

SUMMARY

“Challenges to the new programming of EU funds in Bulgaria after 2013 based on the analysis of the experience in 2007 – 2013” is a publication that presents the results, findings and recommendations from the analysis of the process of programming of the current financial period 2007 – 2013 and identifies potential challenges to the upcoming process of national programming in Bulgaria regarding the EU funds for the period 2014 – 2020.

The report constitutes a summary of a large-scale process of accumulating and analyzing information in several thematic areas: regulatory framework and practical implementation of the programming at EU level and in Bulgaria, identifying the regional development programming so far and its contribution to the programming, the specific framework and the implemented transparency practice, social inclusion and partnership in these processes.

This report and the analytical process beforehand have been developed with the help and leading role of Open Society Institute – Sofia within “Analysis and assessment of the implementation of the partnership principle in programming for Bulgaria in 2007 – 2013” project. The report is an intermediary stage of an initiative running for a few years now of Open Society Institute - Sofia aimed at ensuring informed participation, contribution, transparency and inclusion of representatives of all stakeholders in the course of the upcoming programming process for the period 2014–2020. This initiative is performed within the Civic Participation Forum¹ and in partnership with the Coalition for sustainable use of EU funds.

For the purposes of the analysis in the period March 2010 – January 2011 quantitative studies were conducted (15 questions on the topic of citizens participating in drafting and programming the financial period 2007–2013 were included in a representative study under the omnibus method among 1197 Bulgarian citizens conducted in the period 12–28 March 2010). Furthermore, in a sociological survey of the business companies in Bulgaria several questions were added in regard to their participation in the processes of programming and regional planning.

The qualitative studies conducted for the purposes of the analysis include:

- Focus groups organized with participants in the process of regional planning in 6 planning regions (representatives of local civic organizations, businesses, administration).
- Semi-structured interviews with participants in the process of programming – a total of 15 interviews with 16 respondents, participants in the programming process.

¹ Civic Participation Forum is an informal structure uniting the efforts of more than 55 NGOs for the provision of favourable conditions and mechanisms for efficient civic participation in the decision making processes at local, national and European level.

- Analysis of the strategic documents for regional development: the 6 plans for regional development, 23 out of the 28 district strategies for development and more than 150 out of the 263 municipal plans for development (the existence of 2 MPD has not been established).
- Analysis of the regulatory framework and the practical implementation of the programming at EU level and in Bulgaria.
- Analysis of the existing practices of civic participation which summarizes the opinion of 43 civil society organizations within the supplementing initiative “Pro participation” of the Civic Participation Forum and identifies individual factors and conditions which facilitate or hinder civic participation.
- Identifying best practices of civic participation and public private partnership as regards the process of EU funds spending

The main goal of the publication is to provide timely and constructive “early warning” for possible challenges to the new programming and to make proposals for mitigating and fully overcoming them. The proposals made rest on European and national approaches and best practices which have proved their efficiency in Bulgaria and in other EU member states.

The report formulates the following conclusions and challenges in the process and drafts specific recommendations to address both the decision-makers and the NGO sector:

- 1. Deficits in the programming of EU funds for the financial period 2007–2013**
 - The national programming is performed mainly on the basis of the European requirements without taking into consideration much of the national specificities.
 - Some of the preliminary conditions and requirements have been transposed from the European into the national documents without analyzing the opportunities and the way of their implementation in the respective terms (for example, the case with the landfills).
 - “Everything for all” is being planned. The framework is broad, the needs are diverse, the resource is huge.
 - The focus is on the “absorption” of the Structural and the Cohesion funds rather than on securing development.
 - There are significant gaps in capacity-building – part of the public administration is insufficiently prepared and the beneficiaries are utterly unprepared.
 - The terms for reviewing, coordinating and developing a joint and well-reasoned position to the European Commission are too short and insufficient.
 - The priorities of development have been identified and the development of the reference framework has been performed via discussion formats such as the **forum approach** with the interested parties on a particular issue. This practice however was sporadic and the priorities in the final versions of the documents considerably mismatch the ones discussed during the forum.
 - Representatives from the civic sector were attracted upon the invitation and selection of the respective head of a working group in the administration and the members of the working groups are later used in establishing monitoring committees.

2. Deficits in the implementation of the principle of partnership with representatives of the civic sector

In the different relevant bodies the implementation of this principle is regulated (and applied in practice) in a non-unified and non-homogenous way. The process runs through several stages towards its gradual regulation (which is still restricted and non-exhaustive though). As a result of that the inclusion of civil society organizations in the work on the various municipal programmes is extremely diverse and as a whole not enough.

The issues regarding identifying the various stakeholders, about the mechanisms of their participation, the process of consultation and adoption of the proposals made by them and for the right to expressing one's opinion have not been solved satisfactorily during the programming for the period 2007–2013 due to:

- **Lack of unified requirement for the inclusion of NGO** representatives in all stages and bodies having to do with the development and the approval of the programme documents.
- **Lack of clear-cut procedure for the selection** of different categories of NGO representatives.
- It is up to the administration to **give or not to give the right to NGO representatives to express their opinion.**
- There are no mechanisms for record (“audit trail”) and feedback – **how the submitted statements** by NGOs and at public discussions **have been taken into consideration** during the preparation of the plan or the programme prior to their adoption.

3. Deficits of the regional planning in Bulgaria

- Chronological mismatch between the separate processes of planning and the impossibility for regional planning to identify common guidelines that could be used in programming at national level.
- Lack of orderliness and interrelation of the elements at different levels of planning.
- Problematic content correlation of the strategic documents and the logical binding at the different levels.
- Lack of skills and understanding amidst various participants in the process as to the complexity and scale of the planning process.
- No coherent approach and organization of the process.
- The civic participation in the process is arbitrary and depending on the will of the separate levels of management.
- Preparing documents as a duty, with no reciprocal commitment for implementation and monitoring of the implementation, as well as without administrative and financial resource.
- Lack of coherence between the strategic planning and the budget programming which hinders efficiency and the possibility for actual implementation.

In addition to the abovementioned, there are also interesting **best practices in the course of preparing documents for regional development**, which are to be further examined so that their positive experience be extracted and spread. Thus for example, in several places (for example the municipalities of Brezovo, Haskovo, Stara Zagora) there are practices for **operational coordination**. In other municipalities (more precisely Haskovo, Lovech, Stara Zagora, etc.) the administrations have applied innovative and more catalyzing **approaches to ensuring public participation**, which to our mind are to be further analyzed and might be

disseminated in the following planning processes. Further information on these and other best practices could be found in the full text analysis.

4. Other critical factors identified in the analysis in the process of programming and regional planning:

- Debatable **efficiency of the organizational schemes** for the preparation of the documents for regional development.
- **Inconsistency and persistent incoherence of the national structural policies.**
- **Unpredictability of the long-term financial framework and the budgets** at all levels.
- Debatable **capacity for NGO participation** in the process of preparation and implementation of the documents for regional development.
- Ubiquitous² problem with the so called **political risk**. The planning period at local, regional and national level does not coincide (and it could rarely coincide) with the terms of office of the respective administrations at local, regional and national level and this leads to focusing on immediate and non-strategic goals as well as promoting investments, projects and programmes which are attractive from a political point of view.

5. Challenges

Ensuring good quality programming for the upcoming financial period 2014–2020 means:

- Binding the **programming with the current context** in Bulgaria – with the parallel conducted national policies and with the strategic choices³ made by the respective member state.
- Coordination and close two-way cooperation of the **operational programmes with the plans and strategies for regional development**, as well as with their specific implementation mechanisms. There must be a close link between the work on the operational programmes and the process of preparing the territorial plans and strategies, as well as with the on-going management sector-related initiatives and policies (e.g. development of the economy and human resources, different categories of basic infrastructure, etc.).
- Efficient implementation of the **partnership** principle – transparency and interactivity of the relevant administrations with the representatives of civic organizations, local communities and target civic groups. Studying the capacity of the institutional and civic partners and the partnership with them is a useful supplementary tool for that.
- Informed development of **a realistic set of opportunities**, out of which the strategic goals and priorities of the European programmes could be selected and later on the measures and interventions for their implementation could also be selected.
- Building **adequate** (i.e. functioning and productive) administrative **capacity** for the implementation of the selected goals and concrete measures. To this end, there must be clear-cut and legally-binding distribution of principle and operational responsibilities, physical and financial valorization of the expected volume of work and undertaking anticipatory preparatory actions so as to provide the necessary organization resources), including “outsourcing” (recommissioning) some of these

² Currently in all EU member states

³ For example as regards the questions: “Investments in infrastructure (referred to also as “Portuguese scenario”) or in requalification and lifelong learning (“Irish scenario”)?”; “Support for existing branches or development of completely new ones?” and “Support for the regional centres or for the peripheral municipalities?”.

tasks outside the administrative units – at the expense of expert, territorial and other partner organizations with **preliminarily set and generally announced criteria** for such re-commissioning, having to do with covering the required capacity for undertaking such a function by the candidates.

- **Informing, motivating and preparing (the minimum required expertise) of the future target groups in a responsible way.**

6. Recommendations to decision-makers

- Providing **considerably greater interactivity** of the new programming. Moving towards a re-commissioning (outsourcing) model as regards specialized functions to specialized teams outside the administration which are better prepared to perform them. Re-commissioning executive, coordination, control and other functions in the course of its programming and afterwards is a particularly relevant opportunity in this respect.
- Among the important aspects of the above-mentioned interactivity are **building up and renewing the partnership so far** under the EU funds via monitoring committees (which have such functions pursuant to regulations), as well as via an assemble of supporting informing activities (anticipating or at least timely), polls, training and including the civic sector, local communities, initiative groups, expert teams and their organizations.
- Providing greater **transparency, publicity and documentary accountability** of the procedures, implementation practices and the programme outcomes. The recently introduced social component of the EU funds management and monitoring integrated system is a step forward in this direction which in the course of the new programming must be coupled with targeted follow-up activities.
- **More accurate and exhaustive regulatory framework and information provision** of the processes. The criteria, the concrete requirements and mechanisms for the selection of social partners as well as those for the selection of projects and for acknowledging different types of expenses shall be clearly described, preventing interpretation variations and duly published under all programmes. The digitalization of the whole project cycle, the public registers of beneficiaries and their projects under all programmes, databases with questions and answers, problems and solutions are also useful facilitating mechanisms and a proven best practice which make the activity of the administrations and beneficiaries more efficient.
- **Coordinating the process of territorial and space planning.** Identifying authentic priorities, their regionalization and the related territorial distribution of the support are essential elements of the EU funds approach and unless they are fully implemented Bulgaria cannot hope for a considerable improvement in its practice.
- **Building authentic and consistent national and sector policies and financial interventions** by way if which the European programmes shall be directed and build on. The existing dozens of sector strategies must be reshaped into **working political documents**, provided for by EU regulations (including setting concrete executive functions and the structures, schedules, people in charge, financial and human resources allocated for them as well as specific sanctions in case of non-productivity).

The main processes which shall be integrated at this stage cover:

- The process for drafting the national framework strategic document “Bulgaria 2020”;
- Updating the current and/ or drafting a new National strategy for regional development after 2014;

- Processing existing and drafting new municipal plans for development;
- Familiarizing with and accounting the topical local needs and priorities from the updated municipal plans in drafting the future National strategic reference framework and the accompanying operational programmes.

7. Recommendations to the non-governmental sector in Bulgaria

- Consolidating resources and efforts for more efficient civic participation in the process of programming and regional planning for the upcoming period 2014–2020.
- Developing a joint algorithm and programme for efficient civic participation in the processes of programming and regional planning for the upcoming period 2014–2020.
- Setting up a coordination centre of civic participation in the processes of programming and regional planning for the upcoming period 2014–2020.
- Expanding the use of the internet platform for nominating and appointing NGO representatives in the process for the whole non-governmental sector – all stakeholders.
- Developing and coordinating mechanisms for generating, accumulating and providing expertise needed to guaranty efficient civic participation in the processes of programming and regional planning for the upcoming period 2014–2020 in the non-governmental sector.