



**REPUBLIC OF BULGARIA**

**National strategy for reducing poverty and  
promoting social inclusion  
2020**

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## **LIST OF ABBREVIATIONS**

**NEA - National Employment Agency**  
**SAA – Social Assistance Agency**  
**APD – Agency for People with Disabilities**  
**GDP – gross domestic product**  
**SACP – State Agency for Child Protection**  
**EOD – Employment Office Directorate**  
**EWRC – Energy and Water Regulatory Commission**  
**SSS – state social security**  
**EUROSTAT – Statistical Service of the European Union**  
**EC- European Commission**  
**EPIBUL – an epidemiological study on the morbidity from frequent mental disorders**  
**EU – European Union**  
**ESET 2020 – strategic framework for European cooperation in education and training**  
**ESF – European Social Fund**  
**EFRD – European Fund for Regional Development**  
**CPA – Child Protection Act**  
**SSA – Social Assistance Act**  
**FACA – Family Allowances for Children Act**  
**GLIEA – General Labour Inspectorate Executive Agency**  
**SIC – Social Insurance Code**  
**MI – Ministry of Interior**  
**MH – Ministry of Health**  
**MAF – Ministry of Agriculture and Food**  
**MEET – Ministry of Economy, Energy and Tourism**  
**MC – Ministry of Culture**  
**MEYS – Ministry of Education, Youth and Science**  
**MJ – Ministry of Justice**  
**MRDPW – Ministry of Regional Development and Public Works**  
**CM – Council of Ministers**  
**MTITC – Ministry of Transport, Information Technology and Communications**  
**MLSP – Ministry of Labour and Social Policy**  
**MF – Ministry of Finance**  
**MYS – Ministry of Youth and Sports**  
**NAVET – National Agency for Vocational Education and Training**  
**NHIF – National Health Insurance Fund**  
**NSSI – National Social Security Institute**  
**NGOs – nongovernmental organisations**  
**NRP – National Reform Programme of the Republic of Bulgaria**  
**NCSI – National Council on Social Inclusion with the Council of Ministers**  
**NSI – National Statistical Institute**  
**OECD – Organisation for Economic Cooperation and Development**

**RDOP – Regional Development Operational Programme**  
**HRDOP – Human Resources Development Operational Programme**  
**CMD – Council of Ministers Decree**  
**RHI – Regional Health Inspections**  
**EU-SILC – a European study on income and living conditions**  
**PISA - Programme for International Student Assessment**

# NATIONAL STRATEGY FOR REDUCING POVERTY AND PROMOTING SOCIAL INCLUSION 2020

## I. INTRODUCTION

**Poverty and social exclusion are complex phenomena that manifest in different ways. They concern not only people's income and material situation but also their opportunities to participate actively in society.**

The problem with poverty and social exclusion has become particularly sensitive in the context of the ongoing global financial and economic crisis and the consequences from it: job cuts, rise of unemployment, lower labour quality, etc. In such circumstances it is the most vulnerable groups of the population that pay the highest social price. During the crisis, the issue about the necessity to apply measures which would significantly limit the spread of poverty and social exclusion has become more prominent. All this serves to show that the application of a complex and integrated approach is needed, particularly with regard to the vulnerable groups in society. It will contribute to the long-term overcoming of their social exclusion and will put an end to the transmission of poverty across generations.

### **The EU's definition of poverty:**

“[...] poor are persons, families and groups of persons whose resources (material, cultural and social) are so limited as to exclude them from the minimum acceptable way of life in the Member States in which they live.”

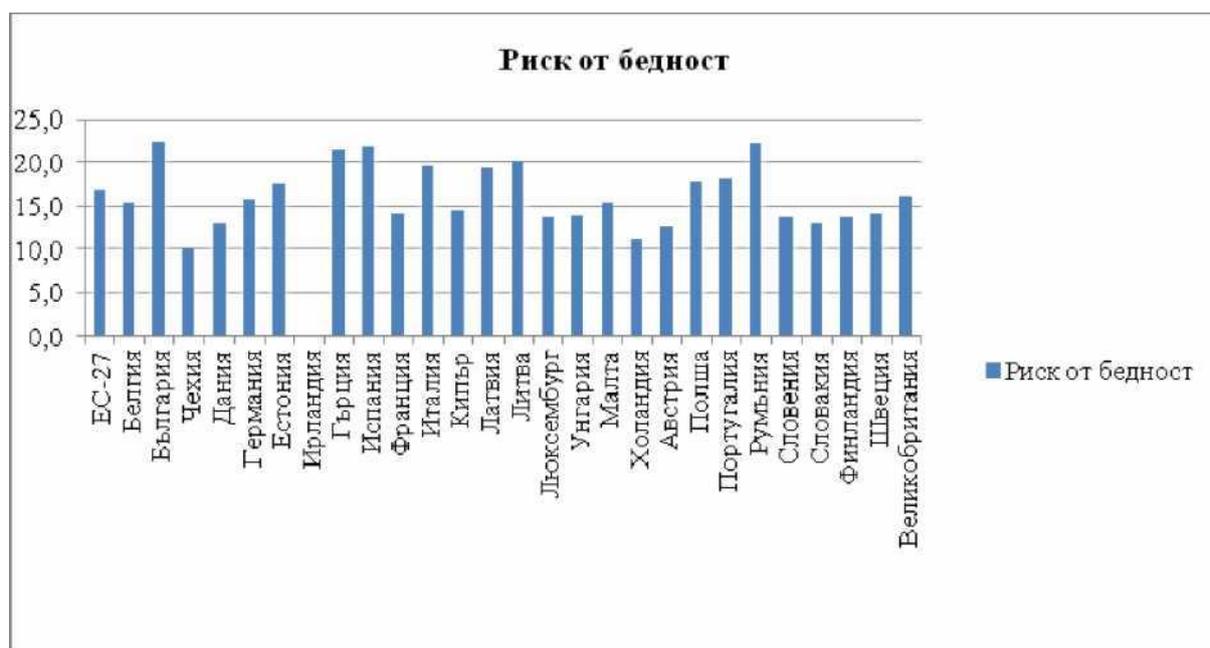
*(EU Council, Decision, 85/8/EEC from 1984)*

### **The EU's definition of “social exclusion”:**

“Social exclusion is a process during which certain people are pushed in the margins of society and are prevented from participating fully in society because of their poverty or the fact that they lack basic skills and lifelong learning opportunities, or as a result of discrimination. This reduces their possibilities for employment, income and education, as well as social and community networks and activities. They have limited access to the authorities and decision-making bodies and as a result often feel powerless and unable to have any control over the decisions affecting their everyday lives.” *(Joint Report on Social Inclusion, 2004)*

## II. THE EUROPEAN CONTEXT

**Over 80 mln. people in the European Union are at risk of poverty and 20 mln. of them are children.** 8.9% of the working population of the EU is also at risk of poverty. The EU average poverty level is 16.9%<sup>1</sup> but in Bulgaria, Greece, Spain, Lithuania and Romania the poverty level exceeds 20%. In Belgium, Germany, Estonia, Italy, Lithuania, Malta, Poland, Great Britain and Portugal the poverty level is between 15 and 20%. In Denmark, France, Cyprus, Luxembourg, Hungary, the Netherlands, Austria, Slovenia, Slovakia, Finland and Sweden it is between 10 and 15%. The poverty level is under 10% only in one Member State – the Czech Republic.



Source: EU-SILC, 2011; NSI

### Risk of poverty

EU27, Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden, Great Britain

In 2010 the Europe 2020 strategy was adopted providing for unified action on the territory of the Union. Specifically, it provides for targeted measures from the states to reduce poverty in the Community and to contribute to preserving the European standard of living by building **an economy based on knowledge, innovation and sustainable development**. One of the main goals of the Europe 2020 strategy is **reducing the number of people in the EU at risk of poverty and social exclusion by 20 mln. people**.

To reach this goal, an initiative was launched in 2010 named **European platform against poverty and social exclusion**. It is aimed at an economic, social and territorial cohesion as a means to provide conditions and premises for a dignified and fulfilled life, increasing public sensitivity to various issues, which would lead to recognising the rights of people living poverty and social exclusion.

To achieve the goals of Europe 2020 strategy emphasis is put on certain fields for action:

<sup>1</sup> According to EU-SILC 2011 data for EU-27. This is an estimate value as data for Ireland is not yet available.

- undertaking parallel actions in all policy spheres;
- providing funding under the European Social Fund to carry out policies related to new challenges;
- encouraging social innovations that have had a positive effect in society;
- encouraging partnerships and making use of opportunities from social economy to tackle challenges;
- coordinating policies between Member States.

Reaching the goals in Europe 2020 Strategy for smart, sustainable and inclusive growth is closely linked to the performance of the EU's Cohesion policy for the 2014-2020 programming period, a policy aimed at reducing social and economic disparities between regions in Europe and at promoting growth, competitiveness and sustainable development. In the light of the economic crisis the integrated cohesion policy has a key role for providing investment, speeding up growth and promoting employment, and in this way enhancing the general economic development of the European Union as a whole.

### **III. NATIONAL DIMENSIONS**

The National Strategy for Reducing Poverty and Promoting Social Inclusion 2020 is aimed at developing and implementing a unified, consistent and sustainable policy on social inclusion, based on an integrated approach and cross-sector cooperation at national, regional, provincial and municipal level. It indicates the vision, priorities and activities for developing the policy on poverty and social exclusion in Bulgarian until 2020. Achieving the priorities set in this strategic document requires that all stakeholders working to combat poverty and social inclusion unite their efforts. This will allow for solid foundations for higher potential for future economic growth in Bulgaria and will provide those living in poverty and social exclusion with the opportunity for a more dignified life and active participation in life of society.

The national strategy for reducing poverty and promoting social inclusion 2020 is in compliance with the National Reform Programme of the Republic of Bulgaria (2011-2015), the updated National Reform Programme of the Republic of Bulgaria (2012-2020), the National Social Report of the Republic of Bulgaria 2011-2012. This strategy has been elaborated also in compliance with the following strategic and operational national documents in force: the updated Employment Strategy (2008-2015), the Jobs for Young People in Bulgaria 2012-2013 national initiative, the Strategy for Equal Opportunities for Disabled People 2008-2015, the Vision for Deinstitutionalization of Children in Bulgaria National Strategy, the updated Strategy for the Demographic Development of the Republic of Bulgaria (2012 – 2030), the National Plan to Promote Active Aging among Elderly in Bulgaria (2012-2030), the National Strategy for the Child (2008-2018), the National Health Strategy (2008-2013), the National Programme for Development of School and Preschool Education (2006-2015), the National Youth Strategy (2010-2020), the Strategy for Educational Integration of Children and Students from the Ethnic Minorities (2004-2015), the National Roma Integration Strategy of the Republic of Bulgaria (2012-2020), etc. It also falls into the national policy for improving the quality of life of vulnerable groups and promoting their full participation in the life of society.

The strategy is up to the international standards for human rights that cover issues related to poverty and social exclusion: the International Covenant on Civil and Political Rights, the Convention on the Rights of the Child, the Convention on the Elimination of All Forms of Discrimination against Women, the Convention on the Rights of Persons with Disabilities, as well as various conventions of the International Labour Organisation, among other.

#### IV. POVERTY AND SOCIAL EXCLUSION IN BULGARIA – CURRENT STATE OF PLAY

In recent years Bulgaria has maintained macroeconomic and financial stability, which was a necessary precondition to act successfully against the negative effects from the global financial and economic crisis. According to data from the National Statistical Institute (NSI) since the beginning of 2010 there the shrinking of the Bulgarian economy has slowed down. The GDP grew by 1.6% in the last quarter of 2011 compared with the same quarter of the previous year. The GDP for 2011, as the sum of data for the quarters, has increased by 1.7% in real terms in comparison with 2010. The intensity of inflation processes in recent years has been influenced considerably by the financial and economic crisis. The level of inflation for 2011 was 2.8%.

The economic crisis and its duration has had a negative impact on the labour market in the country. The negative tendencies in the development of the labour market from 2009 and 2010 have continued in 2011 as well. According to NSI data from the monitoring of the labour force in 2011, employment has continued to decrease, and unemployment to rise. In 2011 the **employment rate for the persons aged between 20-64** (indicator covered in the Europe 2020 Strategy) was 63.9%. In 2012<sup>2</sup> the rate dropped to 62.8%. There was an increase in the employment rate of older workers. In 2011 the employment rate for those aged between 55 and 64 was 43.9%, or 0.4 percentage points higher than in 2010. For the nine months in 2012 its level reached 45.6%.

**The unemployment rate for 2011 was 11.2%**, while for 2010 it was 10.2%. For the nine months in 2012 the unemployment rate was 12.2%<sup>3</sup>. **The rate of long-term unemployment** for 2011 was 6.3%, or 1.5 percentage points higher than in 2010<sup>4</sup>. In the third quarter of 2012 that rate was 6.5%. The crisis has led to a significant increase of youth unemployment in the country. In 2011 the **level of youth unemployment for the 15-24 age group was 26.6%**, or 3.4 percentage points higher than in 2010, and for the nine months of 2012 the rate reached 28.1. The number of discouraged workers, according to NSI data from the monitoring of the labour force in the third quarter of 2012, was 212.1 thousand people, or 17 thousand fewer than for the same period in the previous year.

The economic crisis has also had a negative impact on disadvantaged groups on the labour market. According to data from the Employment Agency, **the monthly average number of the unemployment registered in employment offices in 2012 in the country was 364 573**, or with 31 937 higher than in 2011. From unemployed registered in employment offices 54.6% were women. The number of **those unemployed for over 1 year** in 2012 was 118 832, by 697 higher than for the previous year, and their share from the total number of the unemployed registered in employment offices was 32.6%. **The number of the unemployed young people aged under 29** grew by a little over 11 thousand, up to 74 779 compared with 2011, and their share from the total number of unemployed was 20.5%. In 2012, in comparison with 2011 the number of registered unemployed aged over 50 years and of those with no qualification or specialty has decreased. In 2012 **the relative share of the unemployed aged above 50 from the total number of the unemployed was 35.2%**, and the one of the **unemployed with no qualification or specialty was 55.6%**, and the unemployed with primary or lower education – 47.6%. The share of the unemployed with long-term disabilities was 4.1%.

Bulgaria is among the states where the risk of poverty of the population is higher than the EU average. According to data from the study on income and conditions (EU-SILC) for 2010<sup>5</sup> **the poverty level in**

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<sup>2</sup> Average value of the indicator from the first, second and third quarters of the year.

<sup>3</sup> According to data from the monitoring of the labour force, carried out by the NSI.

<sup>4</sup> According to NSI data.

<sup>5</sup> EU-SILC 2011, NSI

**Bulgaria was 22.3%, or about 1.673 mln. people were poor.** The main risk for becoming poor for the majority of households in Bulgaria is determined by their economic activity and participation on the labour market.

According to age groups the risk of poverty is highest among **children under 18 – 28.9%** - and the **people post working age – 30.9%**. According to the economic status, the risk of poverty is highest among **the unemployed – 52.2%, the pensioners – 28.3%**, and the remaining economically inactive people – 27.8%. **The working poor amount to 8.2%** of workers, which impacts on the poverty level among children as well. The percentage of children living in household with unemployed or household with low-intensity economic activity is 11%. According to the study data for 2010, **43.6% of Bulgarians live with material deprivations**. Poverty in households consisting of one person **over 65 years of age is also high – 61%**, the **one-parent households with dependent children – 35.4%**, **two-parent households with two or more dependent children – 78.2%**. The inequality in income distribution according to **the Ginny coefficient is 35.1%**, and **the ratio between the income of the poorest and of the 20% of the richest of households is 6.5**.

The total income of households for the thirds quarter of 2012 (BGN 2632.57) grew nominally by 10.1% in comparison with the third trimester of 2011, in fact **the total income of households has grown by 5.9% on a yearly base**. Remuneration from work continues to be the main source of income for Bulgarian households. **Income from remuneration formed 53.1% of the total income** of households during the third quarter of 2012. In comparison with the third quarter of 2011 the income from remuneration has increased nominally by 14.7%, and the index of actual income from remuneration has grown by 10.3% for the same period.

**Territorial disparities and social and economic inequalities are a causal factor for poverty.** Territorial contrasts are exacerbated by the irregular distribution of investment and in general continue to keep the general economic growth of the country. According NSI data, in 2010 investment as expenditure for the acquisition of long-term material assets amounted to a total 16.2 bln levs in the country. Out of this, 5.7 bln levs were in North and Southeastern Bulgaria, 10.5 bln levs for Southwestern and South Central Bulgaria. The expenses incurred were highest in the Southwestern region (8.7 mln levs), and lowest in the North Central one (903.3 mln levs). In 2011, according to preliminary NSI data, investment as expenditure for the acquisition of long-term material assets amounted to 17.75 bln levs, marking an increase of 9.5% in comparison with 2010.

When mapping poverty in the country some drastic difference between territories become obvious. In 2010 the highest level of the poverty line was registered in the province of Sofia (capital) – 451 levs, poverty level of 18.8%, and the lowest level of the poverty line was registered in province of Targovishte – 183 levs, where the poverty level was 17.3%. The continuous high level of long-term unemployment in the Northwestern region has become a serious problem. The assessment of poverty by regions shows that in 2010 the relative share of people living in poverty was highest in the province of Vidin (Northwestern region) – 36.2%, and the poverty line was at 196 levs. Blagoevgrad Province (southwestern region) had the lowest relative share of people living in poverty – 14.4%, and the poverty line was at 265 levs. Compared with the poverty line for the country – 284 levs. – only seven regions had a higher poverty line: Stara Zagora, Ruse, Varna, Burgas, Sofia Province, Pernik and Sofia (capital)<sup>6</sup>. The lowest relative share of poverty among men was in Vratsa – 13.1% - and the highest in Vidin – 35.6%. Women had the lowest poverty level in Blagoevgrad – 15.2%, and it was 36.8% in Vidin Province. The province of Smolyan was characterized by the biggest difference in poverty level among men and women – 10.2 percentage points. In three districts – Montana, Targovishte, and Silistra – the

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<sup>6</sup> According to NSI data.

relative share of poor men was higher than the one for women. Income-based polarisation of the population, measured as the ratio between the income of the poor and the rich in society according to provinces has shown that poorest 20% in the provinces of Pazardzhik, Sliven, Dobrich, and Veliko Tarnovo had more than 8 times lower income than the richest 20% of the same provinces. The lowest polarisation percentage was registered in Pernik Province (3.9%), when the differentiation ratio was lowest – 24.4%. The highest differentiation ratio – over 37% - was registered in the provinces of Pleven, Veliko Tarnovo, Pazardzhik, and Dobrich<sup>7</sup>. According to expert evaluation there are considerable differences in the profile of poverty in cities and villages. Poverty in cities is related to finances, while the one in villages is related to the lack of work, low-quality or inaccessible health, education and social services.

**At a regional level (statistical regions) five Bulgarian regions rank in last ten regions with the lowest GDP per capita in the EU** (according to purchasing power parity – PPS, data from 2008): the Northwestern region with 28% from the EU average, the North Central region with 30%, the South Central with 30% **occupied the last three positions** in the ranking, while the Southeastern and the Northeastern regions had respectively 36% and 37%<sup>8</sup>. The Southwestern region stands out among other Bulgarian regions with 73%. A large portion of economic activities are concentrated in the capital and it remains the most attractive place for business and employment in the country.

## V. KEY CHALLENGES IN THE FIELD OF POVERTY AND SOCIAL EXCLUSION

In recent years Bulgaria has achieved significant results in social inclusion by applying a complex and integrated approach covering various sectors. Despite this progress, however, there is **still a series of challenges related to poverty and social exclusion**, particularly in the context of the economic and financial crisis. Achieving **high and sustainable economic growth, a stable macroeconomic environment and public finances** is an important precondition and can contribute directly to the implementation of the priorities of the policy for reducing poverty and promoting social inclusion.

The poverty level is directly linked to the levels of social and economic inequalities, some of the main factors that determine the exacerbation of poverty. Therefore, efforts need to be aimed at prevention and averting the reasons causing poverty and social exclusion in order to overcome them in the long term.

The high poverty level among the unemployed and economically inactive persons shows clearly that **lack of employment is one of the main reasons for poverty and social exclusion**. Therefore the main priority is encouraging the **active inclusion of those who are away from the labour market** – the economically inactive, young people, the long-term unemployed, persons living on benefits, persons with primary or lower education, with no professional qualification or lacking key competences, persons with long-term disabilities, older workers, etc. Applying **integrated strategies for the active inclusion** of those groups at risk is a key tool to reducing poverty and social exclusion. Combining measures for **access to the labour market, providing high-quality social services and appropriate income** is an approach for social inclusion, which encompasses a person's entire lifecycle and contributes to preventing the transmission of poverty across generations. However, it is clear that in order to achieve these goals it is necessary to **develop economic activities having the potential for creating jobs and ensuring sustainable economic growth**.

Another key tool to overcoming the consequences from poverty and social exclusion is providing access to services, particularly access to basic health, educational and social services. The **access to education**,

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<sup>7</sup> According to NSI data

<sup>8</sup> Source: Information by 31.12.2008, NSI, Eurostat

**healthcare and social services is also vital for preventing social exclusion and poverty.**

**Low education is one of the main factors determining poverty and social exclusion.** In this regard particularly relevant are the data for the unemployment rate among persons with low or no education, who also make up the majority of the long-term unemployed. In the last population census in 2011, the NSI counted for the first time those “**who have never attended school**” and the result was that 1.2% from the population aged over 7 – about 81 thousand people – has never been to school. Parallel to this, the results show that 1.5% of the population aged at 9 or more years is illiterate, or over 112 thousand persons<sup>9</sup>. The National Programme for Development of School and Preschool Education (2006-2015) also pays special attention to **reducing the number of those who have not been covered by or have dropped from the education system**. According to NSI data for the academic year 2010/2011 the relative share of those who have left school for **family reasons** was 48.7%.

That is why the **equal access to education for all children**, regardless of their social status, ethnicity and specific needs, is essential for the prevention of poverty and social exclusion. In this sense, the main challenges in this area have to do with the decrease of early school dropout, the provision of equal access to vulnerable groups, including also vulnerable ethnic groups and children with disabilities, and the high-quality education in the general educational environment.

**Demographic processes in Bulgaria are characterized by the steady tendency for population decrease and ageing.** In 2010 the public expenditure for healthcare in the country amounted to only 4.8% of the GDP<sup>10</sup>. According to this indicator, Bulgaria holds one of the last positions among the 27 EU Member States, which allocate 7.5% of their GDPs on average for healthcare. The average expenditure for healthcare in 2011<sup>11</sup> of a Bulgarian household amounted to 479 levs, and that of one person – to 196 levs. The expenses for healthcare continued to increase in the makeup of expenses of households and citizens. In 2010 households spent 5.5% for healthcare, and in 2011 – 5.6%.

**Poverty is one of the reasons for limiting the access to healthcare services.** The difficult access to health services for the groups at highest risk of social exclusion leads to a general worsening of their health state and to an increase of the mortality among them. This problem concerns those who live in small towns, in mountainous and remote area, as well as the unemployed, the poor, and those who have specific problems or needs (disabled persons, the elderly, children at risk, etc.).

Bulgaria continues to be one of the **most high-ranking countries in terms of mortality in the EU and one of the low-ranking in terms of fertility rate**, even though the mortality rate, growing in the last two decades, decreased slightly in 2008 and 2009. **Healthcare for children** are still not up to the average for the EU. Regardless of the positive tendency for decrease, child mortality – 8.5% in 2011 – still continues to be higher than in other European countries. One of the most serious weaknesses of the Bulgarian healthcare system is the existing lack of balance in the distribution of health establishment throughout the country - medical help (primary, specialised, hospital, urgent and life-saving) is often provided at great distance. These issues highlight the **need to provide equal possibilities for access to healthcare services for all, including those living in small towns, far away from bigger cities; to improve the quality of health services by building the medical staff's capacity; to equip health establishments with new and more modern medical technology.**

Unemployment, low income, insecurity at the workplace, the lack of education are among the reasons for an unhealthy lifestyle. These entail serious issues for the poorer population. Due to **a lack of**

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<sup>9</sup> According to NSI data: <http://www.nsi.bg/EPDOCS/Census2011final.pdf>

<sup>10</sup> According to Eurostat data

<sup>11</sup> Source: “Monitoring of household budgets”, 2011, NSI

**healthcare culture and low education** these persons have more difficulties in self-assessing the health state. **Promotion, prevention, treatment and rehabilitation** activities are not fully and continuously carried out. The data from the representative epidemiological study of morbidity from frequent mental disorders (EPIBUL 2003-2007) carried out by the National Centre of Public Health and Analyses (NCPHA) shows that 19.5% of Bulgaria's citizens have suffered from a frequent mental disorder at some point of their lives. The deinstitutionalization process and the development of psychiatric services in the community are slow and not all patients seek and obtain specialised help.

**Social services** constitute the other pillar of the policy and are a key factor for an effective social inclusion and participation in social life of vulnerable groups. The social service system has deployed a network of community services and providers across the country has an important role for improving the access to high-quality services for Bulgarian citizens. **Bulgaria has a network of institution and community services for children and the elderly (a total of 972 – 253 specialised institutions, and 719 community services funded from the State budget as of November 2012)**. As of the end of November 2012 **1187 social service providers were registered** in the register of the Social Assistance Agency<sup>12</sup>; **they have received 3328 certificates for providing various social services to children and the elderly**.

The policy for **regional planning of the services** aimed at ensuring the development of new social services that meet specific needs of persons in target groups is still being developed. The **institutional care model** is predominant, especially for persons with disabilities and the elderly. The developed community-based services are not sufficient for the complete replacement of the institutional care model in Bulgaria.

The funds for social services allocated from the State budget as an activity delegated by the State (services in the community and in specialised institutions) are considerable (159 949 400 levs for 2011, 160 141 800 levs for 2012, 177 037 600 levs for 2013). However, these are **State funds for the maintenance of the services** and not for their development. In the context of a financial and economic **crisis municipalities allocated limited funds for developing services** – investment in construction for new services. Such activities are not funded by the State budget either.

Given the challenges posed by the ageing Bulgarian population **long-term care system** (complex, integrated health and social services for the disabled and the elderly) requires a comprehensive reform. The community service network is not sufficiently developed and the number of providers is not enough, which renders the access to high-quality care difficult for a large portion of Bulgarians. Further efforts are still needed to improve the quality of the services provided, including staff training. It is necessary to develop **services depending on the functions of the support provided, the groups supported and the duration of provision**.

**Cross-sector services encompassing healthcare, education and social activities** are poorly developed (mostly in the form of individual pilot projects, which cannot be multiplied due to the lack of financial sustainability), and this poses obstacles to providing complex care to vulnerable groups. Cross-sector services will allow for better individualization of the support provided, better assessment of need and the application of a multidisciplinary approach. This requires **joint efforts and coordinated measure from the part of all systems – social, healthcare, education, and cultural as well**.

In terms of basic services, combating poverty and social exclusion as an integrated policy there should

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<sup>12</sup> A register of Bulgarian natural and legal persons registered under the Commercial act, as well as natural persons carrying out commercial activity, and legal persons founded under the legislation of another EU or EEA Member State.

be a focus on children, especially the ones in low-income households, disabled children, children deprived of parental care, children living in poor housing conditions, etc. **Children form a specific vulnerable group which is at higher risk of poverty and social exclusion compared with adults.** They are highly dependent on the adults they live with and cannot provide for their existence. Taking into account poverty-causing factors – unemployment, low education, low income, etc. – it is essential that **poverty is no longer transmitted across generations.** Equally important is to reduce the possibility that parents' limited access to the labour market and low education is transmitted to their children. Unfortunately, the poverty level among children is high in Bulgaria and this **requires integrated measures for investment in early child development** – supporting the child at a very early age, as well as its parents, to prevent the risks in its development, providing access to child care, schooling, supporting the parents for employment, training, and combining professional and private life.

Other sectors are equally important for promoting social inclusion, for instance the **equal access to culture and sports**, which is an extremely important factor for the social inclusion of persons with disabilities, children and other vulnerable groups. To provide access to sports sites and facilities, as well as cultural sites, the following measures need to be taken: removing architectural barriers at sports sites and facilities, providing access to cultural institution by repair and reconstruction at the buildings, and developing measure to encourage the participation of representatives of vulnerable groups in sports and cultural events.

Providing **access to information and communication** is also important for social inclusion. Here, a serious problem is the limited access to information and communication services for many people. The constant development in information and communication brings about a change in the way people interact, do business, use services, and communicate as a whole. It is important that everyone benefits from these technological developments and that no group is excluded, especially persons with disabilities, vulnerable groups and persons living in remote areas. In this respect measure need to be taken aiming at: providing accessible information in various formats meeting the different needs of vulnerable groups, consulting, developing new communication and information systems and services.

One of the most topical issues regarding social inclusion, particularly of persons with disabilities and reduced mobility, is **providing an accessible physical environment.** It is an extremely important factor for the active inclusion of disabled persons in the life of a community, for their fulfilment and independent lives. Providing an accessible physical environment is an issue requiring the adoption and implementation of special measure aimed at providing physical access to public buildings (schools, kindergartens, hospitals, public institutions, etc.), housing, open spaces, etc.

An integral part of the process of creating an accessible physical environment is providing accessible transport. Part of the measures concern providing transport vehicle for the public transport, subway and airports, as well as the use of appropriate materials, light and sound technical devices in the public space and transport, which are adapted to persons with disabilities and reduced mobility. It is extremely important to provide specialised transport for children with disabilities and those coming from remote areas for specific routes (to school, child and healthcare establishments, social services, etc), which constitutes another factor for providing access to education, healthcare, and social services.

The limited access to public services is one of the serious manifestations of poverty in the everyday lives of vulnerable groups and it is obstacle to their integration and adequate participation in social life. In this respect, ensuring equal access to various administrative services is a key precondition to promoting their social inclusion. To ensure access to high-quality public services measures need to be adopted related to the entire organisation and regulation of the services. They should be focused on the availability of the service (universality of the service) and financial accessibility, continuity of services, quality and

competitiveness, as well as accountability of services.

**The access to financial services** is also another important condition necessary for participation in economic and social life. Despite that many people face difficulties in finding access to or using appropriate financial services on the market. People affected by poverty or in social exclusion usually have no access to financial services, which in turns heightens the risk for their social exclusion.

**Among the most extreme forms of poverty and social exclusion that is homelessness and the deprivation of the possibility for housing.** Even though access to affordably priced housing is a fundamental necessity and right, ensuring this right remains a significant challenge creating the need to develop appropriate and complex measures, such as prevention and overcoming of homelessness. **Services for the homeless**, such as shelters, temporary placement centres, are nearly not enough to support these persons. There is also a lack of **complex services for the homeless and those living on the street** to help them find work, acquire education and healthcare, as well to provide them with social support.

**Housing conditions for the Roma** are still relatively poorer than for the rest of the population. There homes with unsatisfactory living conditions – without any bathroom, electricity, running water and sewage. The unregulated or missing infrastructure in Roma neighbourhoods is a serious issue. The share of illegal buildings is high. In many cases the illegally built house is also illegally connected to electric and water supply installations, as well as sewage, which poses a risk for the lives and health of people.

## VI. VISION

**By 2020 Bulgaria will have become a country where the quality of life of vulnerable groups is improved and conditions for their full social inclusion are created.**

**Preventive measures are the main** focus of this Strategy. To this aim, the priorities will be achieved by the implementation of reform and the application of an integrated approach to develop new model for dealing with poverty and social exclusions and/ or to complement the policies in these areas being implement now. The other focus of the Strategy has to do with **mitigating and overcoming the consequences from poverty and social exclusion.**

## VII. PRINCIPLES

This strategy is based on the following principles:

- **Preventive effect of measures** – undertaking action to eliminate the cause for negative phenomena in society, such as poverty and social exclusion;
- **Sustainability and long-term effect of the results achieved** – durability and long-term impact of the effects from the policies implemented;
- **Effectiveness and efficacy** – implementing programmes and measures after an analysis of needs, coordination and appropriateness of measures;
- **Not allowing discrimination** – providing equal opportunities, full and active participation in all spheres of social life;
- **Solidarity and partnership** – creating conditions for interaction, consultations, open dialogue and responsibility sharing between all shareholders.

## VIII. NATIONAL GOAL AND PRIORITIES ROF THE POLICY RELATED TO

## POVERTY AND SOCIAL INCLUSION

### 8.1 NATIONAL GOAL

The goal of this strategy is to **improve the quality of life of the vulnerable groups of Bulgarian society and to create the conditions for their fulfilment by reducing poverty and promoting social inclusion.**

In the context of the Europe 2020 strategy and taking into account the higher poverty level registered among certain groups of the population, the Bulgarian government has adopted a **National Target for Reducing the Number of Persons Living in Poverty by 260 000 people by 2020**. There are four specific sub-targets within the National Target:

- Reducing the number of **children** aged between 0 and 18 years living in poverty by 78 thousand people (30% from the total for the national goal and 25% from the number of poor children in 2008);
- Reducing the number of the **people aged 65 and over** living in poverty by 52 thousand (20% from the total for the national goal and 10% from the number of poor older persons in 2008);
- Reducing the number of the **unemployed** aged between 18 and 64 living in poverty by 78 thousand people (30% from the total for the national goal and 25% from the number of poor unemployed aged between 18 and 64 in 2008);
- Reducing the number of the workers aged between 18 and 64 living in poverty by 52 thousand people (20% from the total for the national goal and 22% from the number of the working poor aged between 18 and 64 in 2008)

The national Target together the four specific sub-targets are part of the National Reform Programme of the Republic of Bulgaria (2011-2015) and reiterated in the updated National Reform Programme of the Republic of Bulgaria (2012-2020).

This strategy is in compliance with the goals and principles of the EU's Cohesion policy planned for the 2014-2020 programming period, which is a key tool for funding the achievement of the goals under Europe 2020, as well as with the Promotion of Social Inclusion and Combating Poverty thematic goal, under the draft Regulation of the European Parliament and the Council for the European Social Fund. In this regard, the use of the possibilities provided by the EU's structural funds is extremely important for the implementation of the goals and priorities for reducing poverty and promoting social inclusion set in this document.

### 8.2. MAIN TARGET GROUPS

Various programmes and measures are implemented under the policy on social inclusion; they are focused on improving the lives of vulnerable groups in society – persons and groups at risk of social exclusion and less competitive on the labour market. At the core of the measures and activities implemented is the principle of **taking into account specific needs of persons** to provide them with high-quality support and to promote their full social inclusion.

**The main target groups** of the policy for reducing poverty and promoting social inclusion are:

- Persons at non-working age: children, older persons;
- Families with children;
- Disadvantaged groups on the labour market and out of it: unemployed young people, long-term unemployed, unemployed aged over 50, unemployed with primary or lower education or lacking

professional qualification or key competences, economically inactive persons willing to work;

- Vulnerable representatives of the Roma community;
- Persons with disabilities;
- Homeless persons and persons living in poor housing conditions;
- Working poor.

### **8.3. PRIORITIES**

Based on the outlined challenges facing Bulgaria in the field of poverty and social exclusion and in order to fulfill the undertaken commitments to meet the targets of Europe 2020 Strategy, the key policy priorities for reducing poverty and promoting social inclusion up until 2020 are as follows:

- 1. Providing opportunities for employment and increased labour income through active labour market inclusion**
- 2. Ensuring equal access to quality pre-school and school education**
- 3. Ensuring equal and efficient access to quality healthcare**
- 4. Eliminating the institutional care model and developing cross-sectoral social inclusion services**
- 5. Ensuring sustainable and adequate social transfers**
- 6. Improving the capacity and interaction in the field of education, healthcare, employment and social services while implementing common social inclusion targets**
- 7. Ensuring accessible environment – physical, institutional and informational alike, and also accessible transport**
- 8. Improving the housing conditions for vulnerable groups and supporting the homeless people**
- 9. Working in partnership for overcoming poverty and social exclusion, and the related consequences**

#### **PRIORITY 1: Providing opportunities for employment and increased labour income through active labour market inclusion**

Bulgarian employment policy is implemented in the context of the Europe 2020 Strategy and National Target 1 “Reaching 76% employment of the population aged 20-64 by 2020”, the key priority being to promote the creation of employment and social inclusion. At the greatest risk of poverty are disadvantaged persons on the labour market such as unemployed youth, long-term unemployed persons, uneducated and unskilled unemployed persons, elderly unemployed persons, persons with reduced work capacity, etc. A number of labour market measures are under implementation contributing to poverty reduction and social inclusion promotion under a common integrated and efficient approach which comprises measures, programmes, projects and schemes targeted at:

- Providing both general and specialized training to improve one’s professional skills or acquire

- new ones, as well as for acquisition of key competencies by vulnerable groups;
- Providing opportunities for validation of competencies acquired through non-formal training and informal learning;
- Ensuring employment of vulnerable groups on the labour market;
- Providing employment services (intermediary services);
- Promoting entrepreneurship among vulnerable groups on the labour market;
- Establishing conditions for better reconciliation of work, family and private life;
- Protecting labour rights, improving working conditions and reducing undeclared work.

Priority is given to the implementation of measures easing the transition from education to the first job of unemployed youths having no professional experience, to the provision of apprenticeship and internship opportunities combined with job-specific training, as well as measures targeted at the creation of conditions for longer labour market stay of elderly people.

Youth employment is promoted by implementing the Jobs for the Young People in Bulgaria National Initiative, 2012 - 2013. It is aimed at activating young people towards entering the labour market and also using the services of the Employment Office Directorates: informing, counseling and motivating them, referring them to education and employment inclusion opportunities which are tailored to the needs of different youth groups (youths with no profession, youths who completed their education but have no professional experience, youths who are early dropouts from the education system, youths with disabilities, youths with low education level or no education at all, youths in small settlements and in rural areas, etc.). The implementation of the National Initiative is supported by a methodology intended for job intermediaries who work with unemployed youths aged up to 29 years who are registered at the Employment Offices; the purpose of the methodology is to focus the attention of job intermediaries, psychologists and other employees at the Employment Office Directorates who work with clients on the most adequate approaches to offering specialized services to young job-seekers.

The earmarked funds for 2013 in the state budget under the National Employment Action Plan for implementation of active labour market policies amount to BGN 73 million.

Increasing long-term labour market participation and labour productivity requires considerable investment in building human capital in the whole education system and undertaking lifelong training measures. On a national level, by 2020 Bulgaria should have built a competitive economy based on meaningful social, creative and professional fulfillment of one's personality through smart, sustainable and inclusive growth which is territorially balanced. To this end, the National Reform Programme of the Republic of Bulgaria has set out the following National Target: "11% share of the early school leavers by 2020 and a 36% share of the people aged 30-34 with higher education by 2020". In order to involve young people and other vulnerable groups in the real labour market as far as possible, long-term measures/activities supporting socially and economically disadvantaged people are required, along with upskilling activities targeted at low-skilled and low-literate people. Ensuring training on literacy, on acquiring new skills and key competencies, and on improving skills is one of the main tools for promotion of employment and social inclusion. In this regard, the Information Exchange Agreement concluded in mid-2012 between the MLSP and the MEYS, which will be also laid down in the Employment Promotion Act, will have a key role.

One of the key goals of education and training according to the strategic framework for European cooperation in education and training (ESET 2020) is to ensure citizens' personal, social and professional fulfillment. In 2009, the Education Ministers of the EU Member States agreed on five target indicators in the field of education and training, which should be achieved by 2020. Part of the EU criteria directly matching the social measures/activities for poverty reduction and social inclusion are the

following:

- Share of people with higher education - over 40%;
- Average 15% of adults are included in lifelong learning.

NSI data of the population and housing census as of 1.02.2011 shows that the number of Bulgarians with higher education is 1 348.7 thousand, which accounts for 19.6%. The share of higher education graduates aged 30-34 years is 27.3% and this share is planned to increase to 36% by 2020. It should be noted that when it comes to another criterion, that of involvement in lifelong learning activities, Bulgaria is among the countries with the lowest levels in the EU – 1.2% in 2011 r.<sup>13</sup>

Implementing employment and training inclusion measures, coupled with social support services for vulnerable groups on the labour market, is in compliance with the European Active Inclusion Strategy. This requires complex needs assessment, an integrated approach to service provision and individual work focused on the development of practical skills.

With a view of improving the living standards of low-income groups of employed persons and their families, Council of Ministers Decree No. 250 of 11.10.2012 set a new level of the minimum wage as from 01.01.2013, BGN 310. This means that in 2013 there will be a nominal growth of 6.9% of the minimum wage. By increasing the minimum wage level, employed persons will be given opportunities to increase their labour income through active labour market inclusion and reduction of the share of the working poor.

An annual growth of the minimum wage level by BGN 20 is foreseen and in 2015 it will reach BGN 350 (Council of Ministers Decision No. 820 of 11.10.2012 amending and supplementing CM Decision No. 298 of 17.04.2012 which approves the basic assumptions and budget estimates for the 2013-2015 period).

**MEASURES:**

- Improving the employability of unemployed persons by providing training on skills acquisition;
- Ensuring employment for vulnerable groups on the labour market;
- Reintegration of early dropouts from the education system;
- Efficient financing of the access to education and training;
- Providing services needed for the social inclusion of groups furthest from the labour market, the focus being on social skills and improved individual social work with these persons;
- Promoting entrepreneurship, including social entrepreneurship;
- Establishing conditions for reduction of the numbers of the working poor;
- Arranging internships, job specific training and training for acquisition of key competencies by young unemployed persons with no professional experience, with secondary and higher education in the public and real sector.

**Responsible institutions:** MLSP, MEYS, MEET, NEA, SAA, APD

**Partners:** GLIEA, municipalities, district administrations, social partners, NAVET, NGOs

**Funding source:** state budget, municipal budgets, EU Structural Funds

**PRIORITY 2: Ensuring equal access to quality pre-school and school education**

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<sup>13</sup> According to Eurostat data

Poverty and exclusion imply low education levels. At the same time, children raised in poor households, as well as in vulnerable ethnic groups in Bulgaria, receive a lower level of education thus facing preconditions for their long-term social exclusion. The low level of education and the high rate of early leavers from the education system are often consequences of the lack of pre-school education.

Low income families use kindergarten services more rarely. Pre-school education plays a key role in human capital's social inclusion and development, which requires additional measures for expanding the kindergarten network and increasing the number of included children at the age of compulsory pre-school education. There is no quantitative evidence so far indicating the possible reasons for lower coverage of children from low income families and vulnerable ethnic groups by kindergarten and pre-school education services, but international analyses point out to reasons such as economic factors, geographical distances, shortage in kindergarten places, and parents' low awareness and poor motivation as regards the necessity to include their children in pre-school education.

The results of the latest population census in 2011 show that the number of persons in school age (7-19 years) who "never attended school" is 10 110. Among them, the children aged 7 to 14 years are total 5 400. Of 81 thousand Bulgarian citizens who "never attended school", school-age children account for 12% which is an alarming trend. Of the number of persons up to 15 years who determined themselves as Roma, 23.2% are not in education; 11.9% of those who determined themselves as Turks do not attend school, and the share of those who determined themselves as Bulgarians is 5.6%.

NSI data shows that in school year 2010/2011 total 14.5 thousand pupils left general education schools for various reasons, of them 12.3 thousand were primary school children. School leavers for family reasons account for the largest relative share of pupils (6.9 thousand, or 47.5% of leavers' total number), followed by those who left abroad (31.8%) and by school leavers who had no desire to study (14.9%). In terms of stages and levels of education, the numbers of early school leavers are: primary education stage (I-IV grade) - 5 596 persons which accounts for approximately 30% of all persons who left the system; lower secondary education (V-VIII grade) - 6 994 persons which accounts for more than 37%; upper secondary education (IX-XIII grade) - 6 134 persons which means over 32%.

Part of the European criteria directly matching the social measures/activities for poverty reduction and social inclusion are the following:

- Share of early school leavers - below 10% by 2020. In Bulgaria, the share of early school leavers in 2010 is 13.9%, and in 2011 it is 12.8%<sup>14</sup>. In school year 2010/2011, total 18 766 out of 781 665 enrolled pupils<sup>15</sup> left school, as categorized by reasons and educational levels.
- No less than 95% of the children aged between 4 years and the age when compulsory primary education starts must participate in the early childhood education system by 2020. In school year 2011/2012, out of total 65 367 children in the age of compulsory pre-school education in Bulgaria, only 37 688 are covered which accounts for 58%.
- The share of 15-year olds with unsatisfactory reading, mathematics and science skills should be below 15% by 2020. The average ranking of Bulgarian pupils in terms of their reading literacy, according to the 2009 study of the Programme for International Student Assessment (PISA), developed by the Organisation for Economic Cooperation and Development (OECD), is 429 points (considerably below the OECD average) and 46<sup>th</sup> place out of 65 participating countries.

Overcoming these negative trends is directly linked with not only ensuring a better educational environment at school and in the kindergartens but also providing social support which should be

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<sup>14</sup> According to Eurostat data

<sup>15</sup> According to NSI data

targeted at efficient distribution of the measures by risk groups and strict monitoring of expenditures. Speaking of this, the efforts should be targeted at investment in providing access to quality education.

**MEASURES:**

- Introducing compulsory pre-school education starting at the age of 4;
- Monitoring the physical environment for ensuring compulsory pre-school education for children and providing additional support;
- Providing support to pupils from vulnerable groups, those living in remote areas, from low-income families, etc. to enable them to go to school;
- Designing social services to support the continuation of school education;
- Priority participation of children from risk groups in all-day schooling;
- Developing a National Strategy for Reduction of Early School Leaving by 2020.

**Responsible institutions:** MEYS, MLSP, municipalities

**Partners:** SACP, SAA, NGOs, district administrations

**Funding source:** state budget, municipal budgets, EU Structural Funds

**PRIORITY 3: Ensuring equal and efficient access to quality healthcare**

Improving the health status of vulnerable groups of the population requires activities which provide adequate health related information to this group of persons, in an accessible manner, and quality health services. This will give opportunities to motivate them to actively search contacts with General Practitioners and other medical specialists. The purpose is early diagnosis of sub-clinical chronic conditions and prevention of chronic non-communicable diseases such as cardiovascular diseases, malignant tumors, diabetes mellitus, chronic obstructive pulmonary disease, etc.

Any measures targeted at risk prevention and decrease with regard to diseases and disabilities have to become more efficient. This includes improved knowledge of doctors and medical specialists in the field of health promotion and disease prevention. Topical information should be supplied regularly using specialized medical literature, initiating and holding collegium events, training courses and workshops on health promotion and prevention of chronic non-communicable diseases.

Having in mind that some vulnerable groups are characterized by specific social and ethnic cultural peculiarities, doctors and medical specialists should be aware of and take into account the cultural differences and traditions of these population groups, otherwise communication and contacts with the patients would deteriorate. It is a fact that large part of the poorer and lower educated persons resort to self-medication methods. This requires a more active approach by General Practitioners (GPs), medical specialists, nurses, midwives, medical assistants, rehabilitation therapists, health mediators and volunteers in educating and informing these persons on health matters.

With a view of all mentioned above, it is necessary to elaborate manuals and methodological instructions for evaluation and control of the key factors of health risk, which should be used by doctors and medical specialists. Every citizen has to be informed and acquire awareness skills with regard to the relevance of good health and coping with the risk factors of chronic non-communicable diseases: unhealthy diet, lack of exercise, stress, alcohol abuse, use of tobacco products, illegal narcotic drugs, air pollution, and harmful radiation.

Providing information to the population about the principles of a healthy lifestyle, and also providing consultations and training on the health-related problems of vulnerable groups should be done by setting up territorial methodological centres for provision of information, consultation and training, as well as by asserting the model of health mediators as a precondition to improve healthcare access.

The key elements are provision of equal opportunities and access by representatives of vulnerable groups to information, and also expansion of the volume, range and purposefulness of health services provided to the population living in remote and hardly accessible areas. The purpose is to expand the opportunities for improved quality of life, which are available to persons and families at risk of poverty and social exclusion.

Upgrading measures are required in primary healthcare – establishing conditions for promotional and preventive activities, supporting the generation of new and diverse community-based health services while highlighting the implementation of different programmes for obtaining skills for a healthy lifestyle. These measures include upskilling efforts with regard to medical specialists (doctors, medical assistants, nurses) so that they can work in this direction. Equally significant is also training of all actors involved in the processes of quality and affordable health services provision (medical staff, social workers), etc.

A priority task of the Ministry of Health (MH) is to protect population's health by preventing Vaccine Preventable Diseases. In this field, the MH follows a coherent and sustainable policy aimed at updating the Immunization Calendar, providing highly efficient multicomponent vaccine products and reaching wide immunization coverage. In compliance with Regulation No. 15 of 2005 on the Immunizations in the Republic of Bulgaria, the required vaccines for scheduled immunization and re-immunization according to the Immunization Calendar are purchased by the MH on an annual basis. The necessary quantities of bio-products are determined by using official data of the National Statistical Institute about population numbers in different years and the number of vaccinations for each type of vaccine.

Preventive immunization and re-immunization is done by the medical institutions for primary healthcare and although the MH makes sure that vaccines are available for all relevant persons irrespective of their social status, the coverage of the population in regions with lasting unemployment is low. Poverty, including absence of health insurance contributions and lack of awareness about patients' rights and obligations and the types of medical services, prove to be an obstacle to accessing preventive healthcare. This trend has become more pronounced in the past few years due to financial difficulties encountered by lower-income families. Many of them find it difficult to take their children to a visit of the GP in order to get preventive vaccination, as a result of which coverage of immunization against infectious diseases such as poliomyelitis, tuberculosis, whooping cough, measles and parotitis accounts for less than 95%. In certain regions of the country like Sliven, Targovishte, Montana and Varna this coverage is below 90%. This has a direct impact on the health status of the representatives of these social groups and of the overall population, since it is a precondition for emergence and spread of infectious diseases.

#### **MEASURES:**

- Asserting the model of health mediators as a precondition for improved access to healthcare by vulnerable groups;
- Improving population's awareness of the key risk factors which are related to chronic non-communicable diseases;
- Expanding immunization coverage in the long run up to 95% of the persons who are subject of vaccination;
- Developing a National Health Strategy.

**Responsible institutions:** MH, NHIF

**Partners:** RHI, municipalities, district administrations, doctors' professional organisations, National Centre of Public Health Protection, social partners, NGOs

**Funding source:** state budget, municipal budgets, EU Structural Funds

**PRIORITY 4: Eliminating the institutional care model and developing cross-sectoral social inclusion services**

Children and family related policies are among the leading government's priorities. Their multi-faceted nature presupposes setting of interlinked targets and development of complex policies targeted at: safeguarding every child's right to a family; developing high-quality social services in the community, which support the raising of the child; reducing child poverty and speeding up the process of deinstitutionalisation. The support policies for children and families in the past three years were targeted at introducing an entirely new approach to childcare involving prevention, early intervention, family support and ensuring family or close-to-family environment for every Bulgarian child. A key tool in achieving these goals is deinstitutionalisation of childcare.

In early 2010, a National Strategy "Vision for Deinstitutionalisation of the Children in the Republic of Bulgaria" was adopted which had as its main goal the closure of all institutions for children in the upcoming 15 years. The Strategy foresees not only closure of the traditional type of specialized institutions but also quality change in family support policies leading up to prevention of risks, among them the risk of child abandonment.

At the end of 2010, an Action Plan for the implementation of National Strategy "Vision for Deinstitutionalisation of the Children in the Republic of Bulgaria" was also adopted, which outlined the relevant activities, tasks, responsibilities and resources for implementation of the National Strategy. The Action Plan comprises development and implementation of five projects: "Project for Deinstitutionalisation of the Homes for Children with Disabilities", "Project for Deinstitutionalisation of the Homes for Medical and Social Care for Children", "Project for Deinstitutionalisation of the Homes for Children Deprived of Parental Care", "Project on Development of Foster Care", and "Project on Career Development of Social Workers".

Achieving a stable and sustainable process of deinstitutionalisation requires parallel work for providing and developing prevention services as well as services which are alternatives to the institutional care, offering children care in an environment that resembles a family. This in reality means, on the one hand, that the functioning of existing social services should improve, and on the other, that new social services have to be introduced and developed.

As of the end of 2011, the number of social services for children was 390, of them 294 were community-based social services, and 96 were specialized institutions. There was a stable trend of increasing the number of community-based social services, as evidenced by 2012 data about social services. As of November 2012, an increase of community-based social services for children was registered reaching the number of 338, while the number of specialized institutions went down to 91.

The number of licenses issued to providers of community-based social services for children was 309 at the end of November 2012. The number of various types of social services for children offered by licensed providers was 407, the highest share being of providers of services "Foster Care", "Community Support Centre" and „Centre for Social Rehabilitation and Integration". At present, the main alternatives to institutional care, alongside community-based social services, are family reintegration, adoption, placement in kinship care, and placement in foster families. In 2011 total 1423 children were reintegrated in their biological families, 1465 was the number of successfully closed cases on prevention of abandonment, 952 children were adopted under conditions of full adoption by persons whose usual

residence was in the Republic of Bulgaria, and 1623 children were placed in kinship care. Towards the end of November 2012, the total average monthly number of ongoing reintegration cases was 2095, abandonment prevention cases amounted to average 4245 per month, the cases of children adopted under conditions of full adoption numbered 2947 in the period from 01.07.2009 to 30.11.2012, and the number of children placed in kinship care reached 6296. Aiming at establishing real opportunities for reduced number of placements of children in specialized institutions, the Bulgarian government targeted its efforts to the development of foster care in the country as one of the most successful measures for protection of children whose placement has to be outside their families. As of end-2011, total 1022 foster families were recognized, of them 262 voluntary and 760 professional foster families, while total 885 children used this service. At the end of November 2012 the number of recognized foster families reached 1342, of them 206 voluntary and 1136 professional, and the number of children raised in foster families totaled 1077.

Offering special support to young people leaving specialized institutions is of crucial significance to the transition from institutional-type care to care which is close to the family environment or is community based. These young people need knowledge and social skills to help them carry on with their education, find a home and a job, and cope with daily life tasks. Therefore, along with the deinstitutionalisation process, special focus should be put on undertaking measures to support children and youths upon leaving the specialized institutions and making the transition to an independent life. Allocating funds for activities related to services for children who left specialized institutions is crucial in meeting one of the key targets of the reform, i.e. all children in need have access to services in family environment or to community-based services. This being said, the implementation of the mentioned activities will move forward the successful model of cross financing of the process of deinstitutionalisation of childcare.

Programmes and policies for early child development are another key tool for prevention of poverty and social exclusion. They are investment in the future of the society and its evolvement, both economic and social, as they also represent a key prerequisite for prevention of inter-generational transmission of poverty.

Giving people equal chance for a good life means that investment should be made in early child development measures. Providing opportunities for social mobility to excluded persons requires evaluation of the shortcomings which appeared because of the family environment. Such measures should start with the child's birth by providing access to healthcare and education, so that people are able to obtain the necessary skills, confidence and strength in order to make their own choice in life. The main focus is therefore on the very early age, from 0 years to pre-school age, so that the greatest effect is achieved on the policies targeted at social inclusion. Evidence is abundant globally that any investment in early child development measures, including healthcare and education programmes, has a major impact on the further results from primary education and also has greater return than investments in measures aimed at subsequent gap filling.

Bulgaria's efforts to develop and implement integrated policies for early child development – children aged 0 to 7 years – are backed up by the launched Social Inclusion Project. The first stage of this project is funded by a loan of the International Bank for Reconstruction and Development (World Bank) to the amount of EUR 40 million. The project allows municipalities to design services for early child development, early intervention in the case of disabilities, risk prevention in early childhood, better schooling readiness, improving the family environment, etc.

Projects implemented by 58 municipalities started in 2011, and total 70 financing agreements have been concluded so far under the Project. The implementation of the Project will enable municipalities to launch new types of services for children and families: for early child development, risk prevention in

early childhood, better coverage and improved readiness of children to become part of the education system, improved family environment. It is precisely the need to ensure sustainability and build upon the model of complex support for children and families that drives the expansion of the coverage of early child development services all over the country. To achieve sustainability of this model, it is essential to have funds available which will ensure the expanded scope of offered services and the development of the new models. The legislative reform in the field of child and family policies should also consider these services as key factors for risk prevention with regard to children and their families.

The existing programmes fail to meet the increased demand for integrated and tailor-made services corresponding to the needs, mostly because of limited financial resources to implement them. In this regard and with a view of promoting the social inclusion of society's vulnerable groups, the allocation of the required financial resources by the European Structural Funds will give opportunities to expand the network of flexible integrated quality services. Providing integrated services to all target groups will on the one hand establish conditions for utilizing the full capacity of the services, and on the other hand will boost their affordability in response to the real needs of users.

While the already advanced reform in the field of childcare targeted at changing the model and at deinstitutionalisation is supported by solid financial resource under the ESF and the ERDF, the system of long-term care for older people and people with disabilities is still strongly institutionalized and far from benefiting the cultivation of skills for independent life and social inclusion in general. A well-developed network of cross-sectoral services and social services both in the community and at home is a basic requirement to provide equal and efficient access to key services by people in need of long-term care.

The system of long-term care and social services for elderly people in Bulgaria expanded considerably in the past few years due to recent reforms targeted at deinstitutionalisation and providing more community-based and family-based services such as daycare centres for elderly people, daycare centres for elderly people with disabilities, centres for social rehabilitation and integration, protected homes, etc. The number of community-based social services provided to older people at the end of November 2012 was 381, with total capacity of 8167 placements. Despite this, the institutional type of care is still the prevalent one. The social and economic efficiency of the provided services, mostly in the specialized institutions, is extremely low and has to be increased by applying contemporary and well established work models. At the end of November 2012, the specialized institutions providing services to elderly people as an activity delegated by the state numbered 162 with a total capacity of 11 254 placements.

The geographical coverage of long-term care services is uneven in terms of regions in Bulgaria. More institutions and higher-capacity services are usually located in administrative units with larger population. On the other hand there are institutions which are located in extremely inaccessible regions, mostly institutions for people with disabilities, making people's access to basic services such as healthcare a challenge. Although community-based social services noticeably expanded in recent years, in terms of their variety and coverage, the needs are still not satisfied while the system of these services is not completely built all over the country and is geographically misbalanced. Its further development is a key priority with regard to the access to services.

Considering the challenges which arise from the ageing of the Bulgarian population, the long-term care system (both older people and people with disabilities) should also address the need of offering complex support to the families which take care of dependent family members, of expanding the scope of opportunities for home care and modernization of existing social services, and opening of innovative cross-sectoral services.

A particularly important field is improving the quality of life of people with mental disorders. This could be done by supporting the provision of social services in psychiatric hospitals and increasing the number of reintegration and resocialization programmes in mental health centres. The main goal of the policy related to mental health is to create multi-functional and community-based mental & health services, to integrate them into the general medical network and coordinate them with other actors in the social and educational field. This is implemented through opening of daycare centres for mental & social rehabilitation, protected homes for people with mental disorders, psychiatric departments in Multi-Profile Hospitals for Active Medical Treatment. Ensuring sustainability is an obligatory condition and could be achieved by introducing cross-sectoral cooperation on all levels.

The development of a National Strategy for Long-Term Care is underway. Its main goal is to create conditions for an independent and dignified life of elderly people and people with disabilities by improving the access to social services and their quality, enlarging the network of these services throughout the country, deinstitutionalisation, as well as promoting the interaction between health and social services. The implementation of the Strategy will also help provide complex support to families which take care of persons with disabilities and of elderly persons.

Securing of finances is a key factor in the implementation of these activities, and in achieving the main goal of the deinstitutionalisation of care for people with disabilities and elderly people, i.e. ensuring access to services in family environment or to community-based services. The implementation of this measure could easily benefit from the already applied cross-financing model of the process of deinstitutionalisation of childcare.

#### **MEASURES:**

- Providing sustainable, quality and affordable social services in the community, which meet users' individual needs;
- Developing a network of services in family environment, or close-to-family environment, for children, people with disabilities and elderly people who depend on professional care;
- Designing integrated early child development services for children aged 0 to 7 years, and for their families;
- Developing innovative cross-sectoral services for children and families, and other vulnerable groups;
- Providing complex support to families which take care of people with disabilities and elderly people;
- Ongoing introduction of good practice for deinstitutionalisation of patients with mental disorders;
- Elaborating a National Strategy for Long-Term Care;
- Elaborating a financial mechanism ensuring sustainability of services funded under the Operational Programmes.

**Responsible institutions:** MLSP, MH, MEYS, MF, SACP, SAA, municipalities

**Partners:** MC, MYS, MI, MJ, NSSI, NHIF, district administrations, social partners, NGOs

**Funding source:** state budget, municipal budgets, EU Structural Funds

#### **PRIORITY 5: Ensuring sustainable and adequate social transfers**

Ensuring adequate and sustainable social transfers is an important part of the assistance provided to

vulnerable groups of the society, and of the policy for poverty reduction and social inclusion promotion. Providing material aid is linked with social protection and social inclusion in the following way: through better focus of the social assistance allowances and allowances for people with disabilities; allowances to families with children; improved efficiency, efficacy and sustainability of programmes; applying differentiated approach according to the specific needs of the assisted persons and families.

This material assistance is allocated out of the state budget; approximately BGN 800 million was allocated in 2011 alone. The earmarked funds in the state budget only for disbursement of family allowances for children in 2011 amounted to almost half a billion BGN, and the same amount was provided in 2012 too. The 2013 expenses foreseen under the Family Allowances Act amount to BGN 487.4 million. The allocated funds in 2011 for payment of monthly, targeted and lump-sum social benefits, as well as allowances for medical diagnostics and treatment (CMD 17/2007) amounted to BGN 55015 thousand, and for payment of targeted heating allowance BGN 60 589 thousand. As of November 2012 the allocated funds for payment of monthly, targeted and lump-sum benefits, as well as allowances for medical diagnostics and treatment, amounted to about BGN 48024 thousand. The foreseen funds for payment in 2013 of monthly, targeted and lump-sum benefits, as well as allowances for medical diagnostics and treatment (CMD 17/2007), amount to approximately BGN 56989 thousand, and for payment of targeted heating allowance BGN 73117 thousand. Funds are also earmarked for other assistance such as targeted allowances for medicines, dental allowances and lump sum allowances in case of death of war victims and invalidated servicemen in compliance with the War Invalids and Victims Act, etc. As of November 2012, the integration policies targeted at people with disabilities were backed up by funds amounting to approximately BGN 139192 thousand, while for 2013 an amount of BGN 160921 thousand is foreseen.

Data of the EU Statistics on Income and Living Conditions (EU-SILC) shows that the social protection system in general considerably helps reduce poverty in the country. According to 2010 data, the relative share of the poor prior to social transfers accounts for 41.5%, the relative share of the poor prior to social transfers (pensions included) is 27.1%, while the relative share of the poor after social transfers is 22.3% (a drop by 4.8 p.p. is observed). According to the study, the share of persons aged below 18 at risk of poverty after social transfers accounts for 28.9% (compared to 34.9% prior to social transfers), the share of persons aged 65+ at risk of poverty is 30.9% (compared to 34.8% prior to social transfers and 78.6% prior to payment of pensions).

Although the policy for reduction of poverty and social exclusion cannot be entirely based on social transfers, they have a crucial role in mitigating the ramifications of the economic crisis in which they operate. Indicative in this regard is the data about the number of persons and families who receive monthly social benefits: average 36 121 persons and families per month in 2009, average 44 342 per month in 2010, and from January to December 2011 their number is 47 842. In 2012, monthly social allowances were granted to average 49 676 persons and families on a monthly basis, which accounts for an increase by 37.5% compared to 2009. Indicative is also the data about the number of persons in active working age (18-64 years) who receive monthly social benefits due to lack of labour income: 55 049 persons in 2009; 62 621 persons in 2010; 66 919 persons in 2011, and the first three quarters of 2012 registered 66 760 persons.

An important dimension of the priority to ensure adequate and sustainable social payments is the provision of material aid and assistance to families with children. In 2011 various types of family allowances were granted to over 80% of Bulgarian children, and the number of supported families amounted to 554 883 having total 820 892 children. As of November 2012, the supported families amounted to 546 302 with total 810 231 children. In order to provide efficient support to children in risk and to their families, as of end 2011 total BGN 8 773 628 were spent on average 4784 cases per month

under the Child Protection Act. To support professional foster care, funds were allocated to the amount of BGN 2 153 512. As of November 2012, funds to the amount of BGN 9 395 987 were spent on 5369 monthly average number of cases, while the salaries and social insurance contributions of the professional foster families cost BGN 3 334 548.

In order to improve the adequacy of social transfers, as they contribute significantly to the prevention of falling into poverty and/or overcoming its negative consequences, the relevant policies and all income related legislative initiatives have to be subjected to an impact assessment. This will bring about better adequacy, purposefulness and efficiency of public spending as far as social payments are concerned.

Among the social transfers which are a key factor for poverty reduction are pensions; they represent a basic source of income for people above active working age. According to 2011 registered data, the funds required for payment of pensions and supplements to pensions amounted to BGN 7 107.8 million. The funds for 2012 are BGN 7 314.0 million, and the planned funds for 2013 amount to BGN 7 852.6 million. The ongoing pension reform in Bulgaria aims to respond to the challenge of ageing population and its impact on the long-term sustainability of public finances, and therefore on the country's macroeconomic stability and economic growth.

The 2013 Law on the Budget of the Social Security System outlines the following policies for increasing the income of pensioners:

- Raising the minimum amount of old-age pensions from BGN 145 to BGN 150 as from 1 April 2013. Because minimum old-age pension was increased as from 1 June 2012 from BGN 136.08 to BGN 145.00, the indexation as of 1 April 2013 will add up to its amount as it stands at the time of its increase by 9.8%.
- Raising the minimum amount of old-age pensions as from 1 April 2013 means that the minimum amount of work-contingent pensions will increase too, as they are calculated on this basis, i.e. this affects the minimum amount of general-sickness invalidity pensions, of employment-injury or occupational-disease invalidity pensions, and of survivor pensions.
- Raising the maximum amount of granted one or more pensions from BGN 700.00 to BGN 770.00 as from 1 April 2013. The number of pensioners receiving pensions limited by a ceiling amount is approximately 50 thousand as of 30.06.2012, of whom about 16 thousand receive real pension of up to BGN 770.
- Updating work-contingent pensions as from 1 April 2013 which are differentiated according to the year in which the pension is granted. Pension indexation percentages are different depending on the year of pension granting, because indexation should make up for increased cost of living in the periods of no updating after pension granting – up until the end of 2012.
- Again, as from 1 April 2013, the amount of social old-age pensions will reach BGN 110 (up from BGN 100.86) which will result in increased amount of non-work-contingent pensions, as they are calculated on this basis, i.e. invalidity pensions, military invalidity pensions, civil invalidity pensions, person-specific pensions.

In this regard and having in mind potential risks arising from the emerging international financial instability, long-term changes were introduced to the labour and social security legislation with the purpose to guarantee employment and improved system of payment of social pensions. Furthermore, in compliance with the 2012 amendment to the provisions of Article 70 (1) of the Social Security Code, if a person has insured length of service without transformation of additional years above the required ones for eligibility to a pension in the respective calendar year and if s/he continues to work after having reached retirement age without being granted a pension, then for each year of insured length of service after that age the percentage gets increased from 3 to 4 p.p. Also, the possibility for an employer to terminate the labour relations with the worker/employee upon his/her becoming eligible to old-age

pension was revoked. The mechanisms for concluding and enforcing labour contracts were improved and supplemented, e.g. performing home-based work, remote work and work through enterprise which provides temporary employment.

**MEASURES:**

- Providing material aid to disadvantaged persons and families;
- Supporting families with children;
- Increasing the amount of pensions in order to make them more adequate;
- Carrying out an impact assessment of the policy targeted at ensuring adequate and sustainable social payments.

**Responsible institutions:** MF, MLSP, NSSI

**Partners:** MAF, SAA, NEA, municipalities, social partners, NGOs

**Funding source:** state budget, state social security

**PRIORITY 6: Improving the capacity and interaction in the field of education, healthcare, employment and social services while implementing common social inclusion targets**

Improving the quality and efficiency of the services provided in key sectors with regard to social inclusion will require both modernization of the work of institutions and providers active in this field, and improved interaction between the different systems. Speaking of this, the main activities will aim at: improving employees' professional capacity and motivation; improving both vertical and horizontal coordination between the institutions and their interaction with service providers; improving the control, including via tightened civil control; developing information systems and databases that service the various systems; developing systems for monitoring, efficiency evaluation and assessment of the impact of services, programmes and legislation; improving the capacity of provision of integrated services at local level; formulating and implementing policies for social inclusion, etc.

This priority will support Bulgaria's fulfillment of its commitment under the European platform against poverty and social exclusion with regard to:

- Promoting social policy innovations;
- Promoting partnership;
- Enhanced policy coordination.

The experience gained in holding the European Year for combating poverty and social exclusion 2010 will be used to promote civil participation, and in particular: information campaigns; meetings with people living in poverty and social exclusion; national-level fora and other joint initiatives with NGOs and the social partners.

In order to optimize human resources, part of the activities should be targeted at developing a system of ongoing upskilling and improving the motivation of people involved in this field, and funding of training on work with people with specific capabilities and children and families in risk; work in multiethnic environment with focus on Roma communities; on strategic planning of service development at municipal, regional and national level; on developing, implementing and managing social inclusion programmes, etc.

Setting up an efficient network and models for improvement of the cooperation and coordination between the individual systems, and also enhancing the cooperation with the civil society sector, is an essential condition to improve the access to social, health and education services, and to provide them at

quality level all over the country. Impact assessment for policies in the field of employment, income, social, health and educational services is yet another key component of the action aimed at improving the capacity of the systems in this field. Policy impact assessment is a good tool to improve decision-making and ensure quality and sustainability of policies and the applied measures. This assessment will give an opportunity to apply analytical approach in measuring the achieved results of implemented policies, programmes, regulatory acts, improved planning, as well as to make people better aware of the efficiency of used policies.

The development and application of systems for policy monitoring and evaluation in the field of employment, social, health and educational services will result in an improved process of planning and evaluation of policy implementation in the light of their economy, efficiency and effectiveness. Using an institutionalized system for policy monitoring and evaluation will help increase capacity and achieve more sustainable results.

Using innovative approach in providing integrated services for prevention and overcoming of social exclusion is a significant factor to create an enabling environment for participation of vulnerable groups in public life. In this regard, striving to optimize processes' efficiency in the social system, education and healthcare, it is necessary to intensify the application of information and communication technologies and technological innovations in service development, supply and use. The ultimate goal of using innovative approach is actually improved quality of life of people from vulnerable groups, by expanding the volume, diversity and purposefulness of supplied services.

#### **MEASURES:**

- Improving service planning in the various sectors, including at regional level, as well as the coordination of planning;
- Increasing capacity by introducing new approaches to service provision – multi-disciplinary approach, individualization of services, using complex evaluation, etc.;
- Creating and introducing systems for monitoring and control of the efficiency and effectiveness of offered services;
- Assessing policy impact in the field of employment, income, social, health and educational services;
- Building up the capacity of municipalities, non-governmental organisations, social partners and service providers to take part in the formulation and implementation of integrated policies for social inclusion.

**Responsible institutions:** MLSP, MEYS, MH, MF, SACP, NEA, SAA, municipalities

**Partners:** NSI, district administrations, social partners, NGOs

**Funding source:** state budget, municipal budgets, EU Structural Funds

#### **PRIORITY 7: Ensuring accessible environment – physical, institutional and informational**

The availability of accessible environment is one of the most serious issues which vulnerable group representatives are faced with. Despite the established good regulatory basis for providing physical access to the workplace, home, public buildings, etc., the lack of sufficient financial resources at both national and local level is a considerable obstacle to the practical enforcement of these regulations and requirements.

Key elements of the process of availability of accessible physical environment is ensuring physical access to public buildings (schools, kindergartens, hospitals, government institutions, etc.), dwellings,

open spaces and others alike; ensuring accessible transport services, including specialized transport for children with disabilities and children from isolated regions.

The accessible use of information and communication technologies is an important factor promoting social inclusion. Providing access to information and communication is a serious problem which requires measures targeted at introducing regulatory minimum requirements for supply of information by public institutions in an accessible format; improving computer literacy, skills and regular use of internet by representatives of vulnerable groups; providing accessible information and consultation, and inclusive and targeted online services in key areas (employment, housing, healthcare, social services, etc.) which contribute to the granting of enhanced rights to the users, among them mostly such from vulnerable groups – people with disabilities, poor people, vulnerable ethnic groups and people living in remote regions, etc.

The implementation of social inclusion policies should increasingly take account of the key role that public services could play in reducing local disparities and promoting social inclusion. In present day society, the access to these services, including financial ones (banking services, services in the non-banking financial sector, including insurance, supplementary pension insurance and investment services), and guaranteeing affordable prices have become basic necessity. In this regard, the limited access to public services is a paramount challenge which requires undertaking measures for creation of conditions for the availability and financial affordability of various administrative services.

Ensuring access to culture and sports is important for economic and social cohesion, and also for full inclusion of vulnerable groups of society. That is why the specific needs and status of vulnerable group representatives have to be taken in mind and attention should be paid to the special role of culture and sports for people with disabilities and children above all. In this regard, measures have to be taken to adapt sports and cultural infrastructure by removing the architectural barriers of sports sites and facilities, and providing easy access to cultural institutions by repair works and reconstruction of buildings. The measures under this line of action imply not only creation of conditions for participation in cultural and sports events and entertainment, but also development and integrated training in the field of sciences, arts and sports of children from vulnerable groups.

Making sure financing is available is a key factor in the implementation of these measures and activities, and also having in place one of the basic prerequisites for promotion of social inclusion, i.e. ensuring accessible environment. The purpose is to expand the opportunities for improved quality of life of people from vulnerable groups and to promote their full-fledged participation in society's life.

**MEASURES:**

- Ensuring physical access to public buildings, homes, open spaces, etc.;
- Ensuring access to information and communication;
- Ensuring access to public services;
- Ensuring access to culture and sports.

**Responsible institutions:** municipalities, MRDPW, MTITC, MC, MYS, MF, MLSP

**Partners:** APD, district administrations, EWRC

**Funding source:** state budget, municipal budgets, EU Structural Funds

## **PRIORITY 8: Improving the housing conditions for vulnerable groups and supporting the homeless people**

Homelessness is simultaneously a reason for and a consequence of poverty and social exclusion. It is the result of an interplay between different factors, among them: lack of housing at affordable prices, low labour remuneration, insufficient attention of the society to this problem, physical and mental illnesses, domestic violence, unemployment, etc. Providing appropriate housing for vulnerable risk groups is therefore an important priority requiring a combination of multiple and diverse measures targeted at both prevention and limiting of this extreme form of poverty and social exclusion.

According to the data of the latest population and housing census of the Republic of Bulgaria carried out by the National Statistical Institute<sup>16</sup>, in 2011 the number of occupied dwellings decreased by 1.7 p.p. while the number of unoccupied dwellings increased by 1.3 p.p. as compared with 2001. An increase in the number of occupied non-residential buildings by 0.5 p.p. was also registered.

The number of unoccupied dwellings in Bulgaria is big, which means that the real availability of housing in some urbanized regions (mostly in big cities) is much below the European standards. The state of housing is deteriorating too, and some residential quarters turn into ghettos due to poor management and insufficient maintenance. The current situation and the negative trends in the housing sector indicate that the main problems in this field have to do with poor maintenance of housing; increased number and increased relative share of unoccupied dwellings in some regions; growing share of owners of dwellings who are unable to cover the increasing expenses for their dwellings due to low income; absence of a subsidizing system for housing; lack of a specialized system for savings and loans for housing.

Against this background, ensuring affordable housing for the greater part of vulnerable groups is still a considerable challenge. Easier access to housing should be provided for low-income households by increasing the number of residential buildings constructed with non-economic purpose and by introducing a new subsidizing system and a specialized system for savings and loan-granting for housing. A number of studies<sup>17</sup> point out to persistent poverty in the Roma communities and deteriorating living conditions in Roma populated neighborhoods which evolved naturally. A stable trend is observed of growing disparity between the living conditions in Roma groups and the conditions in which the majority of the remaining population lives. There is a huge difference between the level of provision of utilities in the dwellings of Roma community representatives and the housing throughout the country in general. Speaking of infrastructure, there are housing sites below satisfactory level – no electricity, water supply and sewerage. These serious issues require actions to improve living conditions and upgrade the neighborhoods with prevailing Roma population.

In this regard, a key priority of the policy combating homelessness is to ensure appropriate accommodation and housing infrastructure, as well as efficient and quality services for homeless persons. The nature of this problem, i.e. it being conditional on multiple factors, presupposes a focus on the implementation of a complex and integrated approach by developing integrated cross-sectoral services, which include social, health, educational and employment services, and above all access to accommodation. Making sure funds are available to develop these services and provide affordable

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<sup>16</sup> <http://censusresults.nsi.bg/Reports/1/1/R1.aspx>

<sup>17</sup> World Bank Report *Bulgaria: Household Welfare during the 2010 Recession and Recovery*, 2012; World Bank poverty assessment report *Bulgaria – A Changing Poverty Profile*, 2002; *Avoiding the Dependency Trap*, UNDP Regional Human Development Report, 2002; *The Roma People – the Other Dimension of the Changes*, Partners Bulgaria Foundation, 2004

housing is an important precondition for both prevention and limiting of homelessness.

**MEASURES:**

- Ensuring access to housing;
- Creating integrated cross-sectoral services for the homeless, including child/adult beggars.

**Responsible institutions:** MRDPW, MLSP, municipalities

**Partners:** MI, MJ, MH, NSI, State Agency for Refugees, SAA, NGOs, district administrations

**Funding source:** state budget, municipal budgets, EU Structural Funds

**PRIORITY 9: Working in partnership for overcoming poverty and social exclusion, and the related consequences**

In the context of the European platform against poverty and social exclusion, achieving progress in this field implies undertaking active actions in all policy areas. As seen by everything mentioned so far, this Strategy strives to do precisely this by mobilizing the responsible institutions in the implementation of specific measures and actions aimed at improving the welfare of people in risk of poverty and social exclusion.

At the same time, however, any progress would be possible only if a well-coordinated, balanced and result-oriented approach is present involving all stakeholders. The implementation of initiatives which strive to mobilize all actors in the policies combating poverty and social exclusion, while municipal and regional-level initiatives have higher priority; initiatives which promote social responsibility and partnership with the social partners, non-governmental organisations, people living in poverty; generally speaking, initiatives which instill and/or assert the feeling of responsibility and commitment to the fight against poverty and social exclusion as one of the obligatory elements of achieving social and economic progress, will be an essential part of the implementation of the Strategy's specific measures. The implementation of this approach has at least two aspects:

First off, if any measures for poverty reduction and social inclusion promotion have to be effective and efficient, they need to correspond to the topical and dynamic dimensions of such phenomena like poverty and social exclusion which are characterized by enormous complexity. This means that any measures should, as correctly as possible, reflect both the well-functioning and the non-functioning solutions which are part of the policy for social inclusion promotion; it should be clear which solutions proved to be efficient and which have to be revised. This follows a logical path which consists of measures for improving the information and analytical basis of policies, exchange of good practice and experience with other EU Member States, availability of acting and objective tools for evaluation and monitoring of policy impact on poverty and social exclusion. Last but not least, searching these solutions should happen in the conditions of active dialogue with the stakeholders and constant feedback by them, insofar as the opinions of the very people living in poverty and social exclusion are the most correct indicator for the success of policies. Therefore, setting up mechanisms for involvement of people living in poverty in the decision making processes and providing opportunities to them to influence decisions which concern them is an extremely relevant tool to promote their meaningful participation on the life of the society.

Secondly, in conditions of extremely fast changing social and economic situation, policies sometimes fail to respond quickly to the new challenges. Launching pilot practices and promoting social innovations could become the needed incentive to feed national-level policies by ready-made and tested solutions in the practice, which not only show how better results may be achieved in the fight against

poverty and social exclusion, but could also be a tool for structural reforms management required to achieve a balanced, smart, sustainable and – above all – inclusive growth.

**MEASURES:**

- Improving information provision of the policy for combating poverty and social exclusion from the point of view of causes, dimensions and manifestations of poverty and social exclusion;
- Studying and exchanging good practice between EU Member States and stakeholders at national and local level for overcoming poverty and social exclusion;
- Strengthening dialogue and consultations with stakeholders on the issues of poverty and social exclusion;
- Introducing social impact assessment in all policy spheres, including regular performance of independent social impact assessment;
- Promoting the development and implementation of pilot practices and social innovations based on evidence.

**Responsible institutions:** MLSP, MH, MEYS, MEET, MF, SACP, SAA, NEA, APD, GLIEA

**Partners:** NSI, municipalities, district administrations, social partners, NGOs

**Funding source:** state budget, municipal budgets, EU Structural Funds

## **IX. IMPLEMENTATION AND MONITORING**

All relevant institutions and offices will be involved in the implementation of this Strategy. It will be realized by developing and implementing two-year action plans which will be adopted by the Council of Ministers and will outline specific measures and activities, performance indicators, responsible institutions, amount and sources of funding, deadlines, etc. Reports on the implementation of the action plans will be drafted upon expiry of every two-year period, which will be presented to the Council of Ministers for discussion and adoption. The Ministry of Labour and Social Policy will carry out the overall coordination of the implementation of the Strategy, as well as that of the two-year action plans.

At the same time, policy implementation in the field of social inclusion will be supervised by the National Council on Social Inclusion with the Council of Ministers in its capacity of a body in charge of coordination, cooperation and consultation in the process of developing, implementing, monitoring and evaluating government policy in the field of social inclusion. The goal is to monitor the achievement of measurable results of the activity related to fulfillment of the priorities laid down in the strategic document, and also to actively involve the stakeholders in evaluation and monitoring.

In the fourth year of the Strategy implementation, an interim review will be carried out based on which a proposal may be made to update the Strategy. The sources of information are all governance levels, the National Statistical Institute and other sources too (opinion survey reports, analytical papers, expert evaluations). Drafting reports which analyze the implementation of certain policies or specific measures in the field of poverty and social exclusion is an essential tool for better governance, mostly with regard to monitoring and evaluation.

Setting measurable quantified targets and sub-targets is a relatively new approach in Bulgarian policy and practice which implies also development of the respective complete set of general indicators for

achievement of the Europe 2020 Strategy targets, as well as indicators for the relevant specific measures.

As far as the measurement of poverty and social exclusion is concerned, the National Statistical Institute is the responsible institution for data collection concerning poverty and social exclusion indicators<sup>18</sup> which are part of the European Community general indicators for monitoring of the countries' progress in the fight against poverty and social exclusion. Among the monitored indicators are: at risk of poverty (60% of median equivalised disposable income); persons living in material deprivation; subjective indicators of material deprivation; persons living in jobless households or in households with low work intensity; population at risk of poverty or social exclusion (combined indicator). The data obtained under these indicators will be a main tool to evaluate the progress of achievement of the targets.

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<sup>18</sup> Regulation (EC) No 1177/2003 of the European Parliament and of the Council established a common framework for the systematic production of Community statistics on income and living conditions (referred to as EU-SILC) encompassing comparable and timely data on the present state and dynamics of income and on the level and composition of poverty and social exclusion at national and European levels.