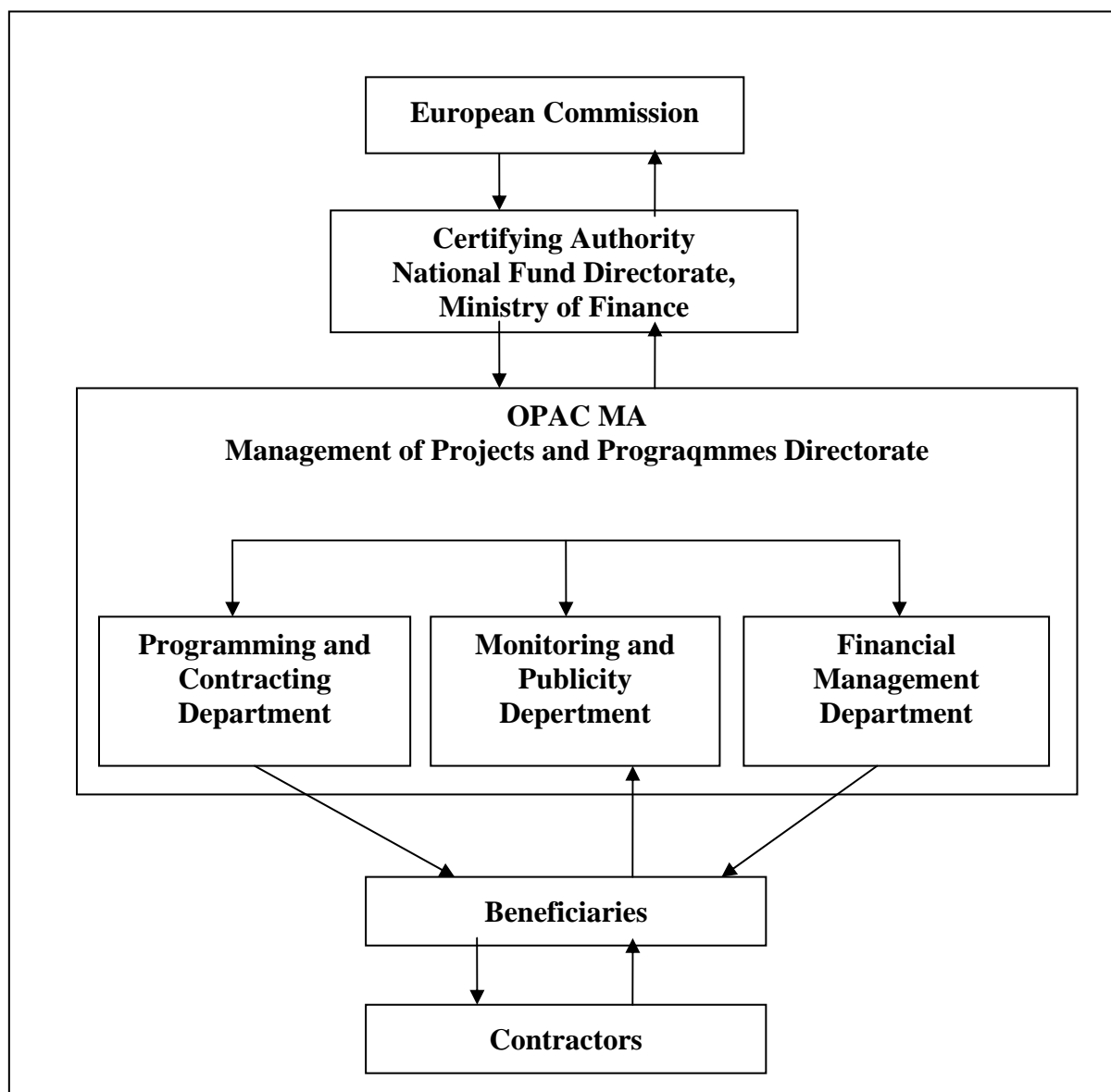
- Expenditures on the sub-priority are consistent with the provision of Commission Regulation (EC) 1828/2006 and with national eligibility rules
- The expected result of the sub-priority is consistent with the objectives of the OP

- The payment claim is based on eligible expenditures actually paid out by the beneficiaries and supporting documentation is available
 - The expenditures claimed, have been paid within the eligibility period for the OP
 - Physical and financial progress is being monitored including on-the-spot checks and sample checks where appropriate
 - There has been no overlapping of EU aid for the projects
 - Evidence of receipt of funds by the beneficiaries is available
 - Details of the underlying transactions are recorded, where appropriate on computer files, and are available to the responsible Commission services and national authorities upon request
 - The expenses are reconciled between the implementation and financial units and the discrepancies, if any, are duly justified
 - No financial control weaknesses, risks or irregularities have been identified related to the project in question, or if any, corrective actions have been/will be taken.

Upon completion of all necessary checks the MA submits the aggregated documents (verification report, compliance report for the delivery of goods and services) and a request for payment to the CA. The request for payment is an official written document, issued by the MA to the CA, for advanced, interim or final payment of the defined sum. The request is in BGN. The MA may send requests for payment each month. The information included in the request shall be for the previous month. Following approval of the request for payment and certification of the expenses, the CA opens a limit in the MAs bank account equal to the amount requested in the request for payment. Upon granting the approval of request for payment by the CA, the MA arranges for the beneficiaries to receive payment in full with no deductions, retention or further specific charges.

If the conditions for certifying the expenditure are not fulfilled, the CA informs the MA on any identified differences/problems. The MA shall provide explanations on the deviations or problems and propose corrective measures with implementation deadlines. Upon receiving from the MA a reliable explanation of the identified problems or if the proposed appropriate corrective measures to eliminate the problems are satisfactory, the CA shall certify the statement of expenditure.

Figure: Financial flows



3. Audit and Control Procedures

3.1. Internal Control

The system for internal control ensures reasonable, however not absolute guarantee that the set goals should not be hindered during the implementation of OPAC. It includes the policies, the processes, the tasks, the behavior and other specific aspects, which can ensure effective and efficient management of OPAC, through proper reaction of the operational, financial and combination of other risks during the achievement of the purposes. This includes:

- Protection of the EU Funds and National budget from illegal usage, loss or fraud
- Ensuring qualitative internal and external reports, which imposes maintenance of relevant archives and processes, assuring timely, relevant and reliable information
- Ensuring the compliance between the applicable EU and national legislation, as well as with the policies concerning the Ethical Code.

The system for internal control decreases (but it can not eliminate):

- Possibility of bad estimation in the process of decision making
- Human mistakes (weakness)
- Intentional circumvent of the control processes by the staff and other persons
- Disregard of the management control
- Unforeseen circumstances

It should:

- be in condition to give a quick response to the potential risks which are as a result of changes in the environment
- include procedures for immediate reporting to the relevant management level and especially to the CO. Each fault or weakness of the control system is identified together with the corrective actions taken.

3.2. Verification of the Activities

In the frame of the management and control systems, beneficiaries elaborate and apply detailed procedures for verification of the submitted goods and services and the actual made expenditures and ensure compliance of the expenditures between the National and EU legislation, especially for the limit of the costs for the relevant aid, public procurement, state aid, protection of the environment, and equal opportunities. The costs can be verified only after applying the control on first level. In the period 2007-2013 the on-the-spot checks (first level control) shall be carried out in compliance with Art. 60 (b) of EC Regulation 1083/2006 and Art. 13 (2) of EC Regulation 1828/2006.

3.3. Audit Trail

The audit trail is a means of system monitoring, recommended by the EU for monitoring the absorption of funds from the SF and the CF. It requires a description of the programme and sub-priorities implementation in the form of texts, tables and flowcharts. This description includes different ToR and communications levels, as well as the management and the ex-ante auditing processes, thus allowing monitoring and follow-up.

3.4. Ex-ante Control

The MA is responsible for the management and implementation in compliance with the principle for sound financial management. It guarantees that the operations are selected for financing according to the selection criteria approved by the MC, and **they comply with the applicable EU and national rules** for the whole implantation period (Art. 60 (a) of EC Regulation 1083/2006).

With regard to these requirements the MA shall established a system for ex-ante control for the documentation that regulates the implementation of the operations under the OPAC. The ex-ante control shall guarantee that the procedures carried out and the documents related to them are in compliance with the requirements of OPAC and the applicable Community rules and national legislation.

3.5. Internal Audit

All organisations and institutions involved in OP implementation have established internal audit units. The MA of OPAC also has such unit which is directly subordinated to the Minister of State Administration and Administrative Reform. The internal audit activities are performed in compliance with the national legislation. The internal auditors of MSAAR will audit the implementation of OPAC, including the beneficiaries.

3.6. Risk Management

The risk management is a continuous process. The detection, assessment and management of the risks that could affect the attainment of OPAC objectives, is a responsibility of the OPAC top management. The OPAC risk management sets the framework for enhancing the management effectiveness. It helps to determine the problems, which are above the tolerable risk level, and to identify the fields in which the control systems are most effective. Furthermore, it is a tool for making strategic decisions. The MA is responsible for ensuring risk assessment and will do the utmost to minimise and alleviate the possible risks in the institutions involved in OPAC implementation.

3.7. Irregularity Reporting

All relevant bodies are responsible for detecting irregularities and notifying them to the OPAC Managing Authority, which on this basis will prepare irregularity report for the Certifying Authority. The Certifying Authority will prepare reports on irregularities to the EC. The member states bear the responsibility for financial corrections and reimbursement of amounts wrongly paid. The institutions will comply with Regulation 2035/2005, amending Regulation 1681/1994 concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the structural policies and the organisation of an information system in this field, Art. 98 of Regulation 1083/2006 and Art. 28 of Regulation 1828/2006.

4. Monitoring and Evaluation

4.1. Monitoring system

In compliance with the requirements of Art. 66 of Regulation 1083/2006, the MA of OPAC and the MC ensure a quality monitoring system for the implementation of the OPAC.

The monitoring is a continuous and systematic collection, analysis and use of information for management purposes and the decision making regarding specific processes and interventions.

The most objective method for comparing the progress of the OPAC with the set goals is the use of a system of quantitative, financial and physical indicators laid down in the Programme for each sub-priority.

The monitoring system uses three types of indicators:

- Output indicators – measuring the direct results of the projects
- Result indicators – measuring the direct effect of the project on the target groups

The sources of information for monitoring purposes are:

- OPAC sets the general indicators that will measure the Programme implementation and the sub-priorities
- The MA of the OPAC prepares exemplary performance indicators down to sub-priority level and includes them in the guidelines for application

- The beneficiaries propose forecast values of the performance and result indicators for the whole duration of the project that should be defined in the project proposal. The achievement of the indicators shall be included in the progress reports that the beneficiaries submit to the MA

The main monitoring instruments include the following:

- MIS – the Management Information System
- Reports
- On-the-spot checks
- Audit of projects

The MA has appointed monitoring experts, who are also responsible to collect the necessary information.

The results of the monitoring are the basis on which the MA prepares the annual and final reports for the implementation of the Programme. In compliance with Annex XXIII of Regulation No 1828/2006, when appropriate the MA of OPAC shall submit information for individual participants in the sub-priorities divided by groups and gender.

The monitoring of the OPAC will be carried out at two levels:

- Monitoring carried out by the MA of OPAC – it is the responsibility of the MA to guarantee the gathering of information/data subject to monitoring and necessary for the reporting of the implementation of the Programme as well as entering that data in the MIS
- Monitoring carried out by the MC – the progress in the implementation of the OPAC is reported to the MC in annual and final reports. Through the monitoring the MC gives an opinion for the progress and weaknesses in the implementation and takes decision for corrections of the priority axes and/or sub-priorities.

4.1.1. Management Information System (MIS)

A centralised Management Information System has been developed in Bulgaria for the effective and efficient management of the SFs and the CF of the EU. The system is administrated by the Central Coordination Unit within the Ministry of Finance.

The main purpose of MIS is to help in the processes of programming, implementation, monitoring and evaluation of the Operational Programmes as well as the payment systems. It will be used by the CCU, MAs of the OPs, the IBs, the CA, the OA, other control authorities and the beneficiaries.

The MIS will collect information on calls for proposals, decisions of evaluation committees; information on project implementation monitoring; all documents and the entire correspondence of the MA will be registered in the MIS; information will be collected on the management and control of all financial procedures; information on monitoring visits and on-the-spot checks; irregularities discovered and corrective measures applied; the MIS will also provide access to all reports of the beneficiaries and of the MA.

MIS is not only an information system for data collection and its summarizing and processing but a system developed in order to assist in the compliance of the administrative procedures approved by the MA of OPAC as well as provide the means for control over the implementation.

The MIS provides the following main functionalities:

- Integrates and use-friendly applications

- Follow-up of project implementation
- Attachment of documents in electronic form to each proposal or project in all modules
- Tracking of the project correspondence and the documents flow
- Printing of documents and letters using preset templates
- Keeping of a record for all activities performed by the users of the system

The MA has appointed an expert as a coordinator of the MIS will observe its functioning. All MA staff will have different levels of access to the system, depending on their specific functions. The beneficiaries will be granted access at project level .

The system will be the basis for exchange of data with the Commission.

4.1.2. Financial accounting system – SAP

The MA maintains a double analytical financial accounting system that includes all contractual and other operations related to the OPAC. The accounting system stores records for all operations sorted by priority, activity, contract, source of financing etc. Access to that information shall be granted to both the CA and the AA.

The computerised accounting system used by the MA is the accounting system used by the CA and is based on SAP R/3. An interface for connection of the SAP to the MIS is envisaged to be developed.

4.1.3. Information system of the EC – SFC2007

The electronic data exchange with the EC will be carried out by creating an interface between the MIS and the Information system of the EC – SFC2007.

The computer system for data exchange shall contain information of common interest to the Commission and the member states, and data necessary for financial transactions of each Operational Programme:

- the indicative annual allocation
- the financing plan
- statements of expenditure and applications for payment
- annual forecasts of likely payment of expenditure
- the financial section of the annual reports and final implementation reports

In addition Art. 40 (2) of Regulation 1828/2006, the computer system for data exchange shall contain the following documents and data of common interest enabling monitoring to be carried out:

- the national strategic reference framework referred
- data establishing compliance with additionality
- the operational programmes, including data concerning the categories of support
- the Commission decisions concerning the contribution of the Funds;
- the requests for assistance for major projects referred to in Art. 39, 40 and 41 of Regulation (EC) No 1083/2006
- the implementing reports

- data on participants in sub-priorities financed by ESF
- the description of management and control systems
- the audit strategy
- the reports and opinions on audits
- the statements of expenditure concerning partial closure
- the annual statement on withdrawn and recovered amounts
- and pending recoveries
- the communication plan.

4.2. Evaluation

Pursuant to Art. 47-49 of Regulation 1083/2006, the evaluations of the implementation of OPAC will be an integral part of the overall management and implementation of the Programme. The evaluations are independent analyses whose objective is to improve the development, management, coordination and/or the implementation of the Programme. They are a tool for constant improvement of the effectiveness and efficiency of the financial support as well as for the impact and sustainability of the results achieved. Each evaluation carried out by the MA or the EC before, during or after the programming period will be in compliance with the principle of proportionality laid down in Art. 13 of Regulation 1083/2006. The results of the evaluations will be sent to the MC and to the Commission and published on the OPAC web site.

According to Art 48 of Regulation 1083/2006, the member state provides the necessary resources for conducting the evaluations, organizes the collection of the necessary data and utilises the different types of information provided by the control system. The evaluations will be financed from the budget of Priority axis IV Technical Assistance and will be carried out in compliance with the guidelines provided by the Commission and with the methodology prepared by the MA. The distribution of responsibilities and the relations between the participants in the monitoring and evaluation process, as well as the methodology, will be described in detail in the Evaluation Plan and in the Manual for the implementation of the OPAC and in the annex attached thereto.

Regulation 1083/2006 specifies three types of evaluation to be conducted for each OP according to the period of their execution:

- Ex-ante evaluation, conducted during the preparation of the OP, and before the programming period 2007-2013
- On-going evaluations, conducted during the programming period 2007-2013
- Ex-post evaluation, conducted after the end of the programming period 2007-2013

4.2.1. Ex-ante Evaluation

The ex-ante evaluation of OPAC has been done in pursuance of Art. 48 of the Council Regulation No 1083/2006. The purpose of the ex-ante evaluation is to optimise the allocation of the resources and improve the quality of the programme. It identifies and assesses the mid and long term needs, the goals to be achieved, the expected results, the quantifiable results, the compliance of the strategy with the priorities of the EU and the quality of the procedures for implementation, monitoring and financial management.

Under the PHARE Programme independent experts have been selected to carry out the ex-ante evaluation. The results (recommendations) of the evaluation are incorporated in the OPAC.

The full text of the ex-ante evaluation report can be found on the MSAAR website http://www.mdaar.government.bg/docs/en_Ex-ante_Final%20Report%2002.2007.pdf

Following the ex-ante evaluation and taking into account the recommendations of the team of consultants, the text of the OPAC has been further developed in the analytical part and the SWOT analysis. The document as a whole was restructured in order to cover all areas in compliance with strategic and specific objectives of the Lisbon Strategy, ESF and the Strategic Cohesion Guidelines of the Community. The proposal of the team of consultants for reallocation of some of the activities in different sub-priorities and adding of new sub-priorities as well as including the Judicial system authorities as beneficiaries was approved.

4.2.2. On-going Evaluation

According to with the principles complementarity and proportionality (Art. 13 of Regulation No 1083/2006) the member states are responsible for the monitoring of the OPs, the on-going evaluations and taking of corrective actions should any problems arise. In compliance with these principles the MA of OPAC shall organise the on-going evaluations through the elaboration of the plan for the evaluation of the OP. The evaluation plan of OPAC establishes the general framework for on-going evaluations and ensures the effective use of integrated management methods during the implementation. The plan is developed in compliance with the indicative guidelines of the Commission on on-going evaluation methods (working paper No 5) and describes and explains the overall coordination of on-going evaluation process, the linkages with the monitoring system, the distribution of tasks, as well as the mechanisms for possible review of the evaluation plan. The plan covers the entire programming period and is updated and redrafted on an annual basis, according to the needs of the MA and/or when specialised evaluations are necessary in compliance with Art. 48(3) of Regulation No 1083/2006.

The evaluation plan comprises of nine sections:

- List of activities subject to evaluation, which are to be monitored during the programming period;
- Thematic scope of each evaluation exercise
- Justification of the chosen thematic scope for each evaluation (strategic or operational needs of the MA)
- Main evaluation criteria to be covered
- Optimal utilization of the results of each evaluation (publication and availability of evaluation reports, presentation and distribution of results, monitoring of the use of recommendations)
 - Timetable (annual, as well as for the entire period)
 - External or internal evaluations
 - Financial resources planned for each evaluation
 - Distribution of human resources and their responsibilities vis-a-vis each evaluation.

Two on-going evaluations will be conducted for the OPAC: one in 2009 and one in mid-2012. The first evaluation will review the progress achieved in the OPAC implementation and will focus on issues such as OPAC management, whereas the second evaluation will focus more on the priority axes in view of their continuation during the next programming period.

Besides the planned evaluations, on-going evaluations will be conducted in two specific cases:

- When the Management Information System registers significant deviations from the initial objectives set. In this case, the MA of the OPAC will analyse the risk of underimplementation of the Programme on the basis of the annual reports. In case that such risk is identified an evaluation will be initiated
- When there is a proposal for changes in the OP. There may be different reasons for reviewing the OPAC, i.e. significant socio-economic changes during the OPAC implementation, significant changes of European, national or regional policies, difficulties in the implementation.

Small-scale or technical revisions which do not suggest significant changes in the Programme should not be subject to evaluation.

4.2.3. Ex-post Evaluation

In pursuance of Art. 49 (3) of the Council Regulation No 1083/2006, the EC shall carry out ex-post evaluation in cooperation with the member state and the OPAC MA who shall provide for the gathering of the necessary data. The ex-post evaluation shall take into account all evaluation activities performed during the programming period.

It shall examine the extent to which resources were used, the effectiveness of Funds programming, the socio-economic impact. It shall identify the factors contributing to the success or failure of the implementation of Operational Programmes, including the terms of sustainability and identifying good practice. The ex-post evaluation shall be completed by 31/12/2015. The results will be included in the Final Report for the Programme.

4.2.4. Management of the on-going evaluation process

The MA of the OPAC will perform a lead role in the process of on-going evaluation by developing the evaluation plan and by ensuring its implementation. The MA is going to work in close partnership with the EC and with the MC, which will support the evaluation process to ensure its effective application during the implementation and improvement of the Programme. An evaluation expert has been appointed within the Monitoring and Publicity Department of the MA. He/she will summarize the information collected in the monitoring process and will be responsible for the organisation and implementation of on-going evaluations.

In order to ensure the correct and transparent evaluation the MA of OPAC will use internal or external expertise or both for the whole programming period or for specific stages. In cases of use of external expertise the evaluators will be selected in accordance with the PPL. The evaluation expert coordinates the evaluation and submits all necessary information to the evaluators. He/she prepares the Terms of Reference for selecting evaluators, organises the selection process.

Upon submission of the evaluation reports, an action plan for implementing the recommendations from the evaluation is prepared. The evaluation reports are submitted for approval to the MC and then to the EC. The MA will publish the approved evaluation reports and the action plan on its web site. In cases when the reports contain confidential information, only a summary will be published.

XXII. SUMMARY OF THE COMMUNICATION PLAN OF OPAC 2007-2013

The Communication plan (CP) of OPAC is prepared in accordance with:

- Regulation (EC) No 1083/2006
- Regulation (EC) No 1828/2006.

The Communication plan lays down the information and publicity measures for implementation of OPAC.

The Plan includes:

- Objectives and target groups
- Strategy and content of the information and publicity measures to be taken with regard to the general public, the potential beneficiaries and the beneficiaries of OPAC
- Indicative budget for implementation of the Plan
- The administrative bodies responsible for the implementation of information and publicity measures
- Mechanisms for adoption and amendments to the Communication Plan
- An indication of how the information and publicity measures are to be evaluated in terms of visibility and awareness of the Operational Programme and of the role played by the Community.

The current section contains a concise summary of OPAC Communication plan.

1. Objectives and target groups

1.1. Objectives

1.1.1. Main Objective

Engaging the public interest, raising the public awareness of ESF and OPAC throughout the period 2007-2013 and to ensuring transparency and openness in its implementation.

1.1.2. Specific Objectives

- Engaging the public interest and raising the public awareness of the scope, objectives and results of OPAC and the value-added of the Community assistance
- Engaging the interest of the potential beneficiaries of OPAC, informing them of EU funding opportunities provided by ESF through OPAC and explaining the eligibility criteria
- Explaining to the beneficiaries their responsibilities with regard to the implementation of OPAC operations

1.2. Target Groups

The following are target groups under OPAC Communication Plan:

- General public
- Potential beneficiaries of OPAC:
 - State administration at central, regional and local level (including institutions delivering training)
 - Judiciary (magistrates and court officials)
 - Civil society structures
- Beneficiaries of OPAC.

2. Content and Strategy of the Communication plan

2.1. Strategy

The information and publicity measure within OPAC Communication Plan shall be performed on an ongoing basis. In view of the timing and the activities involved, the Communication Plan includes the following three main stages, determined according to the specific messages, which need to be communicated:

- I. First stage, 2007-2008
- II. Second stage, 2009-2012
- III. Third stage 2013-2015

The first stage will be the most intensive. Its aim is to present the OPAC to the public and the beneficiaries and to contribute to the generation of quality project proposals.

The objective of the **Second stage** is to upgrade the results achieved during the initial campaign. It will ensure a permanent information flow towards the target groups and will maintain their interest in the topic.

Through the **Third stage** the results of the OPAC implementation will be presented, as well as the evaluation of the Programme implementation.

2.2. Information and Communication tools

The information and communication strategy of OPAC will utilise a wide range of information tools. Each tool shall be used to address one or more specific target groups.

To make OPAC recognisable and memorable, a specific visual identity of the Programme will be created, with which will be associated all information and publicity materials. They will contain the EC logo and flag, as well as the OPAC logo and slogan.

To reach the different objectives, and to ensure full transparency in the Programme implementation, the MA will use the following communication tools:

- **Events**

The events can be divided into:

- Training forums (ex. information days, seminars, workshops, etc.)
- Discussion forums (ex. conferences, discussions, round tables, etc.)

- **Internet campaigns**
 - OPAC website
 - Internet banners
- **Newsletter**
- **Audiovisual tools** (ex. TV spot, radio spot, CD with multimedia presentations, Internet TV, etc.)
 - **Printed information materials** (ex. brochures, hand-outs, leaflets, posters, manuals, guidelines, etc.)
- **Promotional items**
- **Media relations**
- **Study visits for media representatives in EU member states**

3. Indicative Budget

The indicative amount allocated for the information and publicity activities of OPAC is 1.2% of the total OPAC budget for 2007-2013.

4. Bodies Responsible for the Implementation of the Information and Publicity Measures

4.1. Responsibilities of the Managing Authority

The MA is responsible for full compliance with the information and publicity requirements set out in the Commission Regulation (EC) No 1828/2006 across all measures within OPAC through the whole programming period.

In compliance with the regulation the MA is responsible for:

- Drawing up the Communication Plan of OPAC devising a consistent strategy for the information and publicity activities throughout the period 2007-2013, and its update when and if necessary; submitting the Communication plan for approval by the OPAC Monitoring Committee
 - Ensuring that OPAC is disseminated widely, with details of the financial contribution from ESF, and that it is available to all stakeholders
 - Using appropriate channels for circulating information in order to ensure transparency for the potential beneficiaries
- Implementing broad set of measures ensuring publicity, such as:
 - Composing and disseminating materials necessary for informing the general public for the opportunities as well as for the role of ESF
 - Organising press conferences, information days, seminars and conferences for media representatives and for potential beneficiaries
 - Elaborating a data base, through which successful projects are published and good practices are disseminated

- Elaborating guidelines for the beneficiaries explaining the technical characteristics of information and communication measures for the operations, as required by the European Commission.
- Ensuring that the application packages guarantee transparency. The information provided must cover the following points:
 - The conditions of eligibility the applicants must fulfil in order to obtain financing from the ESF through OPAC
 - A clear outline of the administrative procedures to be followed – i.e. where to apply, what supporting documentation is needed, what is the deadline for application etc.
 - A description of the system for managing applications – what internal procedures will be followed, when and how will the applicants be notified of the results
 - Information on the criteria used in selection procedures
 - A description of the evaluation procedures for the applications, including a timetable for the individual stages of the process.
- Ensuring the transparency of application forms and manuals
- Inform the beneficiaries that acceptance of funding is also an acceptance of their inclusion in the list of beneficiaries published, which involves the disclosure of certain information
 - Check whether the beneficiaries fulfil the publicity requirements (including during on the spot and other checks)
 - Organise the evaluation of information and publicity actions on a regular basis with a particular emphasis placed on whether the measures have proven to be effective in meeting the respective priorities

The Managing Authority shall organise at least the following information and publicity measures:

- A major information activity publicising the launch of the Operational programme
- At least one major annual information activity setting out the achievements of the Operational Programme
 - Publication of the list of the beneficiaries under the Operational Programme, the names of the operations and the amount of public funding allocated to the operations
 - Flying the European flag for one week starting on 9 May in front of the premises of the MA

4.2. Responsibilities of the Communication Officer

The main tasks of the Communication Officer are to coordinate the following activities:

- The implementation of the Communication Plan of OPAC and Annual Communication Action Plans
 - The preparation of reports to the MC regarding progress, information and communication measures carried out by the MA, and the means of communication used
 - The regular updating of the information uploaded on the OPAC websites

- The preparation and dissemination of OPAC and ESF information materials (ex. newsletters, brochures, etc.)
- The organisation of briefings, information sessions, seminars, and conferences both for media representatives, applicants, and beneficiaries
- The preparation of press releases for newsworthy developments on OPAC, new projects, calls for proposals, etc.
- Keeping of data bases with information on:
 - The potential beneficiaries, to be used for mailing lists and other publicity purposes
 - Journalists and media working on OPAC
 - Successful projects to be publicised on various occasions
 - Frequently asked questions and their answers to be placed on the OPAC website, or to be used for trainings or other occasions
- Keeping close contact with the media.

4.3. Responsibilities of the Beneficiaries

With Commission Regulation (EC) No 1828/2006 strict obligations have been placed on the beneficiaries with regard to information and communication activities. In particular, the beneficiaries shall be responsible for informing the public about the assistance obtained from the Funds by means of:

- Informing the participants in operations co-financed through OPAC (ex. training courses) that the operations they are part of are co-financed under ESF
- Putting permanent explanatory plaques, visible and of significant size, to be placed no later than six months after completion of all operations/ projects whose total public contribution to the operation exceeds EUR 500 000. Plaques shall include: the type and name of the operation/ project; the European emblem; reference to the European Union; the statement “European Social Fund”
- Putting the logo and slogan of OPAC on all project related materials
- Including in all relevant documentation (ex. attendance certificates) the statement that the operation was co-financed by ESF
- Ensuring publicity of their projects in the media.

5. Adoption and Amendments to the Communication Plan

The Communication Plan of OPAC shall be sent to the European Commission by the Managing Authority no later than four months from the date of the adoption of the Operational Programme.

If the Commission sends observations, the MA of OPAC will have two months to send a revised Communication Plan back to the Commission. The Commission will examine the revised Communication Plan within two months. In the absence of further comments by the Commission, the Communication plan is deemed valid.

If the European Commission does not send observations on the Plan within two months after receiving the Plan, the Plan is considered to comply with all the requirements.

If necessity occurs the content of the Communication plan shall be amended by the MA. All the amendments to the Plan will be made public. The Monitoring Committee of OPAC will be informed of any changes in the content of the Plan and the information and publicity measures envisaged.

6. Monitoring and Evaluation Indicators

The progress in implementation of the Communication plan shall be monitored on a regular basis during the whole programming period and shall be evaluated in order to achieve the objectives set.

Table 12: Indicators for monitoring the progress of implementation of the OPAC Communication plan

| Communication tool | Indicator |
|------------------------------|---|
| OPAC website | <ul style="list-style-type: none"> – Number of pages created – Number of data bases – Number of users/ visitors – Number of pages viewed – Number of downloaded documents per month – Accessibility, user-friendliness, exhaustiveness – Number of downloaded application packages |
| Events | <ul style="list-style-type: none"> – Number of events organized/ vs. number of events planned – Number of actual attendees/ vs. number of planned attendees – Feedback from participants (ex. through questionnaires) |
| Newsletter | <ul style="list-style-type: none"> – Number of newsletters issued – Number of newsletters sent though mailing list – Number of newsletters downloaded from the website – Number of subscribers |
| Information materials | <ul style="list-style-type: none"> – Number of copies printed – Number of copies distributed – Clarity, completeness of information |
| Audiovisual tools | <ul style="list-style-type: none"> – Number of audiovisual spots produced – Number of audiovisual spots broadcasted – Number of people seen/ heard the spots – Attractiveness, clarity, easiness of perception – Usefulness, influence |
| Media relations | <ul style="list-style-type: none"> – Number of press conferences organised – Number of press releases issued – Number of materials published/ broadcasted – Number of interviews in electronic and press media |

XXIII. ABBREVIATIONS

| | |
|-----------|---|
| AA | Audit Authority |
| ACC | Anti-Corruption Commission |
| AEUF | Audit of European Union Funds |
| APC | Administrative Procedure Code |
| ASSAS | Administrative Service Self-Assessment System |
| BCP | Border Crossing Points |
| CA | Concessions Act |
| CA | Certifying Authority |
| CAF | Common Assessment Framework |
| CCU | Central Coordination Unit |
| CF | Cohesion Fund |
| CMS | Case Management System |
| CMSA | Council for Modernisation of the State Administration |
| COA | Contracts and Obligations Act |
| CoM | Council of Ministers |
| CP | Communications plan |
| CPA | Civil Procedure Act |
| CPC | Commission for Protection of Competition |
| CPC | Criminal Procedure Code |
| CSS | Civil Society Structure |
| EAFRD | European Agricultural Fund for Rural Development |
| EC | European Commission |
| EC | European Community |
| EC Treaty | European Community Treaty |
| ECHR | European Convention on Human Rights |
| EFF | European Fisheries Fund |
| EFQM | European Foundation for Quality Management |
| ERDF | European Regional Development Fund |
| ESC | Economic and Social Council |
| ESF | European Social Fund |
| EU | European Union |
| FLGR | Foundation for Local Government Reform |
| GDP | Gross Domestic Product |
| HR | Human Resources |
| HRM | Human Resources Management |
| IB | Intermediate Body |
| ICT | Information and Communication Technologies |
| IPAEI | Institute of Public Administration and European Integration |
| ISMS | Information system for Management and Surveillance |
| IST | Information Services and Technologies |
| IT | Information Technologies |
| LJ | Law on the Judiciary |
| LAG | Local Action Groups |
| LAN | Local Area Network |
| LGLAA | Local Governance and Local Administration Act |
| LPP | Law on Public Procurement |
| LRARACEA | Law on Restriction of Administrative Regulation and Administrative Control over Economic Activity |

| | |
|--------|--|
| LCS | Law on Civil Servant |
| MA | Managing Authority |
| MC | Monitoring Committee |
| MC | Managing Council |
| MES | Ministry of Education and Science |
| MEW | Ministry of Environment and Water |
| MF | Ministry of Finance |
| MFA | Ministry of Foreign Affairs |
| MJ | Ministry of Justice |
| MLSP | Ministry of Labour and Social Policy |
| MPP | Management of Projects and Programmes |
| MSAAR | Ministry of State Administration and Administrative Reform |
| MSPDA | Ministry of State Policy for Disasters and Accidents |
| MT | Ministry of Transport |
| NA | National Assembly |
| NAMRB | National Association of Municipalities in Republic of Bulgaria |
| NCTC | National Council for Tripartite Cooperation |
| NF | National Fund |
| NGO | Non-Governmental Organisations |
| NIJ | National Institute of Justice |
| NRA | National Revenue Agency |
| NRP | National Reform Programme |
| NSAN | National State Administration Network |
| NSPRD | National Strategic Plan for Rural Development |
| NSRF | National Strategic Reference Framework |
| OP | Operational Programme |
| OPAC | Operational Programme Administrative Capacity |
| OPE | Operational Programme “Environment” |
| OPHRD | Operational Programme “Human Resource Development” |
| OPRD | Operational Programme “Regional Development” |
| OPTA | Operational Programme “Technical Assistance” |
| PAC | Public Administration Act |
| PPA | Public Procurement Agency |
| PPP | Public-Private Partnership |
| RA | Registry Agency |
| RERCA | Real Estate Register and Cadastre Act |
| RIA | Regulatory Impact Analyses |
| SAA | State Aid Act |
| SAC | Supreme Administrative Court |
| SAIT | Scientific Assurance and Information Technologies |
| SAITC | State Agency for Information Technology and Communications |
| SCC | Supreme Court of Cassation |
| SEP | Social-Economic Partners |
| SF | Structural Funds |
| SFIA | State Financial Inspection Agency |
| SISFAC | Single Information System for Fight Against Crime |
| SJC | Supreme Judicial Council |
| STA | State Tourism Agency |
| TDA | Territorial Development Act |

| | |
|-------|--|
| TQM | Total Quality Management |
| TRC | Translation and Revision Centre |
| UIS | Unified Information System |
| UIS | Unified Information system |
| UNDP | United Nations Development Programme |
| USAID | United States Agency for International Development |