



A.W.A.R.D. Adults and Work – an Aid to Reduce the Distance

Call: 2014, Erasmus+, Ka2- Cooperation and Innovation for Good Practices - Adults
Code: 2014-1-IT02-KA204-003416

Country Report: Bulgaria



1

Activity 2 2.1, 2.2, 2.3	Analysis and sharing of adults needs who dropped out world of work in their respective countries (each partner will play his action in its own country)
------------------------------------	--

The purpose of this phase is to establish a synthesis framework about active labour market policies in the following countries: Italy, France, Turkey and Bulgaria. These policies concern in particularly unemployed adults, women and men with more than 30 years, who have had work experiences, who dropped out the world of work, with previous work experience and skills.

Each organization have to fill in the required data to be able to draw a general scenario and to identify particular positive experiences that can be replicated in other countries. The requested information refer to 2014 or to the latest official data. If it's possible please mention the information's sources.



This project has been funded with support from the European Commission. This communication reflects the views only of the author and the project partnership, and the Commission cannot be held responsible for any use which may be made of the information contained therein.



Population country	7.2 millions
GDP per capita (EUR)	5,936
GDP (EUR bn)	42.8
Estimated number unemployed in %	11.4%
Estimated % of unemployed between 25 and 74 years	10.7%
Estimated % of women unemployed between 25 and 74 years	9.7%
Estimated % of men unemployed between 25 and 74 year	11.5%
Income tax rate	10%
Corporation tax rate	10%

Data Sources:

- Eurostat, <http://ec.europa.eu/eurostat>
- National statistical institute, www.nsi.bg/en
- National Employment Agency, http://www.az.government.bg/eng/index_en.asp
- Ministry of Labour and Social Policy, <http://www.mlsp.government.bg/>
- National Social Security Institute, <http://www.nssi.bg/en/index.html>

Figure: Unemployment rate, annual average, Males and Females, Total

COUNTRY	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU 28	9.0	8.2	7.2	7.0	9.0	9.6	9.7	10.5	10.9	10.2
Bulgaria	10.1	9.0	6.9	5.6	6.8	10.3	11.3	12.3	13.0	11.4
France	8.9	8.8	8.0	7.4	9.1	9.3	9.2	9.8	10.3	10.3
Italy	7.7	6.8	6.1	6.7	7.7	8.4	8.4	10.7	12.1	12.7
Turkey	9.5	9.0	9.1	10.0	13.0	11.1	9.1	8.4	9.0	9.9

2

Figure: Unemployment rate, annual average, Males and Females, aged 25-74

COUNTRY	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU 28	7.7	7.0	6.1	5.9	7.6	8.3	8.3	9.1	9.5	9.0
Bulgaria	9.0	8.1	6.2	5.0	6.1	9.3	10.1	11.0	11.8	10.7
France	7.5	7.3	6.7	6.1	7.4	7.7	7.7	8.2	8.7	8.8
Italy	6.2	5.5	4.9	5.6	6.4	6.9	6.9	8.9	10.2	10.6
Turkey	7.5	7.3	7.3	8.1	10.9	9.3	7.5	7.0	7.5	8.3

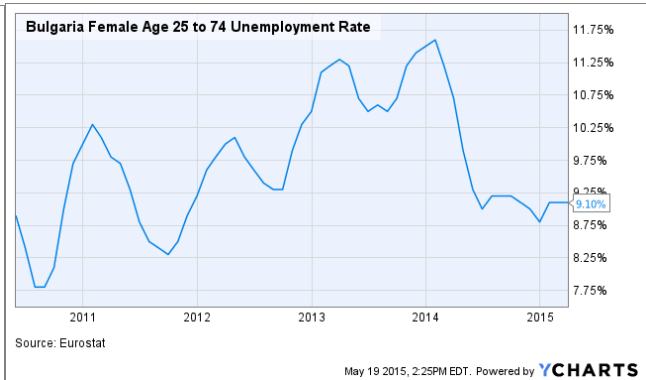
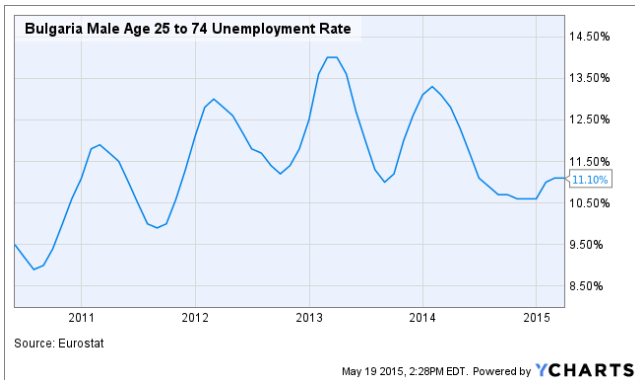
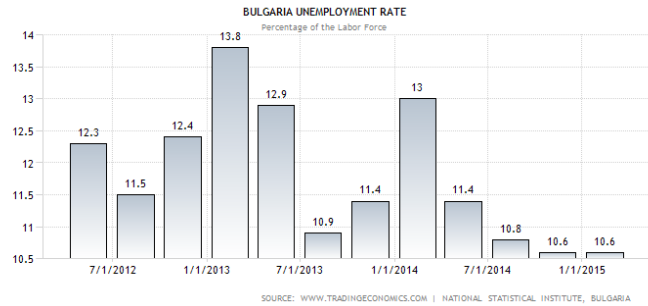
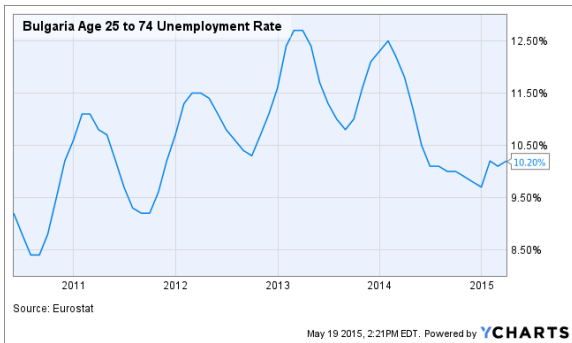
Figure: Unemployment rate, annual average, Females, aged 25-74

COUNTRY	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU 28	8.5	7.8	6.8	6.5	7.7	8.3	8.5	9.2	9.6	9.2
Bulgaria	9.0	8.5	6.7	5.4	6.2	8.8	9.1	9.8	11.0	9.7
France	8.3	8.0	7.2	6.7	7.8	8.0	8.1	8.4	8.7	8.8
Italy	8.4	7.3	6.6	7.2	7.8	8.2	8.0	10.0	11.1	11.8

Figure: Unemployment rate, annual average, Males, aged 25-74

COUNTRY	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU 28	7.0	6.4	5.5	5.5	7.5	8.2	8.1	8.9	9.4	8.8
Bulgaria	9.0	7.7	5.8	4.7	5.9	9.7	11.0	12.1	12.6	11.5
France	6.7	6.6	6.2	5.6	7.1	7.4	7.3	8.1	8.7	8.9
Italy	4.8	4.2	3.8	4.4	5.5	6.0	6.1	8.0	9.6	9.8





Unemployment in Bulgaria, EU continues easing

Unemployment in Bulgaria is continuing to ease, falling to 10.8 per cent in January 2015 compared to 12.6 per cent a year earlier, going by seasonally-adjusted figures released by European Union statistics office Eurostat on March 2.

The percentage of jobless in Bulgaria in January 2015 represents about 367 000 people. In December 2014, the percentage was 10.9 per cent, or about 368 000 people, according to Eurostat's figures.

In January 2014, there were 424 000 unemployed people in Bulgaria.

Figures released by Eurostat in January 2015 showed that, according to seasonally-adjusted figures, unemployment in Bulgaria in November 2014 was down from 11.3 per cent in October 2014 and from 12.9 per cent in October 2013.

Bulgaria's unemployment rate in the fourth quarter of 2014 was 10.6 per cent, down 2.4 percentage points on the fourth quarter of 2013, the National Statistical Institute said on February 16. In Q4 2014, there were 354 500 unemployed people in Bulgaria, the NSI said.

The March 2 Eurostat seasonally-adjusted figures also showed a significant reduction in youth unemployment in Bulgaria on an annual basis.

According to Eurostat, youth unemployment in Bulgaria in January 2015 was 22.6 per cent (about 45 000 people), against 26.6 per cent in January 2014 (55 000).

Eurostat said that in January 2015, the seasonally-adjusted unemployment rate in the 19-member euro zone was 11.2 per cent, down from 11.3 per cent in December 2014, and from 11.8 per cent in January 2014. This is the lowest rate recorded in the euro zone since April 2012.

Across the 28 member states of the European Union, unemployment was 9.8 per cent in January 2015, down from 9.9 per cent in December 2014 and from 10.6 per cent in January 2014.

Eurostat estimates that 23.815 million men and women in the EU28, of whom 18.059 million were in the euro area, were unemployed in January 2015.



Compared with December 2014, the number of unemployed people decreased by 156 000 in the EU28 and by 140 000 in the euro area. Compared with January 2014, unemployment fell by 1.820 million in the EU28 and by 896 000 in the euro area.

Among EU countries, the lowest unemployment rates in January 2015 were recorded in Germany (4.7 per cent) and Austria (4.8 per cent), and the highest in Greece (25.8 per cent in November 2014) and Spain (23.4 per cent).

Compared with a year ago, the unemployment rate in January 2015 fell in 24 EU member states, remained stable in Belgium and increased in Cyprus (15.7 per cent to 16.1 per cent), Finland (8.4 per cent to 8.8 per cent) and France (10.1 per cent to 10.2 per cent).

The largest decreases were registered in Spain (25.5 per cent to 23.4 per cent), Estonia (8.5 per cent to 6.4 per cent between December 2013 and December 2014), and Ireland (12.1 per cent to 10 per cent).

In January 2015, 4.889 million young people (under 25) were unemployed in the EU28, of whom 3.281 million were in the euro area.

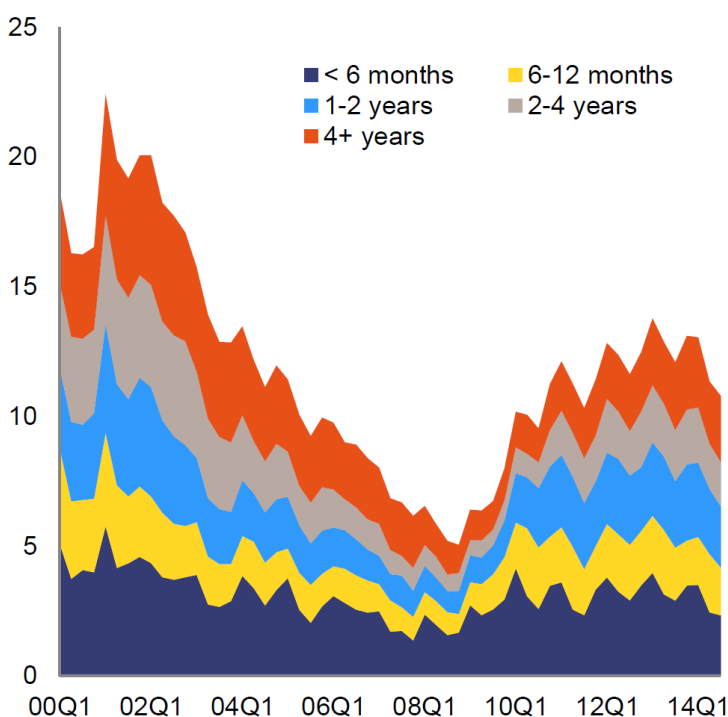
Compared with January 2014, youth unemployment decreased by 562 000 in the EU28 and by 259 000 in the euro area.

In January 2015, the youth unemployment rate was 21.2 per cent in the EU28 and 22.9 per cent in the euro area, compared with 23.3 per cent and 24.3 per cent, respectively, in January 2014.

In January 2015, the lowest rates of youth unemployment were in Germany (7.1 per cent), Austria (8.2 per cent) and Denmark (10.8 per cent), and the highest in Spain (50.9 per cent), Greece (50.6 per cent in November 2014), Croatia (44.1 per cent in the fourth quarter 2014) and Italy (41.2 per cent), Eurostat said.

The private sector in Bulgaria announced 13 981 vacant positions in March 2015, which represented 71 % of all announced vacancies.

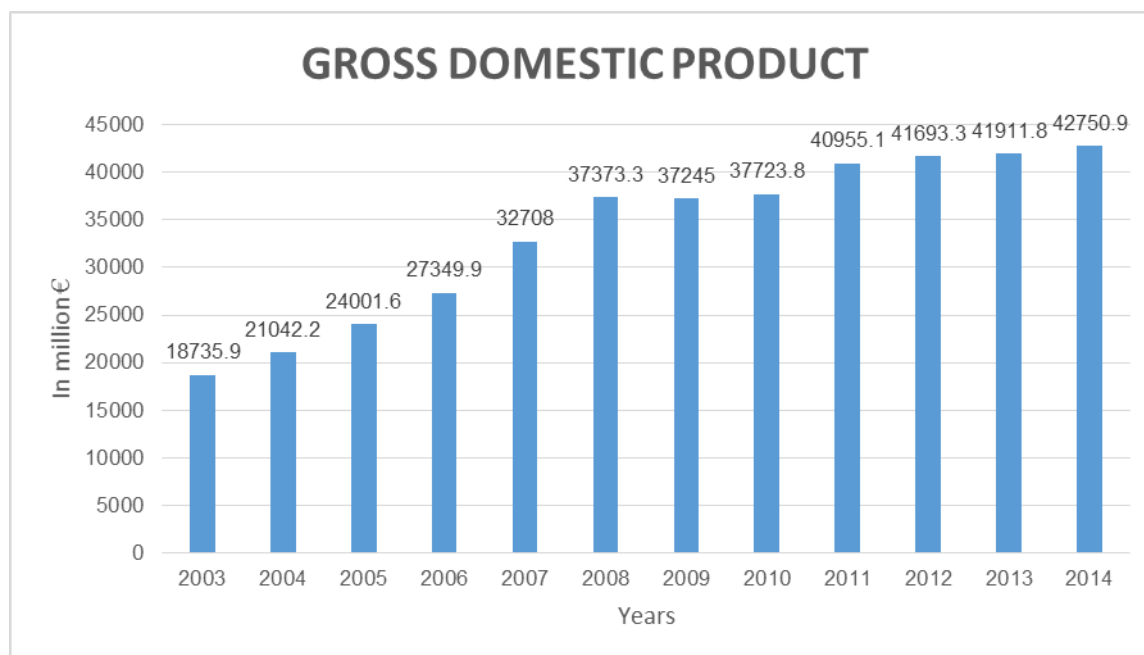
Figure: Unemployment by duration



Source: European Commission



Gross Domestic Product Bulgaria /in millions Euro/



Source: Bulgarian Statistical Institute

GDP per Capita in PPS

GDP per capita in PPS

5

Index (EU28 = 100)

Country	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU (28 countries)	100	100	100	100	100	100	100	100	100	100	100
Bulgaria	34	36	37	40	43	44	43	44	45	45	45
France	110	110	108	107	106	108	108	108	107	107	107
Italy	108	107	106	105	106	105	104	103	101	99	97

Please provide the definition of NEET "Not (engaged) in Education, Employment or Training" in your country (maximum characters: 3000)

In Bulgaria is accepted the common EU definition: The NEET group (not in employment, education or training) includes young people aged 15-24 who are unemployed or economically inactive (as defined by the International Labour Organisation) and do not participate in any form of education or training (Employment Committee of the EC).

Adults, aged above 24, which are not in employment, education or training, are not considered as NEETs.

According to National Statistical Institute data, as of 31.12.2013 in Bulgaria there were 751,900 persons aged 15 to 24. Young people who are not in education, employment or training (NEETs) were the third largest group of the total population of young people – **about 22%**. The share of NEETs among school-aged young people (aged 15-18) is slightly under 11%, while among the older sub-group (aged 19-24) it reaches 28%. Re-assessed against the general population of 15-24 year-olds, this means that in the country there are a total of 167,670 young people who are not in employment, education or training. 26,650 of them are aged 15-18, and 141,020 – 19-24.



Young NEETs have a clearly defined socio-demographic profile. The majority have secondary or lower education and live predominantly in smaller settlements, while over 50% belong to ethnic minority groups.

Education is the socio-demographic characteristic that is mostly determinative of belonging or non-belonging to the NEET group. The latter includes both persons with all types of educational attainments and persons without education. A significant proportion of the NEET group are early school leavers (47%).

The Roma and Turkish ethnic groups predominate in the structure of the NEET group, while 46% are Bulgarians. Ethnicity can be identified as the second most common risk factor for joining the NEET group. The Roma are four and the Turkish two times more at risk of ending up in a NEET situation compared to Bulgarians.

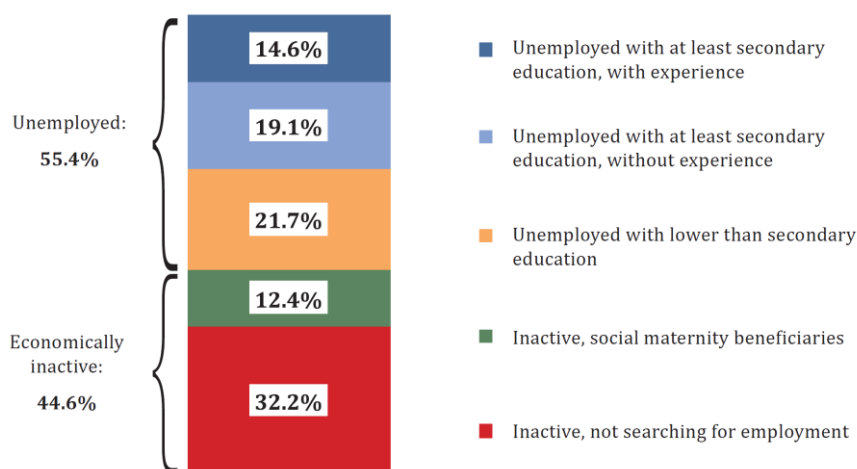
The structure of the NEET group is dominated by residents of smaller settlements (63%). The smaller the settlement (in terms of type), the greater the proportion of its NEETs population. The reasons could be mostly explained with the depopulation of smaller settlements and the resulting aggravated economic situation. That is why settlement type can be classified as the third most significant risk factor for joining the NEET group.

Within minority groups gender emerges as an additional risk factor for NEET group belonging. Due to community specifics the proportion of women among NEETs is almost 3.5 and that of men – 2.3 times that of the control group (young people who are not NEETs). Therefore, women, in particular Roma women, could be identified as a high-risk group in terms of NEET group belonging.

The NEET group includes several sub-groups with varying degrees of vulnerability, characteristics, and needs. Generally, two main categories can be differentiated – unemployed (55%) and economically inactive (45%). These cover the following sub-groups: unemployed with at least secondary education and experience (15%); unemployed with at least secondary education but without experience (19%); unemployed with lower than secondary education (22%); inactive and social maternity beneficiaries (12%); inactive and not searching for employment (32%). The economically inactive are the highest-risk group in terms of the duration of the NEET status. The unemployed have a better chance to acquire another status.

6

Figure: Main NEETs sub-groups



A total of 44% of NEETs have not been in employment, education or training for a long time (over 1 year). The longest residents in the group are early school leavers, in particular those having never worked. The duration of the NEET status is mostly dependent on the young person's educational attainment.



Are there particular areas / regions of the country that have major unemployment problems? If Yes, explain (maximum characters: 3000)

BG Regions

The territory of Bulgaria is divided into 28 districts and 264 municipalities, divided into 6 regions:

- Northwestern region;
- Northcentral region;
- Northeastern Region;
- Southeastern Region;
- Southcentral Region;
- Southwestern Region.



Regional Economic Framework - South Central Region BG42

The territory of the South Central Region encompasses five districts – Pazardzhik, Plovdiv, Smolyan, Haskovo, and Kyrdzhali and 58 municipalities. The region’s area is 22,365 square kilometres, which represents almost a quarter of the country’s territory. The population of 1,462,348 persons has been gradually decreasing and currently comprises 20% of the total population of Bulgaria (NSI 2012).

The region contributes 14% of Bulgaria’s gross domestic product (€5bln) and gross value added (GVA) of €4,4bln (Eurostat 2010), ranking second after the Southwest region. The industrial sector has kept its share of GVA at a level of around 1/3 (38%), while the agrarian sector has been losing its position (9%) and the services sector has increased up to 53% in 2011 according to NSI. The disparities in the development trends of municipalities are substantial. The engineering and machine building sector is the most important in the region, followed by electronics and the perfume and cosmetics industry. Tourism is one of the fastest growing sectors in the region. The educational structure of the employed includes a relatively high level of secondary and lower educational level graduates.

Additional to the national, at regional level exists Regional Development Strategy 2014-2020.

Regions with major unemployment problems in Bulgaria are: remote ones, mountain areas, cross-border regions, small towns and villages, rural areas.

Provincial Economic Framework /where NGO My World is established/

Haskovo Region is located in South Bulgaria and it covers 5,543 sq. km. (5% of the territory of the Republic of Bulgaria). This region is comprised of 261 populated areas organised into 11 municipalities.

DISTRICT: HASKOVO (HKV) Indicators		Years					
		2009	2010	2011	2012	2013	2014
1	Population as of 31.12. - Total (number)	256 408	253 127	243 955	241 676	239 312	237 664
2	Natural increase rate (per 1 000 persons of the population) - ‰	-5.5	-6.3	-6.6	-6.7	-6.8	-8.0
3	Average annual number of employees under labour contract (number)	59 191	54 571	54 243	53 576	53 372	52 083
4	Average annual wages and salaries of the employees	5 443	5 638	5 999	6 267	6 581	6 947



DISTRICT: HASKOVO (HKV) Indicators		Years					
		2009	2010	2011	2012	2013	2014
	under labour contract (Levs)						
5	Economic activity rate - 15 - 64 completed years (%)	69.7	69.8	64.6	64.7	68.2	69.2
6	Employment rate - 15 - 64 completed years (%)	63.7	60.5	54.3	55.0	58.4	61.9
7	Unemployment rate (%)	8.5	13.2	15.9	14.9	14.3	10.4
8	Unemployed persons registered at the labour offices as of 31.12. (number)	11 690	11 260	11 654	12 865	14 299	12 368
9	Relative share of the population aged between 25 and 64 years with higher education (%)	18.6	19.4	17.1	18.5	20.3	19.3
10	Relative share of the population aged between 25 and 64 years with secondary education (%)	54.8	56.3	54.3	56.0	56.8	57.1
11	Relative share of the population aged between 25 and 64 years with primary or lower education (%)	26.6	24.3	28.6	25.5	23.0	23.6

Are there particular areas / regions of the country that have major economic growth and lower unemployment levels than others? If Yes, explain (maximum characters: 3000)

Most advanced regions in Bulgaria are: Sofia, black sea coast, big cities. In those regions are concentrated the most of BG economy, salaries usually are doubled compared to other regions.

8

UNEMPLOYED AND UNEMPLOYMENT RATES OF POPULATION AGED 15 YEARS AND OVER IN 2015						
Statistical zones Statistical regions	Unemployed - thous.			Unemployment rates - %		
	Total	Male	Female	Total	Male	Female
Total	305.1	174.2	130.9	9.1	9.8	8.4
Severna i Yugoiztochna Bulgaria						
Severozapaden	38.5	23.1	15.4	12.1	13.5	10.5
Severen tsentralen	38.9	22.4	16.5	10.6	11.2	9.8
Severoiztochen	46.4	24.0	22.4	10.3	9.7	10.9
Yugoiztochen	49.0	27.3	21.7	10.4	10.6	10.2
Yugozapadna i Yuzhna tsentralna Bulgaria						
Yugozapaden	71.5	43.5	28.0	6.7	7.9	5.4
Yuzhen tsentralen	60.9	33.9	27.0	9.2	9.6	8.9
UNEMPLOYED AND UNEMPLOYMENT RATES IN 2015						
Statistical zones Statistical regions Districts	Total		Of which aged 15 - 64			
	Unemployed - thous.	Unemployment rates - %	Unemployed - thous.	Unemployment rates - %		
Total	305.1	9.1	302.5	9.2		
Severna i Yugoiztochna Bulgaria						
Severozapaden	38.5	12.1	37.7	12.1		
Vidin	7.7	18.8	7.4	18.6		



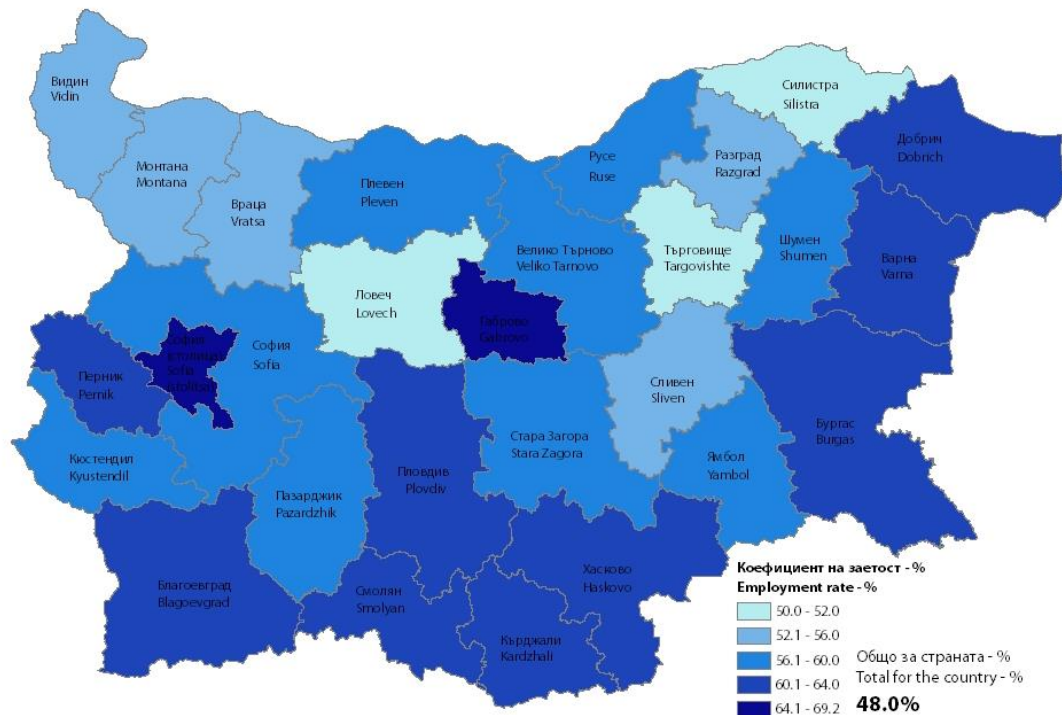
UNEMPLOYED AND UNEMPLOYMENT RATES IN 2015

Statistical zones Statistical regions Districts	Total		Of which aged 15 - 64	
	Unemployed - thous.	Unemployment rates - %	Unemployed - thous.	Unemployment rates - %
	Vratsa	12.1	17.7	11.8
Lovech	4.5	9.2	4.5	9.3
Montana	4.2	8.2	4.1	8.2
Pleven	10.0	9.2	9.9	9.4
Severen tsentralen	38.9	10.6	38.6	10.7
Veliko Tarnovo	7.9	6.8	7.7	6.8
Gabrovo	4.0	7.5	4.0	7.7
Razgrad	7.9	15.0	7.9	15.3
Ruse	8.9	9.0	8.8	9.0
Silistra	10.2	21.8	10.2	22.1
Severozitochen	46.4	10.3	46.0	10.4
Varna	13.4	5.7	13.3	5.8
Dobrich	12.0	13.8	11.9	14.0
Targovishte	(3.9)	(8.8)	(3.9)	(9.0)
Shumen	17.1	19.7	16.9	19.9
Yugoiztochen	49.0	10.4	48.8	10.5
Burgas	19.9	10.3	19.7	10.3
Sliven	8.5	10.9	8.5	11.1
Stara Zagora	13.7	9.7	13.7	9.8
Yambol	6.9	12.0	6.9	12.2
Yugozapadna i Yuzhna tsentralna Bulgaria				
Yugozapaden	71.5	6.7	71.0	6.7
Blagoevgrad	15.8	10.3	15.8	10.4
Kyustendil	7.3	13.1	7.2	13.1
Pernik	8.4	14.0	8.3	14.1
Sofia	9.6	9.4	9.6	9.6
Sofia (stolitsa)	30.5	4.3	30.0	4.4
Yuzhen tsentralen	60.9	9.2	60.4	9.3
Kardzhali	(1.5)	(2.3)	(1.5)	(2.4)
Pazardzhik	10.0	8.6	9.9	8.7
Plovdiv	29.8	9.6	29.7	9.8
Smolyan	10.3	17.2	10.2	17.2
Haskovo	9.3	8.6	9.1	8.6

9



Employment rate of population aged 15 - 64 years in 2014



Are there economic sectors that more than others have produced unemployment? Which are the economic sectors with more job stability or development? (maximum characters: 5000)

10

Certain sectors and types of workers have been particularly affected by the crisis. The unemployment in Bulgaria has increased the most during the economic crisis for unskilled and low-skilled workers, young people and Roma. Job losses have been largest in the construction and manufacturing sectors. The construction sector suffered the consequences of a bust in the real estate market. Job losses in manufacturing, a mostly export-oriented sector, indicate that companies may have primarily opted for labour shedding to reduce costs and increase competitiveness.

The highest number of vacancies were announced in seasonal activities such as: process manufacturing, hotels and restaurants, commerce, agriculture, forestry and fisheries. These sectors were followed by vacancies in real estate agencies, transport, storage and postal services, construction, civil service, administrative and subsidiary activities.

Economic sectors that produce employment: energy, tourism, services, retailing, production.

Are there economic subsidies provided for those who become unemployed (duration, access requirements, criteria for defining the amount, paying agency, institution that verified unemployment state) (maximum characters: 5000)

Unemployment benefits are paid by the National Social Security Institute, www.nssi.bg/en. Applicants must file for benefits at their local office.

In order for a person to be eligible for unemployment benefits in Bulgaria they must have been working and making social insurance contributions for at least 9 out of the last 15 months. Registration at the local Employment Office is also a requirement.



Citizens of EU member states or of other countries with which Bulgaria has signed treaties concerning social security can receive unemployment benefits on the basis of their foreign social insurance. They should take form E303 from the social security services in their home country to the local office of the National Social Security Institute in their current place of residence in Bulgaria.

The National Social Security Institute does not accept social insurance claims from workers who paid into insurance schemes of countries which are not members of the European Union or with which Bulgaria has not signed international treaties in the field of social security.

How a benefit is calculated

The average daily unemployment benefit equals 60 percent of the applicant’s average daily wage during the last nine-month period in which they made social insurance contributions. The monthly benefit is calculated by multiplying this average daily amount by the number of working days in the given month. There is a minimum and a maximum amount of unemployment benefit payable and each year these limits are adjusted.

The period of time for which an unemployed person can receive benefits varies according to the length of time (including maternity/paternity/sick leave) the applicant worked and made social insurance contributions.

People fired for gross misconduct are not eligible for unemployment benefit. Those who have resigned and are registered at the local Employment Office are eligible to receive unemployment benefit in the amount of one-half of the minimum monthly wage in Bulgaria for a period of four months.

All payments for unemployment benefit stop at the end of the period for which a person is eligible. If their income is insufficient, they may apply for other social benefits if they meet the necessary requirements for doing so. While receiving benefits from the National Social Security Institute, social security contributions are paid by the Institute. It is possible for unemployment benefit recipients to pay their contributions on their own if they wish to continue being covered by social security.

11

Duration social insurance payments have been made	Duration benefit is paid
Up to 3 years	4 months
From 3-5 years	6 months
From 5-10 years	8 months
From 10-15 years	9 months
From 15-20 years	10 months
From 20-25 years	11 months
From 25-30 years	12 months



Active labour market policies:

Labour market policies supported by the European Social Fund have continued to play an important role in Bulgaria. Although absorption was low in the first years, reaching only 11 % in 2011, this has since increased, exceeding 75 % at the end of 2014.

Administration and labour market policies in Bulgaria

The Ministry of Labour and Social Policy in Bulgaria is the governmental body for development of policies in the field of labour, income and social security. The National Employment Agency (NEA) is the administrative agency responsible for the direct implementation of the labour market policies. The NEA provides organizational and informational support on labour market trends and labour program activities to nine major employment offices, called Regional Employment Service Directorates (RESDs). These RESDs organize and coordinate the implementation of labour market policies at regional level. Through a network of 166 Local Labour Offices (LLOs) job services and program activities are delivered to unemployed workers and employers at local level. Main functions of LLOs are the registration and counselling of unemployed, job brokerage, organization of active labour market programs.

Labour market policies

Policies on the labour market focus on three main groups: the unemployed, employed at risk and inactive:

1. Services of the labour market - carried out by certain public agencies or authorities and aimed at promoting integrity among employers' preferences and the preferences of individuals seeking employment;
2. Training - public funding of various types of training and qualification in order to improve the employability of individuals;
3. Incentives for employment - financial measures to increase recruitment of unemployed persons or groups subject to intervention by the policies of the labour market;
4. Stimulate employment and rehabilitation - measures and financial incentives to pro-mote employment of persons with low disability, disabled or persons with disabilities;
5. Direct job creation - job creation in the public sector for long-term unemployed individuals or those with which no perspective for taking another job;
6. Encourage entrepreneurship - measures designed to encourage individuals to start their own business or just insurance;
7. Income support for unemployed individuals - including measures aimed at improving the income of persons seeking employment but unemployed at the time as unemployment benefits, etc.
8. Early retirement - measures supporting partial or complete retirement of individuals who are very hard to find work in the years before retirement;

These interventions cover the tools of public policies on the labour market aimed at improving efficiency in the labour market.

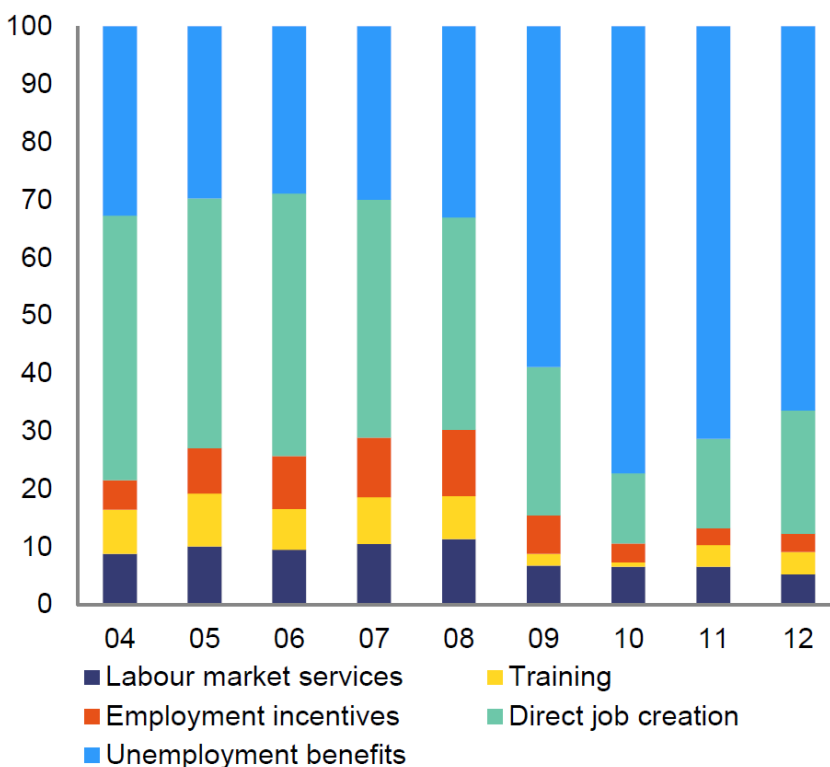
Unemployed individuals can participate in various active labour market programs. **These programs contain measures such as job search assistance, training, employment subsidies and start-up grants, direct job creation, programs for people with disabilities etc.** To participate in ALMPs individuals have to be registered as unemployed. If, one month after their registration they are not offered a proper job, they can participate in one of the labour market programs. Most of the programs are targeted at specific groups and to participate in these programs individuals have to meet certain requirements.



Subsidized employment for long-term unemployed

The subsidized employment program comprises incentive measures for private employers to hire unemployed workers. The incentives have the form of direct wage subsidies and cover all social security contributions made by the employer. The wage subsidies are given for a period of 12 months. The employer in turn is required to guarantee employment to the hired unemployed person for a period of 24 months. During the program participants are not expected to actively search for a regular, non-subsidized jobs. Also participants are no longer counted as unemployed. Entitled for the program are individuals who are continuously unemployed for more than 12 months and are registered with the local employment office. If after the end of the program the participants do not continue their work-relation or do not find another job, they can register as unemployed and use again the services of the employment agency. In principle, participation in the program entitles individuals to claim unemployment benefits for the period in which they were employed. However, due to the short duration and low level of unemployment benefits and the long duration of the program, it is not very likely that the program is used to re-new eligibility for unemployment benefits. Finally, the decision to participate in the program is taken by both the unemployed and the case-worker.

Figure: Labour market policies 2004 -2012 (% of total LMP expenditure)



13

Source: European Commission

Strategic documents

The main group of strategic documents, related to the political framework of the employment promotion and adult learning sector in Bulgaria includes the National programme for development: Bulgaria 2020, the National programme for reforms 2011 – 2015, the National strategy for lifelong learning 2008 – 2013, the National strategy for youth 2010 – 2020 and the National action plan on



employment, which has been developed annually and aims at fulfillment of the objectives laid down in the Updated strategy for employment 2008 – 2015.

Legal framework

- The Constitution of the Republic of Bulgaria
- The Labour Codex
- The Law on People's Education
- The Law on Vocational Education and Training
- The Law on Enhancement of Employment
- The Law on Youth
- The Law on Crafts
- The Law on Integration of People with Disabilities
- The Trade Law

Active services on the territory (free, upon payment, offer)

Tools, channels to find work more widespread public, private, free, upon payment

Employment promotion in Bulgaria is overseen by the National Employment Agency, a section of the Ministry of Labour and Social Policy. The National Employment Agency has a large network of local Employment Offices, where unemployed people can find information and help in their search for a job.

How to Apply

14

Local Employment Offices provide information on vacancies, mediation between jobseekers and employers, as well as vocational and motivational training. These services are only available after registering at an office. Registration is also required before applying for unemployment benefits.

Those eligible for registration in Employment Offices in Bulgaria are:

- Bulgarian citizens
- EU/EEA and Swiss citizens
- Family members of Bulgarian or EU/EEA and Swiss citizens
- Foreigners with permanent residence permits
- Foreigners granted asylum or other humanitarian status
- Foreigners, subject to international treaties to which the Republic of Bulgaria is a party

Required documents

When submitting an application for registration at the local Employment Office, the following documents are required:

- An identity card or other identification document
- Documents certifying education and qualifications
- A document certifying address registration issued by the local municipality
- A residence permit for continuous or permanent residence in Bulgaria (issued by the Police)

Job vacancies are announced on the information boards in the Employment Offices. If there are suitable vacant positions matching the applicant's qualifications, potential employers are contacted with the help of an advisor.

If the unemployed person has not received any job offers or has not started work within a month of registration, the advisor works out an individual action plan in coordination with the jobseeker. The



plan includes measures and training programmes that will improve the applicant's qualifications and their chances of finding a job.

Registration is cancelled if the jobseeker fails to follow the recommendations of the advisor, does not attend the scheduled visits at the Employment Office or refuses to accept a suitable job offer or to participate in vocational courses. A new registration can be submitted 12 months after the previous one has been cancelled.

Jobseekers are free to cancel their registration with the local Employment Office at any time. In order to do this they must submit a notice to cancel at the Employment Office. Those who voluntarily cancel may re-register later, and will not have to wait for 12 months to do so.

All services offered to unemployed people by the local Employment Offices are free of charge.

Apart from registering at a local Employment Office, other common ways of finding work in Bulgaria are through job sections of newspapers or registering at employment websites where offers from around the country are posted.



15

Another option is registering with a recruitment agency.

Useful websites for jobseekers include:

- **Pozvanete.bg**: on-line newspaper with job ads
- **Alo.bg**: on-line newspaper with job ads
- **Jobs.bg**: Bulgarian jobs portal
- **Zaplata.bg**: Bulgarian job search website
- **Jobtiger.bg**: Bulgarian job search website
- **Rabota.bg**: Bulgarian job search website
- **Manpower**: Bulgarian branch of the on-line recruitment agency
- **ACE HR Services**: Bulgarian recruitment agency



- **Eures:** European Employment Services network

Projects or good practices to facilitate the reallocation work for unemployed people with more than 30 years: (maximum characters: 5000)

These programmes & measures are addressed to: Men Women Both

Funding body: Government, ESF, OP

Purposes: Employment and training programmes are elaborated and implemented in order to create employment and to provide literacy and vocational training of disadvantaged groups on the labour market.

Implementation modalities: Employment agency, local Employment Offices, unemployed, employers, NGOs as training or intermediate bodies.

Achievements: reduce unemployment rates, improved skills, business and regions support, help to vulnerable and disadvantage groups, increased labour mobility.

Is this programmes & measures replicable? Yes, they are, since they represent good EU practices and achievements in that field.

Strengths points:

- Direct work with final beneficiaries;
- Help remote and disadvantage regions/economic sectors;
- Help most vulnerable age groups;
- Improved skills, obtained EU recognised diplomas.

16

Weakness points:

- Limited funds;
- Number of qualified personnel in the local Labour Offices;
- Some of the measures/programmes are not available throughout the year.

As in other European countries and worldwide, the Bulgarian labour market has been negatively affected by the world financial and economic crisis. The previous employment growth has been interrupted. This fact imposed dynamic changes and necessitated an update of the labour market policies, with the purpose to protect affected persons and to support the recovery of economic growth.

The main instrument for the implementation of the employment policy is the **National Employment Action Plan**. The requirement for its development and adoption is laid down in the Employment Promotion Act. The plan is designed every year by an inter-institutional working group with participation of social partners and is approved by the Council of Ministers of Bulgaria. The plan determines the main objectives, priorities, target groups, projects, programmes and measures to be implemented throughout the year, the types of incentives and their amount for both employers and participants in subsidised employment and training courses. In the time of changed labour market conditions, the National Employment Action Plan has become an important document which sets the priorities, the parameters and the provisions for realisation of anti-crisis actions. All initiatives are financially backed up and aim at achieving long-term positive results through improvement of employability of unemployed persons and support of efforts for recovery of the prerequisites for a sustainable economic growth and an increase in employment.

For speeding up recovery from the impacts of the crisis, the main priorities for actions are:

- Activation of social partnership and public dialogue at all levels;



- Preservation of existing jobs and creations of new jobs;
- Human capital development;
- Achievement of maximum absorption of the funds under Operational Programme “Human Resources Development”.

The dismissed persons and the employees shifted to part-time work as a result of production and services reduction have been included in the scope of the target groups. To achieve sustainable integration of these groups, actions are carried out for implementation of the individual action plans that comprise a range of activities such as consulting, vocational guidance, literacy courses, apprenticeship, subsidised employment, support for starting an individual business and promotion of territorial mobility.

In order to reduce unemployment, particularly among persons who are disadvantaged on the labour market, the following programmes and measures on promotion of employment and training are applied:

In order to limit the consequences of the world economic crisis, the general aim to preserve employment has been included to the objectives of the active labour market policy, while at the same time taking into account the objectives of improving the adaptation of the labour force and limiting unemployment among disadvantaged groups at the labour market. The anti-crisis actions undertaken in this context are based on the EU communications „European Economic Recovery Plan” and “Driving Economic Recovery”.

These actions are performed in an environment of observation of strict financial discipline and reduced state budget resources. The actions financed by the State Budget aiming at overcoming the consequences of the crisis on the labour market are supplemented by different schemes under the Operational Programme “Human Resources Development” financed by the European Social Fund.

17

Implemented programmes and measures on the labour market and the active work on finding jobs for unemployed persons in the primary labour market have a direct effect on the level of unemployment and help in decreasing it. The measures of Bulgarian active labour market policy agreed and implemented together with the social partners represent an important factor in providing adequate protection for people and businesses affected by the economic crisis and the subsequent recovery of the economy.

Measures for promotion of employment and vocational training include provision of subsidies (under the form of salaries and social insurance contributions) to employers who hire long-term unemployed, young people, women with children up to 5 years, unemployed persons with basic and lower education and without qualification, people with disabilities, persons aged over 50 years, etc. The measures ensure more stable employment and additional jobs creation. This way, the employers continue to develop their business activities and at the same time they are provided with the necessary labour force which is a prerequisite for an effective use of hired persons. Increased access to lifelong learning of employed and unemployed persons and improvement of its quality.

To reduce the problems at the regional labour markets in times of increasing unemployment, the regional employment and vocational training programmes have been enhanced. First 38 regional employment and vocational training programmes were implemented with specific target groups in each municipality. These programmes have become an important instrument for integrating risk groups on the labour market through their inclusion in community activities, because the needs of the labour market are better recognized and financial resources are better targeted at local level. In 2012, the number of regional programmes rose to 80, and in 2014 their number will rise to 153. Other benefits of the implementation of the regional programmes include gained valuable experience of work on a project based-principle and achievement of the specific objectives of the regional development. To further stimulate the regionalisation of the employment policy, amendments were made in the Employment Promotion Act. The change consists in providing an



opportunity for periodic (previously only once a year) approval of financing of regional employment programmes, programmes for redundant people as a result of mass lay-offs, and vocational training and training in key competences programmes.

The implementation of the **National Programme “Activation of Inactive Persons”** is being implemented with the purpose of including inactive and discouraged persons in the labour market through individual and group application of instruments and services aiming at motivating them to register at labour offices in order to be included in the vocational training and/or employment programmes. About 95 Roma mediators work in the programme, their task is to shorten the stay on the labour market of unemployed persons and to assist them to find a job. The mediators have been trained in key skills to work with specific groups of inactive and discouraged persons.

The **National Programme on “New Employment Opportunities”** started in February 2009 to help people who have lost their job as a result of the economic crisis. The beneficiaries of this programme receive a package of services consisting of provision of information and consultations, referring to job vacancies, training (including training for starting own business) and subsidised employment for up to six months.

The **National Database of the labour market** introduced in all Labour Office Directorates in 2010 has contributed to increase the capacity of the employees in the Employment Agency. It provides opportunities to use all instruments of labour mediation when selecting appropriate candidates for vacancies announced by employers. In the same time, vacancies are accessible at national level, thus facilitating the directorates to serve the respective region. In 2010, legislative provisions were adopted for establishment of a unified database for job vacancies in the system of the Employment Agency and all private intermediate organisations at the labour market. This way, job seekers will be able to get information about vacancies at one place quickly and free of charge. Also, the last amendments of the Employment Promotion Act oblige the private intermediation organisations to provide information on job vacancies announced in their offices. This amendment was made as an anti-crisis measure to achieve “better collaboration with private providers of labour intermediate activities through a mechanism for exchange of information about vacant jobs”. The purpose is to create a unique portal on vacancies in the country, where job seekers can receive information quickly and free of charge.

The role of the **active mediation** for limiting the number of unemployed at the labour market is increasing. Effective mediation services provide more opportunities for meeting labour demand and labour supply and employment increase. The Labour Office Directorates introduced the **“One-Stop-Shop” principle** continued to provide effective services to the increasing number of job-seekers and employers since 2011. The labour exchanges were largely spread out as an instrument of quick and effective mediation between demand and supply of labour at the local level. Within one day, job seekers and employers meet and negotiate the conditions of the labour contract directly. From a total number of 105 organised labour exchanges, 38 are specialised, and the others are general. Their allocation by branches and target groups is as follows: 10 for the Roma community as one of the most affected group, 6 in the branch of tourism, hotels and restaurants, 6 for young people (one is organised with the financial support of EURES), 5 in the agriculture and forestry, 2 in the construction branch, 2 in the tobacco industry, 1 in the shoe production industry and 1 in the wine industry. As a result of the mediation activities of the Labour Office Directorates, 123.887 job positions were announced at the primary labour market in 2013. The active work of employees in the Labour Office Directorates also contributed to employment promotion – 107.660 unemployed persons found a job in 2013.

In order to preserve employment, the government launched a measure financed from the State Budget (Decree № 44), consisting in **payment of compensations to employees** who passed to part time employment in the economic sectors “Industry” and “Services”. The purpose of the measure was, on one hand, to limit mass redundancies of workers and employees, and, on the other hand, to



support employers to keep the personnel. The compensation of up to BGN 120 per person per month for a period of three consecutive months was paid directly to the workers. The measure is related to amendments made in the Labour Code, which give employers the right (in case of production need) to introduce part time working time for three additional months to the previously allowed three months within one calendar year. As a result of the measure, over 20.000 workers and some 500 employers have been assisted. Transparency, control and publicity are ensured as decisions are taken at local level (by the Councils for Cooperation to the Labour Office Directorates) and at regional level (by the Employment Committees to the Regional Development Councils) with the participation of social partners.

At the end of 2010 a new scheme started for **ensuring of a first employment** for unemployed young people with secondary or higher education. The scheme provides paid internships in a real working environment to 13.500 unemployed young persons aged up to 29 years for a six-month period. The ultimate objective is to find further permanent employment. The beneficiaries receive monthly remuneration and coverage of the social insurance contributions payable by the employer.

In a situation of reduced demand for labour force, the starting of own business has an important role for creation of jobs and reduction of unemployment. Therefore, within the scheme “Promotion of projects for development of individual economic activity” of Operational Programme “Human Resources Development”, unemployed are assisted to start their own business. The persons, firms and communities affected by the crises are also supported under the following schemes:

- “Qualification Services and Employment Promotion” for vocational training;
- „Start a New Job” – hiring of unemployed persons to take care of children of 1-3 years;
- „I Can” – training for acquiring of vocational qualification or key competencies.

19

The improvement of the qualification of the labour force in the time of crisis is of great importance for providing labour force with necessary knowledge and skills for the newly opened jobs after the end of the crisis. New knowledge and skills are especially required in restructuring of the enterprises, introduction of new technologies and new organisation of the work. The innovations are a way for enterprises to survive the crisis, but they require appropriate labour force. For example, under the scheme “Adaptability” financed by the European Social Fund, workers and employees have the opportunity to be trained up to six months in the time when they are not at work. The persons who lost their jobs because of mass lay-offs are beneficiaries of the scheme “Development”. Under this scheme, unemployed persons can be trained to acquire new vocational qualifications or to improve their existing qualifications. Those who successfully complete the training get a job for no less than nine months.

Compiler (name and surname): Georgi Yakaliev

Signature:

Date: 27/04/2015

Attachment:

Please sent this document by 27/04/15 to: agenziaformativa@soandco.org

