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## **EUROPEAN SOCIAL CHARTER**

10th National Report on the implementation of  
the European Social Charter

submitted by

**THE GOVERNMENT OF BULGARIA**

(Articles 1, 18, 20, 24 and 25  
for the period 01/01/2007 – 31/12/2010)

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Report registered by the Secretariat on 31 August 2012

**CYCLE 2012**

## NATIONAL REPORT

For the period from 1<sup>st</sup> January 2007 to 31<sup>st</sup> December 2010 made by the Government of Republic of Bulgaria in accordance with Article C of the Revised European Social Charter, on the measures taken to give effect to the accepted provisions of the Revised European Social Charter.

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## **PREFACE**

The present Report has been prepared after consultations and in cooperation with the relevant authorities.

In accordance with Article C of the Revised European Social Charter, copy of this Report has been communicated to the national representative organizations of employers' and workers' presented in National Council for Tripartite Cooperation.

The present Report contains information for the following provisions of the ESC (r): Art. 1&1-4, Art.18&4, Art.20, Art.24 and Art. 25.

The Bulgarian national currency is leva (BGN) and its exchange rate is fixed to the Euro at 1.95583 BGN for 1 Euro (0.511292 Euro for 1 BGN).

Bulgaria is at disposal for any supplementary questions and clarifications, which may appear in the process of examination of the present Report.

## ARTICLE 1 – THE RIGHT TO WORK

### Article 1§1

“With a view to ensuring the effective exercise of the right to work, the Parties undertake:

**to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment;**

### *Scope of the provision as interpreted by the ECSR*

*A policy of full employment should be pursued by means of economic measures conducive to creating and preserving jobs and assisting those who become unemployed in finding jobs.*

**1) Please describe national employment policy and the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

The measures and programs implemented in our country within the active and passive policies are aimed at the registered unemployed persons, employed persons and employers.

Employment policy is consistent with the requirements for adequacy to the European and international standards, as reflected in the European Employment Strategy and its priority areas, the recommendations of the International Labour Organization (ILO), the Organization for Economic Cooperation and Development (OECD) and other international organizations.

The priorities of the Ministry of Labour and Social Policy in the field of employment policy are determined in accordance with the membership in the European Union /EU/ from 1 January 2007 and the need for further reforms of the labor market and the social policy. Efficient, effective and flexible policies aimed at increasing employment and professional qualification level of the labor force are based on the actions of the Ministry following the accession to the European Union.

Active employment policy is in line with the Lisbon Strategy, the European Employment Strategy, the Employment Strategy of the Republic of Bulgaria for the period 2004-2010, Integrated Guidelines for Growth and Employment, Chapter Employment of the National Reform Programme and the Human Resources Development Operational Programme.

The Employment Promotion Act in force since 1 January 2002 regulates the public relations in the promotion and support of employment, career information and counseling, training for professional qualification of unemployed and employed persons; mediation in informing and employing Bulgarian nationals in other countries and Bulgarian and foreign citizens in the Republic of Bulgaria.

We apply a differentiated approach to different social groups and provide different possibilities to each of them to solve problems in complying with the requirement to optimize the efficiency of the social spending.

Active policy on the labor market is mostly financed from the state budget. Thus provides an opportunity for employment programs and increasing employability programs to be implemented on a regular basis with secured funding.

In this connection there have been launched several new programs such as: From Social Assistance to Employment, Enhancing Employability and Promotion of Youth

Entrepreneurship, Assistance for Retirement, Initiatives in the Labor Market, Employment Program for People with Disabilities, Program for Employment of Teachers in Teaching Children with Disabilities, Program for Farmers - pilot phase, Vidin District, etc.

Training for obtaining professional qualification by persons in the labor market as a major tool to improve employment opportunities, organized by the Employment Agency through procedure to award training to appropriate educational organizations and quality control. Since the beginning of 2000, the National Agency for Vocational Education and Training has been licensing vocational training centers and controlling the quality of training offered in there.

Actions to extend the nomenclature and improve service quality of the labor market and their orderliness, punctuality, accessibility, efficiency and effectiveness have also been taken. Efforts to better link of policies at national, regional and municipal level have been put in the market management to create conditions for full participation of social partners in their development and implementation.

### **National Employment Action Plan**

In accordance with the Employment Promotion Act, the Council of Ministers annually approves a National Employment Action Plan, which is financially secured by the state budget, the PHARE Program and other sources. The plan is becoming more important as the main instrument of employment policy - it formulates both the objectives and mechanisms for implementation of national employment policy and human resources and specific projects and programs that are implemented throughout the year.

As a member of the EU from the beginning of 2007, the Republic of Bulgaria has joined the implementation of the Community goals for growth and employment and is trying to achieve the Lisbon goals. The guidelines for employment are the basis in the formulation and implementation of employment policy - part of the Integrated Guidelines for Growth and Jobs. Characteristic principle of working towards meeting the Lisbon goals and the Integrated Guidelines is the coherence of macro-micro economic policies and employment policy. In addition, social cohesion is a horizontal view taken into account in all activities in the country. Specific measures, programs, actions and the targets under the three policies are presented in the National Reform Programme. Thus the linkage of employment policy with economic and social policy in the country is bound, both strategically and in its implementation. The interrelations of action for employment with other policies are also evident from article 6 (2) of the Employment Promotion Act, stating that "the Ministry of Labour and Social Policy together with other ministries and social partners shall develop an annual National Employment Action Plan.

State employment policy in the Republic of Bulgaria is determined by the Council of Ministers.

Ministry of Labour and Social Policy develops, conducts and coordinates state policy on employment and training for professional qualification of unemployed and employed persons.

National Employment Agency implements state policy on the labor market. National Employment Service (Employment Agency) was established in 1989 and has been continuously developed with technical assistance from the EU member states.

The state implements the employment policy in cooperation and consultation with representative organizations of employers and employees, and representatives of other non-profit organizations. Thus, partners can influence decisions taken in the labor market at the stage of preparation.

A basic principle in developing and implementing employment policy is the partnership between institutions, social partners and NGOs. In this respect, a number of tripartite cooperation authorities operate at national and regional level, which are stipulated in the Employment Promotion Act, including:

National Council for Tripartite Cooperation – with permanent committees on the following issues: income and living standards; social security relations; labor legislation; social consequences of restructuring and privatization and fiscal policy.

National Council for Promotion of Employment to the Minister of Labour and Social Policy - a permanent consultative body for cooperation and consultation in the development of employment policy. The Council discusses and gives opinions on the development and implementation of employment policy and the National Employment Action Plan. It offers to the Ministry of Labour and Social Policy drafting of legislation, measures and programs to promote employment.

Council to the Executive Director of the Employment Agency - tripartite consultative body which advises the Executive Director in making decisions and monitors the activities of the Employment Agency in promoting employment, discusses major guidelines, the plan and the activities report of the Employment Agency, discusses the effectiveness of the implemented measures and programs.

Permanent and temporary employment committees to the District Council for Regional Development - in pursuance of article 9 of the Employment Promotion Act with participation of district administrations, local authorities, the territorial divisions of ministries, organizations and social partners, define, organize and supervise the implementation of state policies on employment and training for professional qualification at regional level.

Councils for cooperation with the divisions of the Employment Agency on a tripartite basis - monitor the implementation of programs and measures, supervise compliance with the provisions regarding the selection of the programs and measures; discuss priority programs and funding.

National Advisory Council for Professional Qualification of the Workforce, Advisory Committee on Equal Opportunities for Men and Women and Disadvantaged Groups at Work have also been established to the Minister of Labour and Social Policy.

The overall legal framework for employment policy is contained in the following acts:

## **CONSTITUTION OF THE REPUBLIC OF BULGARIA**

**Article 16.** Labour shall be guaranteed and protected by the law.

**Article 48.** (1) Citizens shall have the right to work. The State shall take care to create conditions for exercise of this right.

(2) The State shall create conditions for exercise of the right to work of persons with physical and mental impairments.

(3) Every citizen shall be free to choose an occupation and a place of work.

(4) No one may be compelled to perform forced labour.

(5) Factory and office workers shall have the right to healthy and safe working conditions, to a minimum labour remuneration, and to pay commensurate to the work performed, as well as to rest and leave, under terms and according to a procedure established by the law.

## **LABOUR CODE**

**Article 1** (Amended, SG No. 100/1992) (1) This Code shall regulate the industrial relations between the factory or office worker and the employer, as well as other relations immediately associated with them.

(2) (New, SG No. 2/1996) Relations related to the supply of labour power shall be arranged as employment relationships only.

(3) (Renumbered from Paragraph (2), SG No. 2/1996, amended, SG No. 25/2001) The purpose of this Code shall be to ensure the freedom and protection of labour, equitable and dignified working conditions, as well as the conduct of social dialogue between the State, the factory and office workers, the employers and their organisations, for settlement of industrial relations and other relations immediately associated with industrial relations.

## **EMPLOYMENT PROMOTION ACT**

**Article 1.** (Amended, SG No. 26/2008) This Act regulates social relations upon:

1. employment promotion and employment security;
2. career guidance and adult training;
3. intermediation for furnishing information and placement in the Republic of Bulgaria and in other states of Bulgarian citizens, of nationals of another Member State of the European Union, of Contracting Parties to the Agreement on the European Economic Area, or of the Swiss Confederation;
4. intermediation for furnishing information and placement of foreigners in the Republic of Bulgaria.
5. (new, SG No. 43/2011, effective 15.06.2011) the regulation of access to the labour market for foreigners who are third-country nationals.

**Article 2.** Upon realization of the rights and discharge of the duties under this Act, no direct or indirect discrimination and privileges or restrictions shall be admissible on the basis of nationality, origin, gender, sexual orientation, race, skin colour, age, political and religious convictions, affiliation to trade-union and other public organizations and movements, marital, social and property status, and mental and physical disabilities.

**Article 3.** (Supplemented, SG No. 26/2008) The State shall implement employment policy in cooperation and after consultation with the nationally representative employers' and factory and office workers' organizations and with representatives of other not-for-profit legal entities as well.

## **Section II**

### **Planning of Employment Promotion Programmes and Measures**

**Article 30.** (1) (Amended, SG No. 26/2008) Employment promotion programmes and measures under this Act shall be implemented after the approval thereof by the National Employment Promotion Board and by the Employment Commissions and after financing has been provided therefor in the respective annual budget, as well as according to the procedure established by the Operational Programme "Human Resources Development".

(2) (Amended, SG No. 26/2008) The Ministry of Labour and Social Policy shall submit annually to the Ministry of Finance financing estimates for implementation of the active employment policy through the State Budget of the Republic of Bulgaria Act.

(3) (Supplemented, SG No. 26/2008) In accordance with the procedures for elaboration of a draft budget for the relevant year, the National Employment Agency shall submit to the Ministry of Labour and Social Policy a proposal containing the employment promotion and



adult training programmes programmes and measures to be implemented in the course of the plan year.

(4) The Minister of Labour and Social Policy shall endorse annually the plan of the National Employment Agency and shall ensure financing for the implementation of the said plan.

(5) (Amended, SG No. 26/2003, SG No. 38/2005) The terms, the procedure and the criteria for enjoyment of incentives for implementation of employment promotion programmes and measures shall be established by the Regulations for Application of this Act.

(6) (Repealed, SG No. 26/2003, new, SG No. 38/2005) The terms and procedure for enjoyment of incentives under employment and training programmes shall be established in the relevant programme and/or rules and shall be endorsed by an order of the Minister of Labour and Social Policy.

(7) (Repealed, SG No. 26/2003).

(8) The members of Employment Commissions and Cooperation Councils with the divisions of the National Employment Agency shall supervise and monitor the processes upon implementation of programmes and measures.

**Article 31.** (1) (Supplemented, SG No. 26/2003, amended, SG No. 59/2010) The Council of Ministers, the Ministry of Labour and Social Policy and the National Employment Agency, individual ministries and other government institutions or administrative-regional administrations and the social partners, as well as not-for-profit legal entities registered according to the procedure established by Chapter Three of the Not-for-Profit Legal Entities Act, jointly with the social partners, may develop and propose for financing and implementation programmes for increase of employment related to the priorities of national strategic documents on development and the National Action Plan for Employment, as well as programmes for employment, literacy training, vocational training and training in key competences of disadvantaged groups on the labour market.

(2) (New, SG No. 59/2010) Annually, by decision of the National Employment Promotion Board, there shall be formed a commission for evaluation and selection of programmes/projects proposed according to the procedure established by Paragraph (1) and Articles 25 and 33 herein. The members of the said commission shall include representatives of the nationally representative factory and office workers' organizations, the nationally representative employers' organizations, the Ministry of Labour and Social Policy and the National Employment Agency. The terms and procedure for operation and the functions of the commission shall be established by the Regulations for Application of this Act.

(3) (Supplemented, SG No. 26/2008, renumbered from Paragraph (2), SG No. 59/2010) The following institutions shall be responsible for development and implementation of employment and training programmes:

1. for national programmes: the Ministry of Labour and Social Policy and the National Employment Agency;

2. for branch programmes: the competent line ministries (structures) jointly with branch trade union organizations, branch chambers, the Ministry of Labour and Social Policy and the National Employment Agency;

3. (supplemented, SG No. 26/2008) for functional-regional programmes: the Employment Commissions with the Administrative-Regional Councils for Development.

(4) (New, SG No. 26/2003, amended, SG No. 38/2005, SG No. 26/2008, renumbered from Paragraph (3), SG No. 59/2010) The Employment Commissions with the Administrative-Regional Councils for Development shall propose to the Ministry of Labour and Social Policy functional-regional programmes for adult training and/or employment.

(5) (Renumbered from Paragraph (3), SG No. 26/2003, renumbered from Paragraph (4), SG No. 59/2010) The programmes covered under Paragraph (1), which are financed by the Ministry of Labour and Social Policy, shall be endorsed by the Minister of Labour and Social

Policy under terms and according to a procedure established by the Regulations for Application of this Act.

**Article 32.** (1) (Amended, SG No. 26/2008) Employment Commissions with the Administrative-Regional Councils for Development shall organize the implementation of short-term or medium-term employment promotion programmes.

(2) (Repealed, SG No. 26/2003).

**Article 33.** (1) (Amended, SG No. 26/2008) Functional-regional employment and training programmes shall specify the objectives, priorities and tools for implementation of the state policy in the field of employment. The said programmes shall include measures and projects conforming to the priorities of the administrative-regional strategy for development and of the functional-regional, administrative-regional and municipal plans for development, as well as to the priorities of the national strategic documents and the National Action Plan for Employment.

(2) (Amended, SG No. 26/2008, supplemented, SG No. 59/2010) Functional-regional employment and adult training programmes shall be proposed by the administrative-regional and municipal administrations, social partners and other legal persons and shall be approved by the Employment Commission. The said programmes shall include new initiatives and activities for increase of employment in conformity with the priorities referred to in Paragraph (1), as well as employment and training programmes for persons released from work as a result of collective dismissals.

(3) (Amended and supplemented, SG No. 26/2008, amended, SG No. 59/2010) Functional-regional employment and training programmes shall be elaborated on the initiative of the administrative-regional and municipal administrations, the social partners and other legal persons and shall be presented periodically for approved to the Employment Commissions with the Administrative-Regional Councils for Development. The Employment Commissions shall propose the approved functional-regional employment and training programmes for financing under terms and according to a procedure established by the Regulations for Application of this Act.

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### **Section III**

#### **Youth Employment**

**Article 36.** (Amended, SG No. 26/2003) (1) (Supplemented, SG No. 27/2005, amended, SG No. 18/2006) For each job created and filled by an unemployed person under 29 years of age, who is hired upon referral by the competent division of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such person and twelve months.

(2) (Amended, SG No. 38/2005, supplemented, SG No. 18/2006) For each job created and filled by an unemployed permanently disabled person under 29 years of age, including a war-disabled person, as well as by young persons from social institutions who have completed their education, who are hired upon referral by a division of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

**Article 40.** (Amended, SG No. 26/2003) (1) The National Employment Agency, acting jointly with the job associations, shall develop and implement employment projects and programmes in the public interest of a national and regional character. The job associations shall apply to the Ministry of Labour and Social Policy for financing of any such projects and programmes.

(2) The associations referred to in Paragraph (1) shall register under the effective legislation with core objects of the business thereof being provision of employment to unemployed persons registered at the local divisions of the National Employment Agency.

(3) For each unemployed person, who is hired under a contract of employment upon referral by the National Employment Agency under projects and programmes referred to in Paragraph

(1), sums according to Article 30a (2) herein shall be provided for the shorter of the time actually worked out of the term of the contract of employment and twelve months.

**Article 41.** (Amended, SG No. 26/2003, SG No. 26/2008, SG No. 59/2010) For each job created for internship, filled by an unemployed person under 29 years of age who is hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of training and/or internship of any such job holder and nine months. To be eligible to fill a job created for internship, a person must have attained, during the last preceding 24 months, qualification in an occupation or in part of an occupation required for the position occupied and must have no length of employment service in the said occupation.

#### **Section IV**

#### **Programmes and Measures for Transition from Passive to Active Labour Market**

##### **Measures**

**Article 42.** (1) (Amended, SG No. 26/2003, SG No. 38/2005, SG No. 18/2006) Any unemployed persons, who have been hired to work upon referral by the divisions of the National Employment Agency for a period not shorter than six months outside the limits of the nucleated settlement where the said persons have a registration under Article 18 (4) herein, shall receive lump sums for travel expenses according to Article 30a (2) herein.

(2) (Amended, SG No. 26/2003, SG No. 18/2006) Any unemployed persons, who have been referred by the divisions of the National Employment Agency to a specific employer for placement outside the limits of the nucleated settlement, shall be paid monthly sums for commuter travel expenses according to Article 30a (2) herein for a period not exceeding twelve months, and for travel expenses to present themselves to an employer for hiring to work.

**Article 42a.** (New, SG No. 18/2006) (1) Any persons who start work without intermediation of the National Employment Agency, having been registered as unemployed at the local divisions of the said Agency and having received monthly social assistance benefits, shall be paid monthly sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

(2) Entitlement to monthly sums under Paragraph (1) shall accrue to any unemployed persons who:

1. have received monthly social assistance benefits for a period of not less than six months immediately before starting work;
2. are persons entitled to monthly social assistance, registered at the local division of the National Employment Agency, who were included in employment promotion programmes and measures and who start work not later than six months after the date of termination of the contract under the relevant programme or measure by reason of lapse of the term for which the said contract was concluded;
3. are permanently disabled persons of working age, entitled to monthly social assistance, registered at the local divisions of the National Employment Agency;
4. (supplemented, SG No. 26/2008) are single parents (or adopters) of working age, entitled to monthly social assistance, registered at the local divisions of the National Employment Agency.

(3) The sums referred to in Paragraph (1) shall be paid to the persons subject to the condition that the said persons:

1. have started work under an employment relationship for an indefinite duration or for a fixed term not shorter than three months;
2. have fulfilled the obligation thereof to notify under sentence two of Article 18 (5) herein;

3. (amended, SG No. 59/2010) who have submitted an application for conclusion of a contract under Article 30b herein within one month after the formation of the employment relationship.

(4) Any persons who have benefited from an entitlement under Paragraph (1) shall be entitled to a subsequent payment of sums on these grounds upon the lapse of twelve months reckoned from the date of termination of the employment relationship.

(5) (Amended, SG No. 26/2008) Any persons, who have been granted a contributory-service and retirement-age pension or an early-retirement occupational pension, shall not be entitled to monthly sums under Paragraph (1).

(6) The amounts received on the grounds of Paragraph (1) shall be non-taxable.

(7) The procedure for payment of the amounts under Paragraph (1) shall be established by the Regulations for Application of this Act.

**Article 43.** (1) (Amended, SG No. 26/2003, supplemented, SG No. 38/2005) For each job created and filled by up to two unemployed persons who are hired upon referral by the divisions of the National Employment Agency for half of the normal hours of work, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

(2) The persons referred to in Paragraph (1) shall qualify as registered unemployed where they have received unemployment cash benefits for not more than five months.

(3) (Amended, SG No. 26/2003, SG No. 38/2005, repealed, SG No. 7/2012)

(4) (Repealed, SG No. 26/2003).

(5) (Amended, SG No. 26/2008) The employer shall have the right to propose training for attainment of professional qualification for the persons hired under Paragraph (1). Financial resources according to Article 30a (2) herein shall be provided to the training institution for the persons included by the employer and the National Employment Agency in organized training for professional qualification.

## **Section V**

### **Training Programmes and Measures**

**Article 44.** (Amended, SG No. 26/2003, SG No. 26/2008) Any employer, who or which ensures the maintenance and upgrading of the qualifications of the factory and office workers hired thereby, may apply for the provision of sums according to Article 30a (2) herein.

**Article 45.** (1) Employers may hire unemployed persons upon referral by the divisions of the National Employment Agency for training and work on the job for the period of the training of the employed person.

(2) (Amended, SG No. 26/2003) For each job referred to in Paragraph (1) filled by an unemployed person, who is hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such person and six months.

**Article 46.** (Amended, SG No. 26/2003, SG No. 26/2008) For each job created for internship and filled by an unemployed person who is hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of internship of any such person and six months. To be eligible to fill a job created for internship, a person must have attained, during the last preceding 24 months, qualification in an occupation or in part of an occupation required for the position occupied and must have no length of employment service in the said occupation.

## **Section VI**

### **Entrepreneurship Promotion**

**Article 47.** (1) (Amended, SG No. 26/2003, SG No. 38/2005, SG No. 59/2010) Any unemployed person or persons entitled to cash benefit and wishing to start an own or joint

business for the manufacture of goods and/or provision of services shall be provided with lump sums for the account of the Unemployment Fund upon approval of a business project by the competent division of the National Employment Agency and upon submission by the person of an application to the competent division of the National Employment Agency, stating thereby that the person wishes to receive a lump sum in lieu of unemployment benefit under the terms and according to the procedure established by the Social Insurance Code.

(2) (Amended, SG No. 26/2003) Entitlement to a lump sum under Paragraph (1) shall accrue to the persons who are responsive to the requirements for grant of a cash benefit under the terms and according to the procedure established by the Social Insurance Code.

(3) (Repealed, SG No. 26/2003).

(4) (Amended, SG No. 26/2003) Any persons, who have received a lump sum under Paragraph (1) and who provide employment under the approved project to another unemployed family member without entitlement to an unemployment cash benefit, shall be provided additionally with financial resources according to Article 30a (2) herein.

**Article 48.** (Amended, SG No. 26/2003) Any persons, who have received a lump sum under Article 47 (1) herein, may be provided additionally with financial resources according to Article 30a (2) herein in the form of a loan for training in the objects of economic activity and/or management of the said activity under the approved project referred to in Article 47 (1) herein.

**Article 49.** (Amended, SG No. 26/2003, SG No. 38/2005) (1) (Amended, SG No. 18/2006, SG No. 26/2008) Any unemployed persons may be provided with resources for costs according to Article 30a (2) herein for own business start-up as a micro-enterprise under the Small and Medium-Sized Enterprises Act under a business project approved by the local division of the National Employment Agency.

(2) (Amended, SG No. 18/2006, supplemented, SG No. 26/2008, amended, SG No. 59/2010) Any persons who have exercised the rights thereof under Paragraph (1) or under Article 47 herein may use resources upon the lapse of three years after the date of termination of the relevant contract by reason of lapse of the term for which the said contract was concluded.

(3) Sums shall be provided additionally according to Article 39a (2) herein to the persons referred to in Paragraph (1) for attainment of professional qualification in the objects of economic activity and/or for management of the said activity under the business project as approved.

(4) (New, SG No. 26/2008) Persons who have concluded a contract under Paragraph (1) may be provided with additional monthly sums according to Article 30a (2) herein immediately after the start up of business for a period not exceeding twelve months.

## **Section VII**

### **Job Creation Programmes and Measures**

**Article 50.** (Amended, SG No. 26/2003, SG No. 59/2010) Any employers, who or which are micro enterprises registered under the effective legislation, shall be provided with sums according to Article 30a (2) herein for a period of not more than twelve months for the first five jobs created and filled by unemployed persons who are hired upon referral by the divisions of the National Employment Agency.

**Article 51.** (Amended, SG No. 26/2003) For each job created and filled by unemployed persons, who are hired for part-time work upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for a period not exceeding twelve months.

## **Section VIII**

### **Programmes and Measures Providing Equal Opportunities through Social and Economic Integration to Disadvantaged Groups on the Labour Market (Title amended, SG No. 26/2008)**

**Article 52.** (Amended, SG No. 26/2003) (1) (Amended, SG No. 38/2005, supplemented, SG No. 18/2006) For each job created and filled by unemployed permanently disabled persons, including war-disabled persons, who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) for the shorter of the period of employment of any such persons and twelve months.

(2) (Amended, SG No. 38/2005) For each job created for casual, seasonal or hourly work filled by unemployed permanently disabled persons, who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and six months.

**Article 53.** (Amended, SG No. 26/2003) For each job created for full-time or part-time work, filled by unemployed persons who are single parents (or adopters) and/or mothers (or female adopters) with children under 3 years of age and who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

**Article 53a.** (New, SG No. 26/2008) (1) For each job created for full-time or part-time work, filled by unemployed mothers (adopters) with children between 3 and 5 years of age, who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

(2) The employer shall have the right to propose training for attainment of professional qualification for the persons hired under Paragraph (1). Financial resources according to Article 30a (2) herein shall be provided to the training institution for the persons included by the employer and the National Employment Agency in organized training for professional qualification.

**Article 55.** (Amended, SG No. 26/2003) (1) For each job created and filled by unemployed persons who have served a custodial sentence and who are hired within twelve months after release from the place of implementation of the penal sanction upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

(2) (Amended, SG No. 26/2008) The employer shall have the right to propose training for attainment of professional qualification for the persons hired under Paragraph (1). Financial resources according to Article 30a (2) herein shall be provided to the training institution for the persons included by the employer and the National Employment Agency in organized training for professional qualification.

**Article 55a.** (New, SG No. 26/2003, amended, SG No. 26/2008) For each job created and filled by unemployed persons over 50 years of age, who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

**Article 55b.** (New, SG No. 26/2008) (1) For each job created and filled by a person between 50 and 64 years of age, who has acquired entitlement to early-retirement occupational pension and who is hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such person and twelve months.

(2) The employer shall have the right to propose training for attainment of professional qualification for the person hired under Paragraph (1). Financial resources according to Article 30a (2) herein shall be provided to the training institution for the persons included by the employer and the National Employment Agency in organized training for professional qualification.

**Article 55c.** (New, SG No. 26/2008) For each job created and filled by an unemployed person whose registration has been maintained without interruption for not less than twelve months, who is hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such person and twelve months.

**Article 55d.** (New, SG No. 26/2008) (1) For each job created for full-time or part-time apprenticeship work, filled by an unemployed person with basic or lower education and with no skills, who is hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such person and twelve months.

(2) During the apprenticeship under Paragraph (1), the employer shall be obligated to ensure training of the person hired in the specific workplace by another factory or office worker (mentor).

(3) The mentor, who has been assigned by the employer to train the person hired under Paragraph (1) in the relevant occupation or trade, must possess a qualification certified by a document and a minimum three years employment service in the same occupation or trade.

(4) Any employer, who sustains the employment of any unemployed person hired for apprenticeship under Paragraph (1) for an additional period of a duration equal to the period of subsidization, shall be provided with sums for the mentor according to Article 30a (2) for the additional period as well.

(5) The employer shall pay the mentor, who has been assigned the training under Paragraph (2), additional labour remuneration according to Article 30a (2) for the shorter of the period of mentoring and twenty-four months.

**Article 55e.** (New, SG No. 59/2010) For each "green job" created and filled by an unemployed person whose registration has been maintained without interruption for not less than six months, who is hired upon referral by a division of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the period of employment of any such person but not more than twelve months.

## **Section IX**

### **Employment Protection and Employment Security**

**Article 56.** (Amended, SG No. 26/2003) (1) (Amended, SG No. 38/2005, SG No. 26/2008, SG No. 59/2010, SG No. 43/2011, effective 15.06.2011) Financial resources under this Act shall be available to employers, as well as institutions providing adult training or career guidance, provided that they have no exigible public liabilities, no liabilities arising out of default on contracts concluded based on programmes, measures and training courses, or on projects under the Human Resources Development Operational Programme. Such financial resources shall be available to employers and persons starting up their own business under this Act, provided that the measure concerned is admissible under the State Aids Act.

**Article 57a.** (New, SG No. 26/2008) Any employer, who or which organizes commuter transport services between the place of residence and the workplace at a distance not exceeding 100 kilometres within the territory of the country for hired factory and office workers living outside the limits of the nucleated settlement where the workplace is located, shall be provided monthly with financial resources according to Article 30a (2) herein. The said resources shall be provided to the employer for a period not exceeding twelve months for one and the same person hired.

## **RULES FOR IMPLEMENTATION OF THE EMPLOYMENT PROMOTION ACT**

Article 17. (1) (amended and supplemented - SG 95, 2005, amended No 60 of 2008, effective 4 July 2008). The Employers may apply for workforce describing the nature of work and specifying the education and training requirements to the candidate and the way of selection; make requests for training and/or support for the territorial mobility of staff. Applications shall be registered in the Labour Office Directorate and entered into an automated information system. Samples of applications shall be approved by the Executive Director of the Employment Agency.

(2) (amended - SG 95, 2005) Where in an application under para 1 the employer imposes conditions contrary to law or sets requirements for applicants not relevant to the nature of the work, the Director of the Labour Office Directorate shall refuse to perform mediation services for employment by written decision.

**2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

### **For 2007**

Information on initiatives aimed at women, older workers and members of minorities, including Roma:

The National Employment Action Plan for 2007 defined the main priorities of employment policy:

- enhancing the high quality and productive employment through greater investment in human capital and development of lifelong learning;
- greater integration of disadvantaged groups by intensifying the search and remaining in employment;
- effective integration of the country in the European labor market;
- increasing the flexibility of the labor market and the effectiveness of programs and measures.

In compliance with Guideline № 18 of the Integrated Guidelines for Growth and Jobs 2005 – 2008 of the EU on the Promoting the Approach to Work based on the "life cycle", **there have been realized concrete actions aimed at supporting a smooth transition between different stages of working life for women and older workers.**

**One of the key directions in policy to increase employment involves a complex of measures to encourage women's participation in the labor market and reducing the gap in unemployment rates, employment and wages between the sexes.** There have been developed and implemented projects to improve the competitiveness of women in the labor market through participation in vocational training, entrepreneurship, creation of employment opportunities for unemployed women engaged in growing children, encouraging employers to hire unemployed people - single parents with children up to 3 years of age.

In 2007 a new program has been launched on the labor market - In Support of Motherhood, which created conditions for better professional development and return to employment of mothers by providing free care for their children. The program aims to better reconcile work and private lives of mothers and smooth transition between the periods of birth and work on the one hand, and on the other to open jobs for unemployed and not least to provide quality care for young children. The remuneration of childminders is financed from



the benefits for mothers collected in the General Disease and Motherhood Fund to the state social security. 612 unemployed people have been employed in 2007 under the program In Support of Motherhood.

The implementation of the Family Centers for Children Project has continued in 2007 to provide employment for unemployed women involved in raising children of working parents in an environment close to family. The project included unemployed nurses and unemployed teachers with subject Preschool and Primary Education as a priority. The family centers were opened in the homes of the unemployed women that are suitable for children from age groups 1 to 3 and 3 to 5. Project partners were municipalities that support the family center with equipment and food by paying for one meal a day. The activities of eight centers have been supported in 2007.

In pursuance of the provision of the Employment Promotion Act, the employers are encouraged to create jobs for unemployed persons - single parents and mothers with children up to 3 years of age. The state budget provides funds for salaries and mandatory payments under the labor and social security legislation for a period of 12 months. 1 073 persons have worked under this measure.

Measures to extend working life include activities aimed at training and employment, improving working conditions and health of employees. The state subsidizes employers who hire people in retirement under the Assistance for Retirement National Programme. The state budget provides funds for salary and mandatory payments under the labor and social security legislation to employed persons. On average, 4 457 persons have worked under the program who have also been assisted in the transition from unemployment to retirement. In pursuance of the provisions of the Employment Promotion Act, employers are encouraged to hire unemployed women over 50 years of age and unemployed men over 55 years of age. On average, 3 331 persons have worked under this measure.

In 2007 started the implementation of a new measure to assist unemployed persons in preretirement. The measure provides payment from the Unemployment Fund as a monetary compensation for long-term unemployment of persons who need up to two and a half years to acquire entitlement to retirement and old age pensions.

The amendments to the Social Security Code introduced incentives to extend working lives, as in determining the amount of pension for each year of additional pensionable service over the one regularly required is given a fixed ratio.

The extended working life for older workers and employees is encouraged by investments from the employers in health and safety at work, wider application of flexible forms of employment and inclusion in various forms of lifelong learning. The social partners' initiatives for the formation of positive attitudes towards older workers and maintaining age diversity in business also have a positive effect.

In 2007, unemployed Roma as one of the vulnerable groups in the labor market, have been included in the active policy as a priority - over 23 600 persons have been included in activities to enhance their employability, and more than 33 700 have been employed through participation in programs and employment measures. It should be noted that in accordance with the relevant regulations, the administrative statistics of the Labor Office contains no information about the ethnicity of the unemployed persons, therefore cannot provide accurate

data about Roma included in the programs. Experts estimated that over 80% of trainees and 50% of employed persons are Roma.

Ministry of Labour and Social Policy (MLSP) is currently implementing From Social Assistance to Employment National Programme, which is oriented towards long-term unemployed persons who receive social assistance. According to the latest information from the end of December 2007, the program has included 69 084 new persons in employment, 31 970 people who have worked on approved project, while BGN 82 859 829 have been spent. Ministry of Labour and Social Policy is also implementing the National Programme for Education and Qualification of Roma. According to the latest information from the end of December 2007, the program has included 2 066 new persons who have completed the education module, while BGN 1 135 079 have been spent.

The Beautiful Bulgaria Project is currently being implemented with funds provided by the Ministry of Labour and Social Policy and the municipalities. Through the implementation of the project it is provided temporary employment in the construction and tourism, training for obtaining professional qualification for unemployed persons in the construction and tourism. According to the latest information from the end of December 2007, the project has employed 2 572 persons, including about 33% of Roma employed in project sites.

Overcoming Poverty Programme - a program for training and employment of municipalities Opaka Omurtag Nikola Kozlevo, Varbitsa, Makresh, Boynitsa, Belitsa, Yakoruda Satovcha, Dospat, Kotel, Kaynardja and Rakitovo. According to the latest information from the end of December 2007, 3 persons have worked under the program. BGN 47 614 have been spent.

Job Opportunities through Business Support Project - JOBS is an initiative of the Ministry of Labour and Social Policy and is implemented with the support of the United Nations Development Programme (UNDP). The JOBS Project has a network of 40 business centers and 10 business incubators across the country registered as local NGOs. The project supports the establishment and strengthening of micro and small businesses and encourages opening of sustainable jobs in communities with high unemployment rates.

The business centers support Roma NGOs and implement joint activities under various local initiatives. Two of the project components are aimed specifically at increasing employment among minority communities by encouraging development of private business and improving qualification.

Employment for Roma is a pilot initiative funded by the Swedish International Development Cooperation Agency – USD 797 459. The aim is to implement a viable mechanism for the creation of employment and business support for disadvantaged communities. Two business centers have been built in the Roma neighborhoods "Pobeda" in Burgas and "Iztok" in Pazardzhik under this component. Teams consist of people from the local community who operate in new offices provided for free use by the municipalities. The activities of the two centers are aimed at increasing the employability of the Roma people and helping Roma entrepreneurs. They provide the standard package of services under the project - qualification and motivational training, business consultations and access to finance lease, with an emphasis on better awareness among entrepreneurs and the community. A grant scheme for starting own business has been launched in July 2006. Under that scheme BGN 2,000 can be granted to cover initial expenses such as fees and permits, insurance, training of entrepreneurs and employees, materials, etc.

The component Support to Producers of Herbs and Alternative Agricultural Products helps manufacturers of herbs and alternative agricultural products through a network of eight

specialized centers in Velingrad, Polski Trambesh, Biala Slatina, Elhovo, Karlovo Parvomay, Dulovo and Teteven. Through a series of trainings, manufacturers from micro and small agricultural businesses master the techniques of cultivation of herbs and alternative products along with basic skills on how to develop a sustainable and competitive business. The continuous support from local agronomists, providing seedlings, building dryers and storage facilities, marketing and integration of farmers into producer groups are other significant aspects of the component. The initiative is funded by Norway. Manufacturers of ethnic minorities also participate in the activities.

All business centers under the JOBS Project implement a microfinance scheme in the form of a financial leasing for the purchase of equipment for industrial and agricultural production and provision of services. The granting is directly related to the requirement for new jobs. The scheme can help existing micro and small businesses and budding entrepreneurs. The Start with Leasing Scheme offers favorable conditions for unemployed persons registered at the Labour Office Directorate who want to start their own business. In eight areas of the country is running a project entitled Creating Competitive Start-ups (Project 100) funded by the Ministry of Economy. The project provides access to grant scheme to start a new business.

The business centers are licensed as training organizations to the National Agency for Vocational Education and Training while conducting a number of trainings to increase employability of the workforce according to the requirements of the labor market. They offer specialized training programs in finance, accounting, marketing, management, computer literacy, language and thematic module Start Your Own Business in accordance with the methodology of the International Labour Organization. In cooperation with the local Labour Office Directorates, training courses are also being organized on demand by employers who hire the successful graduates in their company. The JOBS business centers participate in the implementation of the National Program of the Ministry of Labour and Social Policy for Computer Training for Young People and Retraining of Redundant Military. There are courses on raising rabbits, viticulture, apiculture and others for farmers. The association of the JOBS business center - National Business Development Network licensed its own Vocational Training Centre which conducts certified courses.

### **For 2008**

In 2008 the main priorities of employment policy established by the National Employment Action Plan include:

- providing the necessary skilled workforce to meet the demand for labor by employers through lifelong learning;
- increasing the knowledge and skills of employees for higher adaptability to the demands of the new technology and better labor productivity;
- activation of the unemployed persons from disadvantaged groups for education, employment and enhancing their employability;
- increasing flexibility and job security and employment by adjusting contractual relations and work organization to the new needs of the economy for higher competitiveness and the needs of individuals to combine work and family life;

- including inactive and discouraged workers, part of the pensioners, in working or close to working age in the labor market
- effective integration of the country in the European labor market.

In order to improve the quality of the workforce in 2008 there has been initiated and adopted legislative changes that create conditions to improve the qualification of employed and unemployed persons in accordance with the business needs, improve access to training for people without education or low education and without qualifications, including training in the workplace. New opportunities have been regulated to finance measures to support employment, including training of employed and unemployed people to acquire key competences, payment for mentor who teaches at work an unemployed person with low education and skills. In order to improve the quality and effectiveness of adult education, there have been funded activities related to the selection of training institutions, training of adult education teachers, development of training materials, etc. The apprenticeship legislation has been improved in 2008. It has been introduced a new incentive measure to hire unemployed persons for apprenticeship in order to create opportunities for integration into the labor market, where the risk of dropping out of the labor market is high. The opportunity for training in key competencies of unemployed and employed people to acquire knowledge and skills demanded by the labor market has also been covered.

The positive trends in the labor market are the foundation on which actions are built according to the needs of employers and employees. In 2008 continued the implementation of programs and measures that support the transition from one job to another, from unemployment to employment and from unemployment to retirement. The support for women is tailored to the specific difficulties they face in the labor market. There are also limited barriers to finding and keeping a job for older workers, since aging increases the risk of unemployment. There have been provided employment opportunities and access to lifelong learning, individual services for job search, improved working conditions, better reconciliation of work and family life. In 2008 the focus was on actions to protect women in the transition from unemployment to employment, from one job to another by creating conditions for better reconciliation of work and family life through involvement in various forms of lifelong learning. Thus promoting gender equality and ensuring access to better and more productive workplaces. In 2008, the Bulgarian legislation has introduced a new incentive measure for unemployed mothers with children aged 3 to 5, which provides access to subsidized employment and training. The aim was to provide support to young women who have been away from the labor market to update their skills. In 2008 continued the implementation of the In Support of Motherhood National Programme. In response to the public needs for affordable and quality care for young children, it has been provided the possibility of employment to people entitled to old age pension, while the period of child-rearing from 1 to 3 years of age has been extended. 4 066 persons have been included in employment in 2008. On average, 981 persons have worked under the terms of the incentive measure for employers who create jobs for unemployed persons - single parents and mothers with children under 3 years of age. 269 persons have been included in employment under the terms of the incentive measure for employers who create jobs for unemployed mothers with children from 3 to 5 years of age.

In order to extend the working life of older people and improve their competitiveness in the labor market, in 2008 has been introduced a new incentive measure under the Employment Promotion Act for subsidized employment and training of persons aged between 50 to 64 who were entitled to professional pension for early retirement. On average, 3 554 persons in pre-retirement age have been employed under the Assistance for Retirement National Programme. The legislative change unified the age requirements for unemployed women and unemployed men under the supportive measure for people in retirement. On average, 3 026 persons have worked under the conditions of the measure in 2008.

In 2008 over 13 000 persons from the Roma community have been involved in activities to increase their employability; more than 22 000 persons have been employed in the primary labor market and involvement in programs and measures for employment and training; for over 400 Roma have been organized initiatives to promote entrepreneurship, to start and manage a business.

52 586 persons have been included in employed for the first time under the National Programme From Social Assistance to Employment in 2008. 22 769 persons have worked under approved projects from the beginning of the year, while BGN 72 760 703 have been spent.

1 448 persons have been included in the National Programme for Education and Qualification of Roma from the beginning of 2008, while BGN 1 033 609 have been spent. **1 548 unemployed persons, including about 33% Roma working on program sites have been included in the Beautiful Bulgaria Programme in 2008.**

13 jobs have been created and 18 persons have been trained in 2008 under the Job Opportunities through Business Support – JOBS, component: Employment for Roma.

### **For 2009**

In 2009, in terms of shrinking production and services and negative impact of the economic crisis on employment, the main priorities of employment policy included: avoiding massive and prolonged unemployment, ensuring the sustainability of employment, increasing flexibility and security in the labor market, preventing poverty and marginalization of redundant persons, unemployed persons from disadvantaged groups and inactive persons. Activities have been implemented in the following areas:

- quick and efficient redirection of redundant workers to vacancies and subsidized employment, vocational guidance, retraining, support for self-employment, territorial mobility;
- promoting employment maintenance - through incentives to work part-time, training to improve knowledge and skills of employees, training in key competencies, etc.;
- activation of inactive people through counseling, literacy, vocational training, internships, apprenticeships, etc.;
- support for reconciling work and family life by promoting the employment of women with young children (providing services for children, training and subsidized employment for women after a period of maternity leave);
- improving working conditions and reducing accidents at work;
- adjusting the services of the Employment Agency to work in conditions of massive layoffs - exported jobs, quick redirection to vacancies;

- development of employment services provided by private companies;
- improving the control when conducting a market test and issuing work permits for third country nationals in the Republic of Bulgaria;
- monitoring and evaluating the impact of programs, measures and actions.

By Decision № 772 of 1 October 2009, the Council of Ministers has adopted Economic Measures to Recover the Bulgarian Economy (27 July 2009 - 27 April 2010) aimed at achieving rapid, real and sustainable results to overcome the effects of the global crisis and to recover the Bulgarian economy. Specific measures for employment and social assistance have been provided in a specific section, including: increasing the amount of minimum insurance income for self-employed individuals to BGN 420; reorientation of programs providing temporary sustainable employment for disadvantaged groups in the real economy; providing specialized services by the National Employment Agency and creation of employment for the unemployed persons in the field of social services, including childcare, etc.

In 2009, in terms of economic crisis the main efforts were aimed at providing rapid and effective assistance to redundant workers by providing mediation services, direction to programs and measures to be implemented in the labor market, inclusion in various forms of training. The support is tailored to the needs of older workers and women. The amendments to the Labour Code of December 2008 to maintain and improve training of employees to effectively fulfill employment requirements have a positive effect on the adaptability of older workers and their ability to adapt in a dynamic environment. It has been introduced an obligation on employers to provide conditions to maintain and improve training of employees in accordance with the requirements for work performed and their careers.

In 2009 opportunities for participation in various forms of lifelong learning, including older people and women have been increasing. The training in key competences and qualifications, which contribute to the upgrading of knowledge and skills in line with business needs is funded by the state budget.

The implementation of the measure which provides for the payment of compensation to unemployed persons who are about to retire is continuing. The measure also provides an effective protection, since the economic crisis and the risk of prolonged mass unemployment for older workers is higher. In order to overcome unemployment, it continues the implementation of the measure under the Employment Promotion Act that supports employers who provided employment to persons over 50 years of age, it also continues the operation of the Assistance for Retirement National Programme. In 2009, 2 266 persons have been employed under the terms, while 2 216 persons have been employed under the program. In view of staying longer in the labor market of older workers, there have been implemented statutory incentives to postpone retirement.

On average, 4 148 persons who have helped mothers to return earlier to work after a period of confinement have worked under the Support of Motherhood National Programme in 200 to care for young children aged 1 to 3 years. In terms of incentive measures for lone parents and mothers with children under 3 years of age 852 persons worked on average, and incentive measure for unemployed mothers with children from 3 to 5 years - 367 persons.

A provision in the Labour Code under which the father is also entitled to 15 days leave for childbirth, when mother and father are married or live in a household is also in force since 2009. This right is important for balanced participation of men and women in employment and the sharing of family responsibilities.

In 2009 continues the process of absorption of funds under the Human Resources Operational Programme. These funds are crucial for the implementation of active employment policy in times of economic crisis and shortage of funds. In 2009, four contracts worth BGN 282 103, 14 have been signed under the Working Life for People over 50 Years of Age and Long-Term Unemployed Persons Scheme.

Back to Work Scheme started in 2009 with a budget of BGN 64 million for the period 2009-2012. It is planned to include 8 500 persons in trainings, in employment - 8000 persons. The scheme involves working parents with children aged 1 to 3 years of age. Caring for young children can be rendered by unemployed persons registered in the Labor Offices. Persons over the age of 50 are included in employment as a priority. Childminders are employed under an employment contract in accordance with the terms and conditions of the Labor Code for a maximum period of two years. The salaries and compulsory payments under the labor and social security legislation are covered by the Human Resources Development Operational Programme.

Unemployed persons over the age of 50 are one of the target groups in the largest Development Scheme with a budget of BGN 250 million for the period 2009-2012. The implementation provides access to training and subsequent employment of people from disadvantaged groups on the labor market.

In 2009, the activities to increase employability covered 7 334 persons of Roma origin. There have been employed 17 682 unemployed persons, as the primary labor market provided jobs for 4 900 of them. In 2009, 70 unemployed persons of Roma origin have been trained and started work in the Labor Offices under the Activation of Inactive Persons National Programme.

Since the beginning of 2009, 49 938 persons have been included in employment for the first time under the National Programme From Social Assistance to Employment. 14 078 persons have worked on approved projects since the beginning of the year, while BGN 51 817 422 have been spent.

Since the beginning of 2009, 837 persons have been included in the National Programme for Education and Qualification of Roma, while BGN 733 945 have been spent.

**Since the beginning of 2009, 4 251 employed persons including about 33% of Roma have been employed in project sites under the Beautiful Bulgaria Programme.**

### **For 2010**

In 2010 the employment policy was determined in accordance with the economic expectations of continuing economic crisis. The main problems that worsen the situation on the labor market were: further reduction of employment and economic activity and rising unemployment, changes in the unemployment rate due to qualified personnel leaving the labor market, insufficient and not meeting the demand for training and skills of the workforce. In 2010, the successful implementation of programs and incentives to promote employment of women and persons of retirement age has continued. In 2010, 861 persons have cared for young children under the In Support of Motherhood National Programme, thus have

contributed to a better balance between family and professional responsibilities of mothers. On average, 409 persons have worked in terms of incentive measures for lone parents and mothers with children under 3 years of age, while 263 persons have worked under the incentive measure for unemployed mothers with children from 3 to 5 years of age.

In 2010, 755 families with small children have been included in the Back to Work Scheme, in training - 773 unemployed persons, while in employment - 713 persons.

On average, 848 have worked under the Assistance for Retirement National Programme. In 2010, 904 persons have worked under the supportive measure for unemployed people over the age of 50.

39 125 persons have been included in employment for the first time under the National Programme From Social Assistance to Employment. 5 953 persons have worked on approved projects, while BGN 27 326 351 have been spent.

95 mediators have worked under the National Programme Activation of Inactive Persons since the beginning of 2010, 10 098 inactive persons have been registered as unemployed in the Labour Offices, while BGN 325 099 have been spent.

**In 2010, 252 unemployed persons have been included under the Beautiful Bulgaria Programme, including about 33% of Roma employed in project sites.**

The costs for active policy on the labor market are determined annually under the State Budget Act of the Republic of Bulgaria. It should be noted that as a member state of the European Union since 2007, our country has access to funding from the European Social Fund (ESF). ESF funds are spent on policies to create jobs and increase the geographical and occupational mobility of employees. ESF is the main financial instrument allowing EU to fulfill the objectives of the European Employment Strategy and contributes to economic and social cohesion in the EU member states while supporting the development of human resources and achieving full employment, promote education and training, improving competitiveness and job mobility of employees.

**3) Please provide pertinent figures, statistics (for example Eurostat data) or any other relevant information, in particular: the GDP growth rate; trends in employment covering all sectors of the economy: employment rate (persons in employment as a percentage of the population aged 15-64 years), youth employment rate; activity rate (total labour force as a percentage of the population aged 15 years and over); unemployment rate, long-term unemployment rate, youth unemployment rate; employment status (employed, self-employed); all figures should be broken down by gender; employment policy expenditure as a share of GDP, including the relative shares of 'active' (job creation, training, etc.) and 'passive' (financial compensation, etc.) measures.**

There has been reported a growth in the two groups – men and women in the structure of the unemployed persons by gender. The annual average number of unemployed women registered in the Labor Officers in 2010 was 191 684, while the number of unemployed men was 159 260. In comparison with 2009, the number of unemployed women was 29 577 (an increase of 18.2%). Among the number of unemployed men for the second consecutive year, the increase was much greater than that observed in the number of women, and it increased significantly during the year - with 40 387 persons (34.0%). The reason is that the economic crisis has affected most of the economic activities, in which workforce was predominantly



male - construction, agriculture and forestry, manufacturing and others. Compared to 2007, there was an increase in the number of unemployed women by 20 227 or 11.8%, while the number of men has increased two times by 43 736 unemployed men or 37.9%.

Ratio between women and men in 2010 (54.6%: 45.4%) continued to decline in favor of women, as there is a significant decrease in the proportion of women by 3.1 percentage points (at a ratio of 57.7% : 42.3% in 2009, 62.5% : 37.5% in 2008, and 59.7% : 40.3% in 2007).

The economic crisis has a negative impact on disadvantaged groups in the labor market, which increases the risk of social exclusion and poverty. Such groups are young people up to 29 years of age and long-term unemployed persons. They are specified as a priority in the National Employment Action Plan.

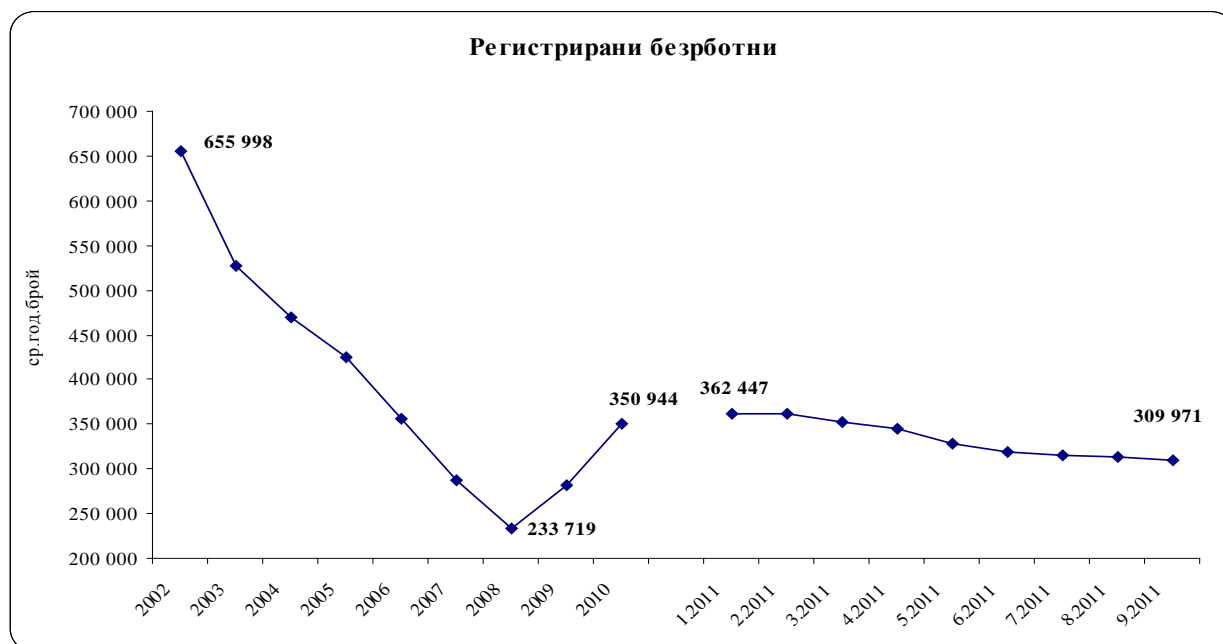
Youth unemployment is consistently among the top priorities of the employment policy pursued by the Ministry of Labour and Social Policy and implemented by the Employment Agency, which contributes significantly to reducing youth unemployment.

In 2009 and 2010, in parallel with the increase in the total number of registered unemployed persons also increased the unemployment among young people aged up to 29. They are one of the risk groups, as most employers during the economic crisis prefer to dismiss employees without work experience. Adverse is also the fact that the majority of unemployed young people up to 29 registered in labor offices have very low or no qualification.

The group of unemployed young people up to 29 years of age in 2010 included 63 500 persons, which increased by 12 165 persons (23.7%). Their share is 18.1% of the total number of registered unemployed persons, which was minimally reduced by - 0.2 percentage points. Compared to 2007, the number of unemployed young people up to 29 years of age is larger by 5 617 persons (9.7%), but their share has decreased compared to 2007 by 2.1 percentage points. Continues the steady trend of unemployed young women to have a dominant share of the total number of unemployed young people up to 29 years - 53.7% in 2010 (56.2% in 2009, 63.0% in 2008, and 60.1% in 2007). In the period 2007-2010 has been seen a positive trend of significant decline in the share of women under 29 years of age, which in 2010 compared to 2007, was 6.4 percentage points lower. Particularly important is the reported decline in comparison with 2008 – by almost 10 percentage points.

In the period 2007 – 2009 has been seen a constant positive tendency to a significant decline in the number and proportion of long-term unemployed persons with a registration of up to one year. The active programs and measures on the labor market conducted by the National Employment Agency, directed mainly to the long-term unemployed persons and the adopted significant amendments to the Employment Promotion Act of 2008 caused a considerable reduction in the number and proportion of long-term unemployed persons in 2009. In 2010, the number of long-term unemployed persons under the influence of the economic crisis, increased significantly both in number and proportion. The average annual number was 110 848 people, increasing significantly - by 39.0% (31 120 persons) compared to the previous year. Their share also increased substantially (by 3.2 percentage points) from 28.4% in 2009 to 31.6% in 2010. Despite the significant increase in 2010, compared to 2007 the long-term unemployed persons were 55 009 persons (33.2%) less, while their share was 26.2 percentage points lower.

The long lasting trend for the long-term unemployed women /over one year/ to have largest share of total long-term unemployed persons, which in 2010 was 59.8% (64.6% in 2009, 62.8% in 2008, and 59.3% in 2007) has remained unchanged.



Регистрирани безработни	Registered unemployed persons
ср.г. брой	Average annual number

Source: National Employment Agency

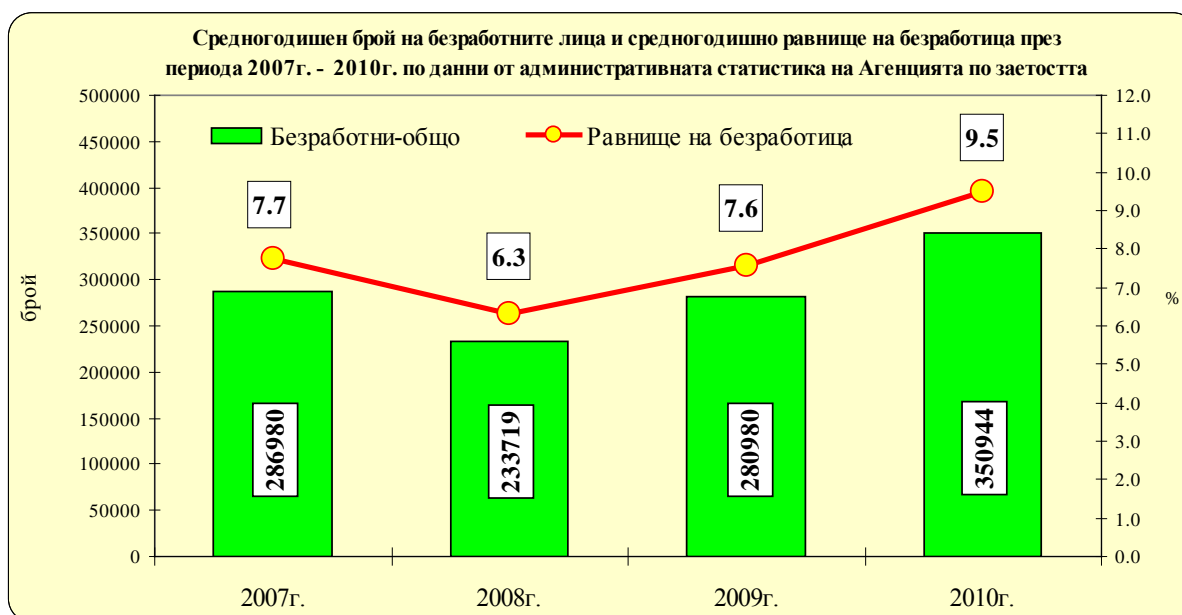
### Questions of the European Committee of Social Rights

**The Committee would like to know the state of unemployment rate in the Republic Bulgaria.**

According to the administrative statistics of the Employment Agency, from March 2011 is outlined a trend of gradual, but still limited, reduction in the unemployment rate in the country. During the first nine months of 2011, the average monthly number of unemployed persons has decreased by 21 686 persons, compared to the same period for 2010 and the number was 334 155 persons. The main flow of unemployed persons in the Labour Offices is formed from progressively released employed persons, without a procedure of massive layoffs, mostly from small and medium enterprises.

In the period 2007 – 2010 has been reported two opposite trends in relation to the number of unemployed persons registered in the Labor Offices. In 2008, the declining trend in the average annual number of unemployed persons has continued, which started in 2001, but over the next two years (2009 and 2010) has been reported an increase in the average annual number of unemployed persons. The impact of the global financial and economic crisis in Bulgaria has begun to emerge in the last quarter of 2008, while in 2009 and 2010 it has worsened the economic situation in the country, reversed the steady trend of economic growth and significantly changed the situation on the labor market, creating rising unemployment in

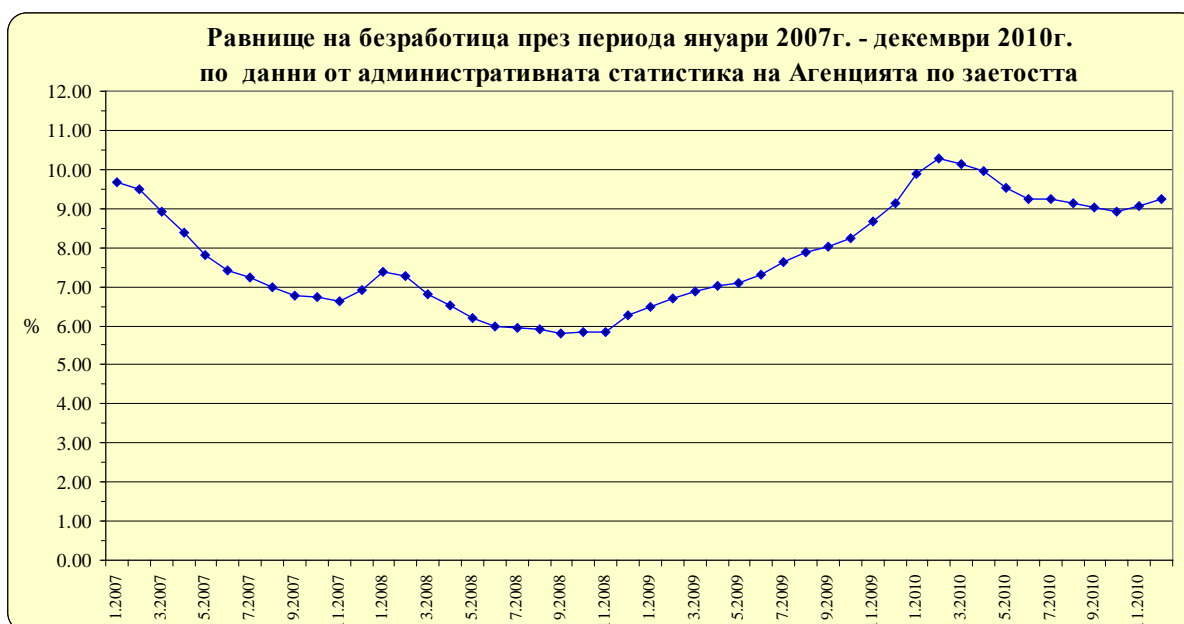
the country in 2009 and 2010. The unfavorable economic environment has led to shrinking markets, reducing the workload in some economic activities, cost optimization, structural changes in companies and reducing their staff.



Средногодишен брой на безработните лица и средногодишно равнище на безработица през периода 2007г. – 2010г. по данни от административната статистика на Агенцията по заетостта	Average annual number of unemployed persons and average annual unemployment rate for the period 2007 - 2010. According to the administrative statistics of the National Employment Agency
Брой	Number

Безработни – общо	Total number of unemployed persons
Равнище на безработица	Unemployment rate

In 2010 the average annual number of unemployed persons was 350 944, as the number of unemployed persons registered in the Labor Offices has increased compared to 2007 by 63 964 or 22.3%. The average annual unemployment rate was 9.5%. Compared to 2007, the average annual unemployment rate was 1.8 percentage points higher.



Равнище на безработицата през периода януари 2007г. – декември 2010г. по данни от административната статистика на Агенцията по заетостта	Unemployment rate for the period January 2007 – December 2010 according to the administrative statistics of the National Employment Agency
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In 2010, the unemployment rate has gradually decreased from 10.26% in February to 9.24% in December and has become almost equal to the value of December 2009 (9.13%) breaking the trend of continuous increase in 2009.

**The Committee requires for the next report to provide information on the average period of time prior to propose participation of unemployed persons in active measures.**

The average period of time before the proposed participation of unemployed persons in active measures by the National Employment Agency is not applicable as an indicator of our country. With the introduction of the process model it has started the implementation of a new approach for the initial registration of unemployed persons in the Labour Office Directorates. Phasing/prioritization is a separation, for better personalized services for job seekers, into four groups using the most appropriate service for them at a certain time interval. Phasing is implemented on first registration of unemployed persons on the basis of short survey/ questionnaire about their personal purpose and actions preceding job search before registering. The personal activity, the declared expectations from the registration and opportunities to be supported by statutory measures are crucial in this case. Job seekers are placed into one of the following four phases:

- Phase 1 - active persons whose chance to find a realization on the primary labor market is large - within 3 to 6 months;
- Phase 2 – persons for whom there is appropriate measures for employment on the labor market (expected for jobs seekers to find a job within 6 to 9 months);
- Phase 3 – persons for whom there is appropriate programs for employment on the labor market (expected for jobs seekers to find a job within 9 to 12 months);
- Phase 4 - passive people with little chance to find a realization on the primary labor market (registered to use rights and other services as a priority, expected for jobs seekers to find a job after 12 months).

Persons with active behavior are prioritized for phases 1 and 2, while it is expected to start working in a relatively short period of time. Persons with passive behavior in need of additional measures to enhance their activity, as well as reconstruction or development of basic working habits are prioritized for phases 3 and 4. They are expected to start working in a longer period of time. This approach makes it possible to identify candidates with potential for rapid job placement and supports active interaction with employers. Although a phase is determined for each person at the time of registration, it is a subject to change at any subsequent meeting with labor mediators.

Moreover, it is applied an individual approach in serving the unemployed persons by preparing individual action plans.

The Individual Action Plan is an agreement between unemployed job seeker and labor mediator from the Labour Office Directorate for cooperation during the registration period. The preparation of Individual Action Plans for unemployed persons was regulated by the

Employment Promotion Act (article 19, paragraph 1) and the Rules of Its Implementation (article 15, paragraph 4). It includes specific steps to achieve employment and is linked to the performance of specific commitments on both sides. Individual Action Plans are mandatory for all unemployed persons registered at the Labour Office Directorates, if they have not started work within one month of registration. The Individual Action Plan includes recommendations of the labor mediator and schedule of visits and it is delivered in writing in a form approved by the executive director of the National Employment Agency (article 15, paragraph 5 of the Rules for the Implementation of the Employment Promotion Act). In order to offer the most appropriate employment service, based on information about the job seeker, it is carried out an examination and determination of his/her needs and problems. The career opportunities of the unemployed person are subject to change due to a change in his/her characteristics such as workforce and also due to a change in the supply of vacancies. This determines the possibility and the necessity of actualization of the individual action plan if necessary.

The guidelines for working with the unemployed person is determined on the basis of a research and evaluation that depends on the manifest desire on his/her part to work, on his/her actions in this regard and the existing social problems of the specific person. For active job seekers are taken steps aimed at timely placement to work: information and guidance; support for rapid employment. For the unemployed persons who do not meet the competencies for their rapid implementation, steps are being taken in terms of their qualifications. For job seekers who have serious problems hindering the start of work or who have passive attitude in searching for a job, based on diagnostics of their problems, steps are being taken in addressing them; motivation for action to achieve employment, support and overcoming social exclusion, supporting the inclusion of discouraged workers into the labor market, supporting and solving social/health problems.

#### **Article 1§2**

**“With a view to ensuring the effective exercise of the right to work, the Parties undertake:**

**to protect effectively the right of the worker to earn his living in an occupation freely entered upon;”**

#### **Scope of the provision as interpreted by the ECSR**

*This paragraph covers three different issues:*

- 1. the prohibition of all forms of discrimination in employment,*
- 2. the prohibition of forced or compulsory labour,*
- 3. the prohibition of any practice that might interfere with workers' right to earn their living in an occupation freely entered upon.*

**1) Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

The state policy of the Republic of Bulgaria in the field of non-discrimination and gender equality unites the efforts and actions of the executive authorities at all levels, as well as of the local government. The state works actively and closely with NGOs and social partners on gender equality issues.

The gender equality activity in the Republic of Bulgaria is based on two components, which include the Ministry of Labour and Social Policy and the Commission for Protection against Discrimination.

Ministry of Labour and Social Policy develops, coordinates and participates in the implementation of the state gender equality policy and anti-discrimination; performs analysis, monitoring and support of equal treatment of women and men, coordinates and participates in the implementation, monitoring and analyzing the implementation of the National Strategy for Equal Opportunities and the annual national plans.

The Commission for Protection against Discrimination establishes violations of equality of treatment, provides prevention and cessation of the infringement; imposes sanctions and implements measures of administrative coercion; issues mandatory regulations to comply with the laws governing equal treatment; brings actions before the court and intervenes as an interested party in cases governing equal treatment; maintains a public register of its final decision and binding instructions;

In the Republic of Bulgaria has been established a coordinating mechanism to promote equal opportunities for women and men in the labor market, education, health, political life, which coordinates actions at all levels in the management policy and helps to improve the administrative capacity needed for this activity.

Bulgaria's membership in the European Union since 1 January 2007 requires both the harmonization of national legislation with European Community law and carrying out practical measures in line with the practices of the European countries to implement an approach to promote equal opportunities for men and women. This approach is a complex of many and diverse activities in different spheres of social and economic life, which is aimed at:

- raising awareness of the institutions of the state and local authorities in terms of gender equality
- developing and implementing the so-called gender indicators in national statistics which take into account the change in the position of men and women in the implementation of a certain policy
- creating contact groups of representatives of state institutions, social partners and NGOs to conduct research and studies in all areas of public life by intersection to identify types of discrimination - ethnic, social and gender and seeking their point of intersection
- establishing institutional support for legal assistance and services to victims of discrimination based on gender
- involving media to conduct information campaigns to change attitudes in society in order to promote equal opportunities for women and men
- encouraging women to fully participate in political and public life
- encouraging employers to create conditions for workers to reconcile work and family life
- involvement of social partners in the promotion of gender equality

The prohibition of discrimination is regulated in the legislation as follows:

## **LABOUR CODE**

**Article 8.** (3) (Amended, SG No. 100/1992, SG No. 25/2001, SG No. 52/2004) In the course of exercise of labour rights and duties **no direct or indirect discrimination shall be allowed** on grounds of ethnicity, origin, gender, sexual orientation, race, skin colour, age, political and religious convictions, affiliation to trade union and other public organisations and movements, family and property status, existence of mental or physical disabilities, as well as differences in the contract term and the duration of working time.

## **PROTECTION AGAINST DISCRIMINATION ACT**

**Article 4.** (1) (Amended SG No. 70/2004 - effective 1.01.2005) Any direct or indirect discrimination on grounds of gender, race, nationality, ethnicity, human genome, citizenship, origin, religion or belief, education, convictions, political affiliation, personal or social status, disability, age, sexual orientation, marital status, property status, or on any other grounds established by law or by an international treaty to which the Republic of Bulgaria is a party, shall be banned.

### **Section I**

#### **Protection in Exercising the Right to Work**

**Article 12.** (1) When a vacancy is announced, the employer shall not have the right to set requirements relating to the grounds referred to in Article 4 (1), except in the cases under Article 7.

(2) Before an employment contract is signed, the employer shall not have the right to demand from the candidate information concerning the grounds referred to in Article 4 (1), except in the cases under Article 7, or where this answers the need for screening prior to granting permission for work with classified information under the conditions and procedure of the Classified Information Protection Act.

**Article 13.** (1) The employer shall ensure equal working conditions notwithstanding the grounds referred to in Article 4 (1).

(2) Where it will not lead to disproportionate difficulties in the organisation and conduct of the production process, and in cases where there exist ways to offset the objectively possible unfavourable consequences for the overall production result, the employer shall provide working conditions, in terms of working time and days off work, complying with the requirements of the religion or belief professed by a factory or office worker.

(3) (New, SG No. 108/2008) When a mother on maternity or parental leave, or a person on a leave under Article 163(8) of the Labour Code or parental leave, returns to work owing to the expiration of the leave or termination of its use, such person is entitled to assume the same job position as the one prior to the leave, or another equal position, and to make use of any improvement of the work conditions to which this person would be entitled if not on leave.

**Article 14.** (1) The employer shall ensure equal remuneration for equal or equivalent work.

(2) (Supplemented, SG No. 108/2008) Paragraph (1) shall apply to all remunerations, whether paid directly or indirectly, in cash or in kind, notwithstanding the validity term of the employment contract or the length of business hours.

(3) (Amended, SG No. 38/2012, effective 1.07.2012) The assessment criteria for determining labour remunerations and the assessment of work performance shall be equal for all factory and office workers and shall be determined by the collective agreements, or by internal wage rules, or by statutory terms and procedure of assessing state administration employees notwithstanding the grounds under Article 4 (1).

**Article 15.** (1) (Previous Article 15, SG No. 108/2008) The employer shall provide equal opportunities to factory and office workers notwithstanding the grounds under Article 4 (1) for vocational training and upgrading of professional qualification and retraining, as well as

for professional growth and promotion to a higher position or rank, applying equal criteria in the assessment of their performance.

(2) (New, SG No. 108/2008) Upon returning to work after maternity and/or parental leave, where a technological operational change has been introduced with regard to any person referred to in Article 13(3), training shall be provided for the said person, with a view to obtaining the relevant professional qualification, as appropriate with regard to the changes.

**Article 16.** The employer shall be obliged to adapt the workplace to the needs of persons with disabilities at their employment or when the disability occurs after the beginning of employment, unless the costs of such adaptation are unreasonably high and would cause serious difficulties to the employer.

**Article 17.** An employer who has received a complaint from a factory or office worker who believes that he/she is subject to harassment, including sexual harassment, in the workplace, shall be obliged to immediately hold an inquiry, take measures to stop the harassment, as well as to hold disciplinarily liable another factory or office worker if he/she caused the harassment.

**Article 18.** The employer, in cooperation with the trade unions, shall be obliged to take effective measures to prevent any form of discrimination in the workplace.

**Article 25.** The territorial units of the Employment Agency shall be obliged to ensure equal opportunities to unemployed persons to use and exercise their rights guaranteed by law, notwithstanding the grounds referred to in Article 4 (1).

**Article 26.** All persons shall have the right to equal terms of access to an occupation or an activity, an opportunity to perform them and develop in them, notwithstanding the grounds referred to in Article 4 (1).

The prohibition of forced labor is regulated in the legislation as follows:

#### **CONSTITUTION OF THE REPUBLIC OF BULGARIA**

**Article 48.** (1) Citizens shall have the right to work. The State shall take care to create conditions for exercise of this right.

(2) The State shall create conditions for exercise of the right to work of persons with physical and mental impairments.

(3) Every citizen shall be free to choose an occupation and a place of work.

(4) No one may be compelled to perform **forced labour**.

(5) Factory and office workers shall have the right to healthy and safe working conditions, to a minimum labour remuneration, and to pay commensurate to the work performed, as well as to rest and leave, under terms and according to a procedure established by the law.

#### **CRIMINAL CODE**

**Article 159a.** (1) (Amended, SG, No. 27/2009) An individual who recruits, transports, hides or admits individuals or groups of people in view of using them for sexual activities, forceful labour, dispossession of bodily organs or holding them in forceful subjection, regardless of their consent, shall be punished by imprisonment of two to eight years and a fine from BGN 3,000 to 12,000.

**The Republic of Bulgaria has ratified Convention № 29 concerning Forced or Compulsory Labour, 1930, ILO, and Convention № 105 concerning the Abolition of Forced Labour, 1957**



## **INTEGRATION OF PERSONS WITH DISABILITIES ACT**

**Article 2.** The purpose of this Act is to create conditions and guarantees for:

1. non-discrimination of persons with disabilities;
2. social integration of persons with disabilities and exercise of the rights thereof;
3. support for persons with disabilities and the families thereof;
4. integration of persons with disabilities into a working environment.

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**Section III**

### **Employment**

**Article 22.** Employment of persons with disabilities shall be implemented through an integrated working environment and in a sheltered working environment.

**Article 23.** (1) The Ministry of Labour and Social Policy and the National Employment Agency shall elaborate and implement national programmes and measures for employment promotion guaranteeing equal opportunities for persons with disabilities to participate in the labour market.

(2) The programmes and measures referred to in Paragraph (1) shall envisage incentives for employers who provide employment to persons with disabilities.

**Article 24.** An employer or an appointing authority, as the case may be, shall be obligated to adapt the workplace to the needs of a person with a disability upon the hiring of any such person or where the disability of the said person occurs after the hiring thereof, unless the costs entailed by such adaptation are unreasonably large and would impose a serious burden on the employer.

**Article 25.** (1) The employer or the appointing authority, as the case may be, can apply to the Agency for Persons with Disabilities for allocation of resources for projects intended to:

1. (amended, SG No. 24/2010) ensure access of a permanently disabled person to the workplace;
2. (amended, SG No. 24/2010) adjust the workplace for a permanently disabled person;
3. (amended, SG No. 24/2010) equip the workplace for a permanently disabled person.

(2) The Agency for Persons with Disabilities shall determine annually the amount of resources administrated thereby for financing of projects of employers referred to in Paragraph (1).

(3) The Agency for Persons with Disabilities shall provide the resources under projects approved on the basis of a contract concluded with the employer.

(4) The employer shall hire permanently disabled persons for a period that may not lapse earlier than three years after absorption of the resources referred to in Paragraph (3).

(5) Any employer, who or which has failed to absorb the resources according to the contract referred to in Paragraph (3) or who or which has failed to appoint permanently disabled persons, shall restore the sums received with legal interest.

(6) The procedure for application and allocation of resources under Paragraph (1) shall be established by the Regulations for Application of this Act.

**Article 26.** (1) (Redesignated from Article 26, SG No. 24/2010) Any employer, who or which has concluded a contract under Article 25 (3) herein, shall enjoy the following incentives, subject to the condition that the said employer does not enjoy any such incentives according to the procedure established by the Employment Promotion Act:

1. resources from the executive budget for 30 per cent of the contributions paid by the employer for public social insurance, compulsory health insurance and supplementary compulsory retirement insurance in respect of any persons with disabilities hired, according to a procedure established by the Regulations for Application of this Act;

2. the resources spent for the purposes covered under Article 25 (1) shall be accounted for according to the procedure established by the effective accounting legislation, and the standard procedure established by the Corporate Income Tax Act shall apply upon taxation.

(2) (New, SG No. 24/2010) The Agency for Persons with Disabilities shall exercise control regarding the spending of the resources covered under Paragraph (1).

**Article 27.** (1) Of the total number of jobs referred to in Article 315 (1) of the Labour Code, the employer shall designate not less than half for permanently disabled persons.

(2) The employer shall be obligated to notify the local divisions of the National Employment Agency of the jobs designated under Paragraph (1) and to announce any such jobs that are vacant within 14 days after designation.

**Article 28.** (1) To qualify as a specialized enterprise or cooperative of persons with disabilities, an enterprise or cooperative must:

1. be registered under the Commerce Act or under the Cooperatives Act;

2. manufacture goods or provide services;

3. (amended, SG No. 24/2010) have permanently disabled persons who account for the following share:

(a) (amended, SG No. 24/2010) in respect of specialized enterprises and cooperatives for the blind and partially sighted: not less than 20 per cent of the list roll number of employees;

(b) (amended, SG No. 24/2010) in respect of specialized enterprises and cooperatives of the hearing impaired: not less than 30 per cent of the list roll number of employees;

(c) (amended, SG No. 24/2010) in respect of specialized enterprises and cooperatives of persons with other disabilities: not less than 30 per cent of the list roll number of employees;

4. be entered in the register referred to in Article 29 herein.

(2) The specialized enterprises and cooperatives of persons with disabilities may be financed by the Agency for Persons with Disabilities under action projects and programmes according to a procedure established by the Regulations for Application of this Act.

**Article 29.** (1) The specialized enterprises and cooperatives of persons with disabilities shall be entered in a register at the Agency for Persons with Disabilities.

(2) (Amended, SG No. 24/2010) The terms and procedure for entry in the register under Paragraph (1) shall be established by the Regulations for Application of this Act.

**Article 30.** (Amended, SG No. 37/2006) The Council of Ministers shall approve the list of goods and services assigned to specialized enterprises and cooperatives of persons with disabilities according to a procedure established by the Public Procurement Act.

**Article 31.** The Executive Director of the Agency for Persons with Disabilities shall endorse programmes and projects for start and pursuit of independent economic activity by persons with disabilities under terms and according to a procedure established by the Regulations for Application of this Act.

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**Chapter Six**

**ADMINISTRATIVE PENALTY PROVISIONS**

**Article 53.** (1) Any person, who or which fails to fulfil the obligations thereof under Article 25 (4) and (5) herein, or any official, who fails to fulfil the obligations thereof under this Act, shall be liable to a fine or to a pecuniary penalty, as the case may be, of BGN 500 or exceeding this amount but not exceeding BGN 1,000, unless liable to a severer sanction.

(2) In the event of a repeated violation, the fine or the pecuniary penalty, as the case may be, shall be BGN 1,000 or exceeding this amount but not exceeding BGN 2,000.

(3) A violation shall qualify as repeated where committed within one year after the entry into effect of the penalty decree.

**Article 54.** (1) Any employer, who or which fails to announce the job vacancies referred to in Article 27 herein or who or which, without a reasonable excuse, refuses to hire a permanently disabled unemployed person referred by the divisions of the National Employment Agency

within the established employment quota, shall be liable to a fine or to a pecuniary penalty, as the case may, to an amount not exceeding BGN 1,000 for each particular case.

(2) The proceeds under Paragraph (1) shall be credited in revenue to the Agency for Persons with Disabilities and shall be spent on programmes and projects promoting employment of permanently disabled persons.

## **SOCIAL INSURANCE CODE**

### **Prohibition of Discrimination**

**Article 231.** (1) (Redesignated from Article 231, SG No. 56/2006, in force since 01.01.2007) A social insurance contributor may not refuse supplementary voluntary retirement insurance to any factory and office workers thereof by reason of nationality, origin, sex, sexual orientation, race, skin colour, age, political or other persuasions, religion or belief, membership of trade-union and other public organizations and movements, marital, social and property status, and existence of mental and physical disabilities.

(2) (New, SG No. 56/2006, in force since 01.01.2007) In compliance with the provision of Paragraph 1, upon social insurance under an occupational scheme, there shall be no discrimination whatsoever on the basis of sex, either directly or indirectly, by reference in particular to marital or family status, especially as regards:

1. the scope of the schemes and the conditions of access thereto;
2. the obligation to make social insurance contributions and the calculation of contributions;
3. the calculation of retirement benefits, including supplementary benefits due in respect of spouses and dependants, and the conditions governing the duration and retention of entitlement to retirement benefits.

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### **Prohibition of Discrimination**

**Article 283.** A social insurance contributor may not refuse supplementary voluntary unemployment and/or vocational-training insurance to any factory and office workers by reason of nationality, origin, sex, sexual orientation, race, skin colour, age, political or other persuasions, religion or belief, membership of trade-union and other public organizations and movements, marital, social and property status, and existence of mental or physical disabilities.

## **CIVIL SERVANTS ACT**

### **Conditions of Appointment**

**Article 7.** (1) To be eligible for appointment as a civil servant, a person must:

1. (Supplemented, SG No. 43/2008) be a Bulgarian citizen, a citizen of another Member State of the European Union, of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation;
2. have attained majority;
3. be interdicted;
4. have not been sentenced to deprivation of liberty for a premeditated indictable offence;
5. be not disqualified from occupying a specified position according to the established procedure;
6. possess the specific qualifications for occupation of the respective position as provided for in the statutory instruments.

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(6) (Renumbered from Paragraph (4), SG No. 43/2008, renumbered from Paragraph (5), SG No. 94/2008, effective 1.01.2009, supplemented, SG No. 108/2008) Any discrimination, privileges or restrictions based on race, nationality, ethnicity, sex, origin, religion, persuasions, membership of political, trade union or other public organizations or movements,

personal, social and property status, or the existence of a disability, shall be inadmissible upon entry of civil service.

## **MINISTRY OF INTERIOR ACT**

**Article 168.** Entry into the civil service at MoI and professional development of officials shall be based on the following principles:

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4. a ban on discrimination;

**2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

Ministry of Labour and Social Policy conducts consistent measures aimed at raising public awareness and sensitization on prevention and combating discrimination. Annually prepares, protects, realizes and finances projects in the fields of Anti-discrimination and Gender Equality of the Progress Programme (2007-2013) of the EU as an extension and complement to the activities of the Ministry in the field of gender equality. Within these projects, there have already been trained more than 3 000 people who are representatives of central and local government, the judiciary, social partners, NGOs, students and other youth in the following areas: gender mainstreaming, gender budgeting, gender equality, working conditions, responsible parenthood, equal pay for men and women, non-discrimination policies and practices in the labor market, managing diversity in the workplace, multiple discrimination. Within these projects have been designed, printed and distributed in different institutions and organizations more than 50 printed editions - books, brochures, etc. There have developed websites which are still active and updated.

Ministry of Labour and Social Policy is developing a National Action Plan for the Promotion of Gender Equality. The measures in the National Plan for the reference period are structured into several sections, including:

- **State policy to promote gender equality**
- **Promoting gender equality in economic activities**
- **Promoting the reconciliation of work and family responsibilities of women and men, etc.**

**In 2010**, the Ministry of Labour and Social Policy has implemented the Progress towards Equality: National Effective and Innovative Practices to Prevent and Combat Discrimination Project, funded by the European Commission under the PROGRESS Programme with objectives aimed at supporting and promoting gender equality policy and non-discrimination in the Republic of Bulgaria.

Ministry of Labour and Social Policy has organized and conducted three two-day national workshops for school counselors and school psychologists, 7 one-day roundtables to disseminate the achievements and best practices for non-discrimination, 3 two-day national training workshops for representatives of trade unions, employers and NGOs in the protection against discrimination. These events were attended by over 700 representatives of the relevant stakeholders.

In the response under article 20 we provide detailed information on the promotion of gender equality in economic activities and promotion of the reconciliation of work and family

responsibilities of women and men - Right to equal opportunities and equal treatment in employment and occupation without discrimination based on gender.

Information on initiatives aimed at women, older workers and members of minority groups, including Roma is provided in the response to question 2 under paragraph 1 of article 1.

**3) Please provide pertinent figures, statistics or any other relevant information, if appropriate.**

In 2008, the Commission for Protection against Discrimination has received 714 initiative papers, of which 645 complaints of affected persons, 65 signals of natural and legal persons and four self-referrals on the basis of media reports under which proceedings have been initiated.

There have been issued 278 orders to initiate new proceedings, 10 orders for reopened and already initiated proceedings under court decisions and 29 refusal orders.

In 2008, the Commission for Protection against Discrimination has issued 268 decisions, of which 182 were substantive decisions, while the others have been reviewed and suspended by the Commission for various reasons.

The Supreme Administrative Court has issued 84 decisions on appeals against decisions of the Commission for Protection against Discrimination, of which 44 issued by a three-member panel and 40 decisions issued by a five-member panel of the Supreme Administrative Court:

23 of the decisions of the three-member panel of the SAC rejected appeals against the decisions of the Commission for Protection against Discrimination;

21 of the decisions of the three-member panel of the SAC overturned decisions of the Commission, of which 11 completely overturned the decisions, while 10 canceled them partially.

10 decisions have been returned by the Supreme Administrative Court and the Sofia Administrative Court for reconsideration by the Commission for Protection against Discrimination.

The 40 decisions rendered by the five-member panel of the SAC have been allocated as follows:

18 decisions maintain in force the decisions of the three-member panel, which rejected appeals against the Commission for Protection against Discrimination;

8 decisions maintain in force the decisions of the three-member panel, which overturned decisions of the Commission for Protection against Discrimination;

11 decisions maintain in force the decisions of the three-member panel, which overturn partially the decisions of the Commission for Protection against Discrimination;

1 decision maintains in force a decision of the three-member panel, which declared null and void the decision of Commission for Protection against Discrimination;

1 decision overturned the decision of the three-member panel, which overturned a decision of the Commission for Protection against Discrimination and instead - dismissed the appeal against the Commission's decision;

1 decision which maintains in force the decision of the three-member panel and returned the case to the three-member panel to complete and return the case to the Commission for reconsideration.

There are pending proceedings under 63 cases and issued decisions - announced to solve, cases for three-member panel and the five-member panel or pending initiation and scheduling.

For the period 2009 – 2011, the Commission for Protection against Discrimination (CPD) has received complaints, which were distributed in the following professions:

- 52 complaints from police officers and other officials of the Ministry of Interior (MOI), of which

19 are pending before the Commission;

25 with final decisions of the Commission for Protection against Discrimination in force - not appealed;

6 in proceedings before the Supreme Administrative Court (SAC) - a three-member panel (2 decisions of the Commission for Protection against Discrimination were overturned partially by the three-member panel of the SAC, 1 decision declared partially void another decision of the Commission for Protection against Discrimination in relation to not application of article 245, paragraph 1, item 13 of the Ministry of Interior Act, 1 SAC decision rejected an appeal against a Commission's decision) or a five-member panel;

1 proceeding was terminated before the Commission – not appealed;

1 was appealed and terminated by SAC - in force.

- 68 complaints of teachers from primary and secondary schools, of which:

18 are pending before the Commission;

28 with effective decisions of the Commission - not appealed;

16 decisions were appealed before the SAC, 4 of the decisions of a three-member panel of the SAC have overturned Commission for Protection against Discrimination decisions, 3 decisions of a three-member panel of the SAC have overturned partially Commission for Protection against Discrimination decisions, 4 SAC decisions have rejected appeals against the Commission for Protection against Discrimination decisions and have been confirmed by a five-member panel of the SAC; 9 Commission for Protection against Discrimination decisions are pending before the Supreme Administrative Court and the Sofia City Administrative Court;

2 proceedings were terminated before the Commission - not appealed;

1 proceeding was terminated before the Commission, not entered into force;

The Commission for Protection against Discrimination has ruled on three proceedings, but not yet in force - in terms of appeal.

Other professions that claim to be discriminated in the exercise of labor are doctors, scientists, nurses, as in the reference period there have been received less than 10 complaints from people with such professions.

In the above cases of complaining police officers and teachers, in about 10% of them there has not been established discrimination, and if such a decision is being appealed in court, it would confirm it in general. The remaining appeals against decisions of Commission for Protection against Discrimination are included in the abovementioned decision of the

Supreme Administrative Court and the Sofia City Administrative Court in connection with the amended jurisdiction under article 68 of the Protection against Discrimination Act since May 2011 (SAC, three-member panel as a first court instance has changed the jurisdiction of the appeal before the Sofia City Administrative Court).

### **Questions of the European Committee of Social Rights**

**The Committee also notes that Section 7 of the Protection against Discrimination Act authorises difference of treatment on grounds on nationality if this is provided for in legislation or an international treaty to which Bulgaria is a party. It considers that this section does not appear to be subject to adequate legal limits and thus authorises any discrimination based on nationality so long as it is provided for in legislation or an international treaty to which Bulgaria is a party. It therefore asks whether the section is subject to and limited by other legal provisions than the legislation in question and whether there are any legislation or international treaties that, according to Bulgaria, authorize difference of treatment on grounds on nationality in the areas which are covered by the Revised Charter.**

See the general framework provided under Question 1 - article 7, para. 1, items 1-6 of the Civil Servants Act.

**In the absence of any reply in the report, the Committee again asks how the notion of discrimination on grounds of age is interpreted.**

### **Interpretation of the term "ageism/age discrimination" in the decisions of the CPD**

According to the provisions of article 7, paragraph 1, item 2 of the Protection against Discrimination Act, in order not to constitute discrimination, the set minimum and maximum ages for admission to employment should constitute a genuine and determining occupational requirement because of the nature of a particular occupation or activity, or of the conditions it is carried out, the aim is legitimate and the requirement does not exceed what is necessary to accomplish it.

In order for the determination of the maximum age for access to employment not to be considered as discrimination, the age, given the nature of the work or the conditions, under which it is carried out, should be a basic and determining occupational requirement, as required cumulative for the objective to be legitimate, while the requirement should not exceed what is necessary to accomplish it – i.e. to be proportionate.

According to the provisions of article 7, paragraph 1, item 5 of the Protection against Discrimination Act, it does not constitute a discrimination "the fixing of requirements for minimum age, professional experience or length of service for recruitment or for access to certain advantages linked to employment, provided that it is objectively justified by a legitimate aim and the means to accomplish it do not exceed the necessary"

According to the provisions of article 7, paragraph 1, item 6 of the Protection against Discrimination Act, the fixing of maximum age requirements for recruitment is linked to the training requirements of the post in question, or the need for a reasonable period of

employment before retirement. Obviously, these requirements concern the employment on a contract with its inherent limitations imposed by the execution of work with specific requirements, which require specialized training, while the fixing of maximum age is associated with the required period of training and employee's obligation to work enough for the employer, which should not be prematurely discontinued due to the age of retirement.

**The Committee asks for the up-to-date text of the Integration of Disabled Persons Act in English or French in the next report.**

The information is provided in Appendix № 2.

**The Committee asks for any information that will enable it to assess its application, so that it can then consider the situation of persons with disabilities in its next examination of Article 1§2.**

The Law on the Integration of People with Disabilities and the Rules for Its Implementation are intended to establish safeguards and incentives for integration and equality of people with specific abilities. The law outlines the parameters of socio-economic protection to people with disabilities.

Ministry of Labour and Social Policy through the National Employment Agency is realizing programs and incentives for training and employment of people with disabilities. They are aimed at subsequent employment in the primary labor market, including through self-employment. The National Employment Action Plans include people with disabilities as one of the target groups in the labor market.

#### **ASSISTANTS FOR PEOPLE WITH DISABILITIES NATIONAL PROGRAMME**

The Assistants for People with Disabilities National Programme provides employment to jobless individuals who render quality care in a family environment to persons with disabilities and seriously ill people. The goal is to attain social adaptability within the framework of the existing disability. The Programme activities are of major importance for small communities across the country, where people with disabilities are faced with lack of prospects and opportunities for resocialization. Furthermore, the Programme has a significant effect in reducing the number of institutionalized people with disabilities by moving them to a family environment.

In 2010 funds in the amount of BGN 8 806 387 were allocated in implementation of the Assistants for People with Disabilities National Programme for the purpose of hiring 4000 personal assistants to work 6 hours a day throughout the calendar year.

The Personal Assistant activity under the Programme has been performed across the country by the regional and local functions of the Social Assistance Agency – the Social assistance Directorates.

Until 31 December 2010 jobs under the Personal Assistant activity were provided to 4194 unemployed persons cross the country, out of which 1 717 were personal assistants to 1711 children and 59 were personal assistants of people with disabilities taken out of specialized institutions.

By way of exception and following a decision of the Executive Director of the Social Assistance Agency an opportunity was created for 284 persons who failed to meet an eligibility criterion to be included in the Programme and get jobs as personal assistants.



Until 31 December 2009 the appointed personal assistants were 9 450, out of which 1 737 were personal assistants to 1 742 children and 20 were personal assistants to people with disabilities removed from specialized institutions. 896 personal assistants were hired under the Programme as exceptions.

There was no funding allocated for the Social Assistant Activity in 2010. The service was provided as part of projects under the grant schemes of the Human Resources Development Operational Programme.

### **National Programme for Employment and Training of Persons with Permanent Disabilities**

The main objective of the Programme is to secure jobs to unemployed persons with permanent disabilities or to jobless individuals, who have successfully completed a course of drug addiction treatment.

District and municipal administrations, municipal enterprises, Social Assistance Directorates, Labour Office Directorates, private and/or state-owned undertakings, other companies and institutions, not-for-profit legal entities, as well as specialized enterprises and cooperatives for people with disabilities can participate in the Programme as employers.

The Programme has two implementation components: Training and Employment.

The following activities can be organized and financed under Component 1 – Education:

- motivational training to acquire skills for active conduct in the labour market and professional fulfillment;
- training to acquire and refine key competences;
- training leading to vocational qualifications corresponding to the abilities of the individuals targeted by the Programme and to the needs of the employers.

Component 2 – Employment is a vehicle for ensuring jobs to unemployed persons with permanent disabilities for a period of 24 months, while employers obtain funds from the State Budget to pay their labour remuneration and the social and health insurance contributions due from the employer.

In 2011 a total of 1 923 persons worked under the Programme. According to the National Employment Action Plan, in 2012 the Programme will provide employment to 1 863 individuals, out of which 200 persons will get new jobs.

#### **- Interest Free Loans for People with Disabilities Programme;**

The principal aim of the Programme is to ensure equality and create conditions for social and economic integration of people with disabilities by enhancing their competitiveness and by cultivating entrepreneurial mindset to start up and develop their own business. The Programme ensures interest subsidy on loans made to people with degrees of incapacity. As of 31 December 2011 a total of 98 incapacitated individuals were getting interest reimbursement on approved loans under the Guarantee Fund for Micro Lending Project. According to the National Employment Action Plan, in 2012 the Programme will recover interest on loans to 70 persons with disabilities.

The National Strategy for Equal Opportunities for Disabled People 2008-2015 has been adopted in implementation of the Council of Europe recommendations, of the best practices of the European Union Member States, of the principles laid down in the UN Convention on the Rights of Persons with Disabilities, the UN Convention on the Rights of the Child, as well as Directive 2000/78/EC establishing a general framework for non-discrimination on grounds of race, ethnic origin, belief, religion, gender, disability or sexual orientation and equal treatment in employment and in exercising the right to work.

The principal goal of the Strategy for Equal Opportunities for Disabled People 2008-2015 is to establish guarantees and incentives for equal treatment of people with disabilities, for their successful fulfillment in societal life. The Strategy's Operational Objective 5 concerns the expansion of employment opportunities for people with disabilities and their involvement in various programmes for ensuring adequate jobs.

In 2011 the Council of Ministers approved a Long-Term Strategy for Employment of People with Disabilities, whose vision is to create conditions for full integration of people with disabilities in the country's economic and social life. The purpose is to ensure conditions for effective exercise of the right to free choice of professional fulfillment of people with disabilities in active age and improvement of their quality of life as a condition for free and full involvement in the country's public life.

The Agency for People with Disabilities continues to render financial support to employers creating jobs for people with disabilities by granting funds for securing access, for adaptation and equipment of their work stations. Furthermore, the Agency extends funds for targeted projects seeking to finance specialized enterprises and cooperatives for people with disabilities, and it also provides funding for projects aimed at starting up of an own business or facilitating the development of an already existing business of persons with permanent incapacitation.

Vocational training of persons with disabilities is conducted by the Employment Agency, the employers or the appointing bodies, the persons as per Article 18(1)(3) and (4) of the Social Assistance Act, which provide social services to people with disabilities and specialized enterprises and cooperatives.

**The Committee therefore asks for clarification in the next report on the relationship between the Labour Code and the Protection against Discrimination Act and evidence, particularly based on legal decisions, to show that there is no predetermined upper limit to the compensation payable in cases of discrimination.**

Pursuant to article 225, para 1 of the Labour Code, in case of unlawful dismissal the employee shall be entitled to a compensation by the employer in the amount of his gross labour remuneration for the period of unemployment caused by that dismissal, but not for more than six months.

We have no such decisions.

### **Prohibition of forced labour**

**The Committee previously noted that, according to the relevant report, the rules governing railway management staff contained coercive provisions that could be incompatible with the ban on forced labour (Conclusions 2004). It appears that these are still in force and have not been amended since. The Rail Transport Act was amended in 2006 but the report has nothing to say on whether, and if so how, it has changed the relevant rules governing railway management staff. The Committee therefore asks for precise information in the next report on the situation regarding these various rules.**

### **RAIL TRANSPORT ACT**

**Article 117.** (1) (Amended, SG No. 92/2006) The Railway Administration Executive Agency shall supervise the work of the of the infrastructure manager's personnel and of the railway operators, as well as the work of all construction and repair crews and of the internal railway transport of ministries, government agencies, companies and enterprises, related to traffic safety.

(2) The officials of the Railway Administration Executive Agency shall be entitled to:

6. (amended, SG No. 92/2006) suspend employees of the infrastructure manager for reasons of being under the influence of alcohol or other intoxicating substances, for being asleep at their workplace, for working in excess of the established working hours or without taking the mandatory break between shifts, or for failing to produce upon demand their certificates of professional competence;

**Article 127.** (Amended, SG No. 47/2002, No. 92/2006) A fine of BGN 50 to BGN 100, unless the offence is subject to a heavier sanction, shall be imposed on an official of the staff of the infrastructure manager or of the railway operator, who:

5. admits on duty employees without a properly ensured break between shifts, or a person, who shows up for duty without having taken such a break;

**Ordinance No 50 of 28 December 2001 on working time of managerial and executive staff involved in passenger and freight transportation safety in the field of railway transport (Annex 2)**

**Article 1.** (1) This Ordinance regulates the specific issues of the working hours and rest periods of managerial and executive staff involved in passenger and freight transportation safety in the field of railway transport, which are not covered by the Labour Code and its implementing regulations or which, in view of the specifics in the operation of railway transport, need to be regulated differently from general labour law.

(2) (Amended – *State Gazette*, No 99 of 2006) The Ordinance is applied by employers acting as infrastructure managers and by railway carriers.

**To complete this information, the Committee asks whether prisoners can be required to work, without their agreement, for a firm, a private or public body or the state, and if so what types of work they can be required to undertake.**

Pursuant to Article 61(1) of the Law on Execution of Sentences (ZIN) (**repealed**) - people deprived of liberty can work for trade companies, other legal entities and sole traders under terms and procedures set by the Minister of Justice.

It is not accidental that the wording includes “can”, i.e. the provision is exhortatory in nature – people deprived of liberty are provided with such an opportunity, but they are not obliged to “necessarily” work. Moreover, Article 61(2) ; Article 62, Article 63 and Article 64 of the **repealed** ZIN stipulate that legal entities and sole traders should provide to the workers labour conditions such as those of the rest of the citizens pursuant to the provisions of the Health and Safety at Work Act (ZZBUT), as well as the required sanitary and living conditions. According to these legal provisions prisoners are sent to work only if the requirements referred to above are met. Furthermore, the working conditions of the persons deprived of liberty are determined by the labour legislation, while the payment for the work done is consistent with the effective payment systems and accruals applicable to all workers and employees.

The new Implementation of Penal Sanctions and Detention in Custody Act (ZINZS) has been effective since 1 June 2009. The right to work and the conditions for rendering it are elaborately regulated under Chapter 12 Work in Places of Deprivation of Liberty. According to Article 77 of ZINZS, when prisoners serve their sentence they are entitled to appropriate work and where possible their preference for a specific type of work is satisfied. Working is optional and not mandatory or compulsory. Moreover, it is in the interest of the people deprived of liberty to work, since, according to Article 178(1) of ZINZS, when computing the term of sentence served, two days of work are calculated as three days of imprisonment. Thus they are not only motivated to render socially useful work but have an incentive as well, as they are able to reduce their stay in prison.

Article 172(1) of ZINZS explicitly stipulates that the purpose of involving people deprived of liberty in labour activities is to resocialize them. Furthermore, they can, at will, complete qualification courses in a variety of major subjects, which prepare them for the labour market and increase their chances for job placement after their release from penitentiaries.

As per paragraph 2 of the same article: “The work to be performed by the person deprived of liberty is determined by the administration in accordance with the existing options and taking into account their age, gender, health condition and working capacity, the security requirements, their vocational training and preferences.

The length of the working day of people deprived of liberty is determined in accordance with the provisions of the labour legislation. The provisions of the Labour Code apply fully to the work performed by them as they do with respect to all workers and employees in the Republic of Bulgaria

According to the law, people deprived of liberty are entitled to a rest period between working days of at least 12 consecutive hours and to a rest period on weekends of at least 38 consecutive hours, and in cases of industries with continuous operation and shift change of at least 24 hours. They do not work on public holidays, except in cases of disasters and accidents, when the work rendered is regarded as overtime.

If people deprived of liberty do not work due to an industrial accident or an occupational disease, this period is recognized as working days. Those of them who have worked for at least 8 months over the previous 10 months are entitled to an annual holiday of 14 business days, and the period required to obtain this holiday also includes the prisoner’s idle time due to illness, pregnancy or childbirth. Females deprived of liberty are entitled to a rest period for pregnancy and childbirth with the same length as that provided for the paid leave of female workers and employees and the rest time is recognized as working days.

As per Article 173 of ZINZS, people deprived of liberty work mostly in workshops and on farms on the territory of the prisons. Their work “is organized on a contemporary level, similarly to the production in the sector relevant to enterprises other than penitentiaries”.

The financial and economic crisis affects detention places as well. Manufacturing workshops in prisons cannot guarantee employment to everybody willing to work. For that reason, in reality, on grounds of 174 of ZINZS, people deprived of liberty may also work on sites of legal entities and natural persons under conditions and procedures set by the Minister of Justice. In such cases contracts are concluded between the state-owned GE Prison Production fund and the respective legal entity or natural person or sole trader in compliance with the requirements of ZINZS, the Implementing Regulation of ZINZS, the Labour Code, ZZBUT, i.e. people deprived of liberty cannot be assigned or provided to private persons, private companies or private legal entities.

In view of the foregoing, we believe that the Bulgarian legislation and practices are consistent with the prohibition of forced labour laid down in EU and international standards.

They are not in conflict with the provision of Article 2(2) of the ILO Forced Labour Convention No 29.

## **IMPLEMENTATION OF PENAL SANCTIONS AND DETENTION IN CUSTODY ACT**

Promulgated, SG No. 25/3.04.2009, effective 1.06.2009, amended, SG No. 74/15.09.2009, effective 15.09.2009, SG No. 82/16.10.2009, SG No. 32/27.04.2010, effective 28.05.2010, supplemented, SG No. 73/17.09.2010, effective 17.09.2010, SG No. 81/18.10.2011

## **Section I**

### **Rights and Duties of Persons Deprived of their Liberty**

**Article 75.** Persons deprived of their liberty may enjoy the rights thereof with the exception of the rights:

1. whereof they are deprived by a sentence;
2. which are withdrawn therefrom or which are expressly restricted by a law;
3. whereof the exercise is incompatible with the implementation of the penal sanction.

**Article 77.** (1) During the service of the sentence, persons deprived of their liberty shall have the right to suitable work.

(2) As far as possible, the preference of the person deprived of his or her liberty for a particular kind of work shall be satisfied.

(3) Participation in work activity shall be encouraged and shall be taken into consideration in determining the degree of correction and re-education.

**Article 78.** (1) For any work other than voluntary unpaid work and order-keeping and cleaning duties, the persons deprived of their liberty shall be paid a fixed portion but not less than 30 per cent of the remuneration earned.

(2) The portion of the remuneration, referred to in Paragraph (1), shall be fixed by order of the Minister of Justice.

(3) Deductions may be withheld from the remuneration accruing to persons deprived of their liberty according to the effective laws which, however, may not exceed two-thirds of the remuneration appertaining thereto. This limitation shall not apply to any deductions under an obligation for maintenance.

**Article 79.** (1) The duration of the working day of persons deprived of their liberty shall be fixed in conformity with the provisions of labour legislation. Persons deprived of their liberty shall enjoy reduced working hours on an equal footing with the relevant categories of workers and employees.

(2) Performance of overtime work shall be permitted by order of the Chief Director of the Chief Directorate of Implementation of Penal Sanctions up to the length established in the labour legislation.

(3) With the consent of the persons deprived of their liberty, the Chief Director of the Chief Directorate of Implementation of Penal Sanctions may allow specific groups of persons deprived of their liberty to work a six-day working week. In such cases, work during the sixth working day shall not be considered overtime work.

(4) Persons deprived of their liberty shall be entitled to a minimum uninterrupted daily rest period of 12 hours and to a minimum uninterrupted weekly rest period of 38 hours or, in uninterrupted production processes or when the pattern of shift work changes, to a minimum of 24 hours.

(5) Persons deprived of their liberty shall not work on holidays except in the cases of disasters and accidents, whereupon the work performed shall be considered overtime work.

**Article 80.** (1) With their express written consent, persons deprived of their liberty may be assigned voluntary unpaid work for:

1. cleaning the premises and the area of the prison facility when not put on order-keeping and cleaning duties;
2. spatial renewal, maintenance and conservation of cultural, historical and architectural landmarks in the nucleated settlement where the penal sanction is implemented;
3. repairing damage caused by fires and natural disasters, or preventing accidents;
4. organising and holding courses in literacy training, creative, cultural, sports and other pursuits by properly qualified or skilled persons deprived of their liberty.

(2) The time during which persons deprived of their liberty have performed voluntary work shall be allowed towards reduction of the term of the sentence.

**Article 81.** (1) On days of classes, the pupils deprived of their liberty shall be released from work one hour earlier.

(2) For preparation for and attendance of examinations and preparation of graduation papers, the director of the prison or reformatory may excuse from work the pupils for a period not exceeding 30 days.

(3) During the time of excuse from work according to the procedure established by Paragraphs (1) and (2), the persons deprived of their liberty shall enjoy the rights of working prisoners but shall receive no remuneration.

**Article 82.** (1) The persons deprived of their liberty, who have worked at least eight months during the last preceding ten months, shall be entitled to annual rest of 14 working days. Those engaged in especially detrimental and hazardous production processes shall be entitled to an additional unpaid rest of a length as fixed for the relevant categories of workers and employees.

(2) The time required for use of annual rest shall include the time during which the person deprived of his or her liberty interrupted work by reason of sickness, pregnancy or child-birth.

(3) The time of annual rest of the persons deprived of their liberty shall be allowed as working days.

**Article 83.** (1) The time during which the persons deprived of their liberty do not work by reason of employment injury or occupational disease shall be allowed as working days.

(2) The provision of Paragraph (1) shall not apply to any persons deprived of their liberty who have deliberately caused a disorder of the health thereof.

(3) Women deprived of their liberty shall be entitled to rest in the case of pregnancy and child-birth in the lengths established for the paid leave of female workers and employees. The time of the said rest shall be allowed as working days.

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## **Chapter Twelve**

### **WORK AT PLACES OF DEPRIVATION OF LIBERTY**

**Article 172.** (1) The participation of persons deprived of their liberty in work activity shall have as an objective the resocialisation thereof.

(2) The work which a person deprived of his or her liberty must perform shall be determined by the administration within the available opportunities, taking into account the age, sex, health status and working capacity, the requirements of security, the professional qualification and the preferences of the said person.

(3) When organizing the work, particular attention shall be paid to the opportunities for upgrading the qualification in respect of the juveniles deprived of their liberty.

**Article 173.** (1) Persons deprived of their liberty shall work primarily at shops, farms and workshops within the perimeter of the places of deprivation of liberty.

(2) Work at the places of deprivation of liberty shall be organised at an up-to-date level, similar to manufacturing in the relevant branch for enterprises outside the places of deprivation of liberty.

**Article 174.** (1) Persons deprived of their liberty may work on sites of legal and natural persons under terms and according to a procedure, established by the Minister of Justice.

(2) The legal persons and the sole traders shall be obligated to arrange, at their own expense, healthy and safe working conditions, the requisite conditions of hygiene and physical welfare, and conditions for guarding the persons deprived of their liberty.

(3) The persons deprived of their liberty shall be sent to work solely provided the requirements of Paragraph (2) are satisfied. Upon breach of the said requirements, the director of the prison or of the reformatory shall suspend the persons deprived from their liberty from work until the breach is remedied.

**Article 175.** (1) The legal and natural persons shall pay the Prison Service Fund State-Owned Enterprise the remuneration due for the work performed in conformity with the effective systems of pay for work together with all supplements due in respect of the workers.  
(2) The working conditions of persons deprived of their liberty shall be determined by the labour legislation.

**The Committee again invites the Government to reply to its question in the General Introduction to Conclusions 2006 as to whether any legislation against terrorism precludes persons from taking up certain types of employment.**

## **CRIMINAL CODE**

### **Section II**

#### **Kinds of Punishments**

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**Article 50.** (1) The punishment by deprivation of the right to hold a certain state or public office and deprivation of the right to exercise a certain vocation or activity shall be imposed in the cases provided by the law, if holding the respective office or exercising the respective vocation or activity is incompatible with the nature of the committed crime.

#### **The elements of crimes under the Bulgarian Criminal Code constituting terrorist acts are as follows:**

- deprivation of life or causing a severe bodily injury to a state or public figure, as well as causing the death of one or more persons (Article 96);
- deprivation of life or causing a severe bodily injury to a representative of a foreign state (Article 99);
- destruction or damaging of public buildings, construction projects, installations, equipment, transport vehicles or means of communication or other significant public property (Article 106);
- murder of an official, of a representative of the public, as well as of a serviceman, including one of an allied or friendly state or army, during or in connection with the performance of his duty or function, or of a person enjoying international protection, as well as murder in a way or by means dangerous for the life of many (Article 116(1)(1) and (6));
- arson of a building or other property of considerable value, of an aggravated nature, including cases where the objects under Article 330 have been damaged or destroyed by an explosive (Article 333);
- causing of inundation and thereby exposing to danger the life or property of another person (Article 334);
- damaging of rolling stock or railway lines, an aircraft, an automobile, an electric transport vehicle or equipment, or accessories for them, a tunnel, a bridge or supporting wall on the roads, or damaging of a ship and thereby creating danger for the life of another person, or for considerable endamage of another person's property, (Article 340(1));
- destruction of an aircraft in operation, or inflicting on it a damage, which makes it unfit for flight or is likely to endanger its safety in flight (Article 340(2));
- placing into an aircraft of a device or substance which can destroy or damage it, making it unfit for flight, or creating danger for its safety in flight (Article 341a(1));
- endangering the safety of an aircraft in flight (Article 341a(2));
- exerting of violence against a person on board an aircraft in flight, if his act has been of such a nature as to endanger the safety of the aircraft (Article 341a(3));

- unlawful seizure of an aircraft, on the ground or in flight, or establishing of control over such an aircraft, (Article 341b);
- intentional causing of death, bodily injury or considerable property damages when driving railway rolling stock, aircraft, motor vehicle, vessel, combat or special machine and when violating traffic rules (Article 342(3));
- removing or shifting to another place of a sign or signal, intended for securing the safety of movement of railway traffic, water transport and electric transport, as well as putting up of a false sign or giving a false signal (Article 344);
- intentionally putting or admixing an object hazardous to human life or health in a well, spring, water mains or another installation intended for public use, wherefrom or whereby potable water is supplied (Article 349(1));
- spreading of agents of an epidemic disease for the purpose of infecting people (Article 349(3));
- preparing of foodstuffs or drinks, intended for public use, in a way so that therein substances hazardous to human health are formed or allowed to enter, as well as the selling, offering or distributing such foodstuffs or drinks (Article 350);
- polluting or allowing the pollution of water sources, basins, ground water and the territorial or inland sea waters, the soil and the air and thereby rendering them hazardous to people, animals and plants or unfit for use (Article 352(1));
- acquisition, holding, expropriation or giving to another person, without due permission, of a highly active or poisonous substance, which is not narcotic substance placed under permit regime, as well as violation of the rules established for the production, acquisition, safekeeping, accounting, prescribing, transportation or carrying of such substances (Article 354).

### **Article 1§3**

**“With a view to ensuring the effective exercise of the right to work, the Parties undertake:  
to establish or maintain free employment services for all workers;”**

#### **Scope of the provision as interpreted by the ECSR**

*Free and effective employment services should be guaranteed. Basic placement services such as registration of job-seekers and notification of vacancies must be provided free of charge.*

**1) Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

The National Employment Agency has been set up and its activities have been regulated by the Employment Promotion Act (ZNZ). This law contains a number of references to the Social Security Code and the Labour Code.

The Implementing Regulation of the Employment Promotion Act (PPZNZ) regulates the status and functions of the bodies engaged in employment, the conditions and procedure of drawing up and approval of a National Employment Action Plan, the funding of the active employment promotion policy, the rights and obligations of jobseekers and employers, the notification procedure in cases of mass lay-offs, the conditions and procedure of providing intermediation (job-brokerage) services, the conditions and procedure of planning, development and approval of the employment and training programmes, the conditions and procedure of inclusion in programmes and using preferences under employment and training measures, training leading to vocational qualification. The Rules of Procedure of the



Employment Agency (UPAZ) regulate the activities, structure, the organization of operations and number of staff, the number and territorial scope of the Employment Agency divisions.

## **EMPLOYMENT PROMOTION ACT**

### **Section I**

#### **Intermediation Services**

**Article 26.** Job placement intermediation services shall include:

1. (supplemented, SG No. 26/2008) furnishing information and/or consultation to job seekers and to employers;
2. psychological counselling of job seekers;
3. (supplemented, SG No. 26/2008) referral to appropriate employment and training programmes and measures;
4. (amended, SG No. 26/2008) referral to adult training;
5. guidance and support for starting work, including work in another nucleated settlement in Bulgaria or in other States;
6. (repealed, SG No. 26/2008).

**Article 27.** (1) (Amended, SG No. 26/2003) Employers and job seekers shall be entitled to use job placement intermediation services.

(2) (Amended, SG No. 26/2003) Job placement intermediation services shall be organized and provided by:

1. the National Employment Agency;
2. (amended, SG No. 18/2006, effective 1.01.2007, supplemented, SG No. 26/2008) any persons who have the right to provide job placement intermediation services according to Bulgarian legislation, the legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation.

(3) The National Employment Agency shall provide intermediation services:

1. (amended, SG No. 18/2006, effective 1.01.2007) at no charge: for placement of persons covered under Article 18 (1) and (3) herein;
2. at no charge: for placement of Bulgarian citizens abroad, as well as of foreigners in Bulgaria in implementation of an international treaty whereto the Republic of Bulgaria is a party;
3. (amended, SG No. 18/2006) under a contract with foreign employers and licensed job placement intermediation agencies, which pay a fee for intermediation services performed, and with similar foreign institutions for placement of Bulgarian citizens in other States.

**Article 27a.** (New, SG No. 59/2010) (1) Natural and/or legal persons who or which satisfy the following conditions may apply for registration for practice of job placement intermediation:

1. they do not incur any pecuniary obligations to the State or to a municipality within the meaning given by Article 162 (2) of the Tax and Social-Insurance Procedure Code, established by an effective act of a competent authority, save as where a rescheduling or deferral of the said obligation has been allowed, or any pecuniary obligations related to the payment of social insurance contributions;
2. they are not adjudicated bankrupt;
3. liquidation proceedings are not pending thereagainst and, applicable to the persons referred to in Paragraph (2), a similar procedure according to the national laws and instruments of secondary legislation is not in progress thereagainst;
4. any administrative sanctions under Article 81 (1) or (2) for any violations of Article 28 (1), (3) and (4) and Item 2 of Article 28 (7) herein have not been imposed thereon within three years before the date of application for registration;
5. the members of the management and/or supervisory bodies of the legal persons:

(a) are not persons whereon any sanctions referred to in Article 81 (1) or (2) herein have been imposed for any violations of Article 28 (1), (3) and (4) and Item 2 of Article 28 (7) herein within three years before the date of application for registration;

(b) have not been members of management and/or supervisory bodies of any persons whereon any sanctions referred to in Article 81 (1) or (2) have been imposed for any violations of Article 28 (1), (3) and (4) and Item 2 of Article 28 (7) herein within three years before the date of application for registration.

(2) The persons registered under the legislation of a Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area or of the Swiss Confederation, shall prove the circumstances referred to in Items 1 to 3 of Paragraph (1) in conformity with the legislation of the State of registration.

**Article 28.** (Amended, SG No. 26/2003) (1) The persons referred to in Item 2 of Article 27 (2) herein shall practise job placement intermediation for placement in the Republic of Bulgaria, in other States and of seafarers proceeding from a registration at the National Employment Agency.

(2) The job placement intermediation, practised by the persons referred to in Item 2 of Article 27 (2) herein, shall include the provision, whether jointly or separately, of the intermediation services referred to in Items 1, 2, 4 and 5 of Article 26 herein.

(3) For practice of the placement intermediation referred to in Paragraph (2), the persons referred to in Item 2 of Article 27 (2) herein shall conclude a placement intermediation contract with:

1. the job seekers;

2. (amended, SG No. 18/2006) the employers, including the shipowners, seeking factory and office workers.

(4) (Amended, SG No. 18/2006) Any placement intermediation contract concluded with a foreign employer, including a shipowner, shall be registered at the National Employment Agency under terms and according to a procedure established by the ordinance referred to in Paragraph (8). The persons referred to in Item 2 of Article 27 (2) herein shall perform the service referred to in Item 5 of Article 26 herein after registration at the National Employment Agency of a placement intermediation contract concluded with a foreign employer, including a shipowner.

(5) The Minister of Labour and Social Policy or an official authorized thereby shall issue a certificate of registration for practice of job placement intermediation.

(6) The persons referred to in Item 2 of Article 27 (2) herein shall pay a fee fixed by a rate schedule of the Council of Ministers for:

1. registration for practice of job placement intermediation for placement in the Republic of Bulgaria;

2. registration for practice of job placement intermediation for placement in other States and of seafarers;

3. (amended, SG No. 18/2006) registration of a placement intermediation contract with a foreign employer, including a shipowner.

(7) (Amended, SG No. 18/2006) Job placement intermediation practised by the persons referred to in Item 2 of Article 27 (2) herein shall be practised:

1. (new, SG No. 18/2006) in consideration of pay on the part of the employers;

2. (new, SG No. 18/2006) at no charge: without charging directly or indirectly, in whole or in part, any fees or other payments to the job seekers or the employed persons.

(8) The Council of Minister shall issue an ordinance establishing:

1. the terms and the procedure for practice of job placement intermediation;

2. the terms and the procedure for registration of the persons referred to in Item 2 of Article 27 (2) herein for practice of job placement intermediation and for refusal and termination of any such registration;

3. (repealed, SG No. 18/2006);

4. the mandatory requirements for the content of placement intermediation contracts.

(9) (New, SG No. 59/2010) The persons referred to in Item 2 of Article 27 (2) herein shall mandatorily provide the National Employment Agency with information on the job vacancies announced at the said persons and on the jobs which have already been filled or for which finding an applicant is no longer necessary:

1. where the intermediation service provider possesses an electronic register of the jobs available, which is accessible in cyberspace, the said provider shall grant rights for link with the said register through the Internet site of the National Employment Agency;

2. where the intermediation service provider does not possess an electronic register of the jobs available, which is accessible in cyberspace, the said provider shall be obligated to announce the said jobs through the registration thereof in Electronic Labour Exchange on the Internet site of the National Employment Agency.

(10) (New, SG No. 59/2010) The National Employment Agency shall ensure access to the information referred to in Paragraph (9) through the Internet site thereof. The content, the terms and procedure for exchange of information between the National Employment Agency and the persons referred to in Item 2 of Article 27 (2) herein shall be established by the Regulations for Application of this Act.

**Article 29.** (Amended, SG No. 26/2003) (1) Any natural and/or legal persons practising job placement intermediation without registration may register upon the lapse of three years after the effective date of the penalty decree on imposition of administrative sanctions under Article 81 (1) herein.

(2) Any natural and/or legal persons whereof the registration for practice of job placement intermediation has been terminated may register again upon the lapse of three years after the effective date of the act on termination of the said registration.

## **IMPLEMENTING REGULATION OF THE EMPLOYMENT PROMOTION ACT**

### **Chapter Seven**

#### **INTERMEDIATION SERVICES**

**Article 20.** (Amended – *State Gazette (SG)*, No 60 of 2008, effective since 4 July 2008) The job-brokerage services offered by the Employment Agency are organized and provided by Labour Office Directorates at the permanent or present address of jobseekers and without limitation regarding the address of employers.

**Article 21.** (Amended – *SG*, No 60 of 2008, effective since 4 July 2008) Intermediation services for jobseekers registered with a Labour Office Directorate include:

1. (Amended – *SG*, No 60 of 2008, effective since 4 July 2008) provision of information and/or consultation on:

a) their rights and obligations under the Employment Promotion Act;

b) job vacancies and requirements for filling them;

c) (Amended – *SG*, No 95 of 2005) options for participation in employment and training programmes and measures;

d) (Amended – *SG*, No 60 of 2008, effective since 4 July 2008) options for adult training;

e) opportunities for occupation changing and working beyond the limits of the city or village of residence;

f) (Supplemented – *SG*, No 98 of 2010, effective since 14 December 2010) conditions and procedure to work in other countries under intergovernmental agreements and via the European Employment Services (EURES) network;

2. psychological support;

3. (Supplemented – *SG*, No 95 of 2005) referral to suitable employment and training programmes and measures;

4. (Amended – *SG*, No 60 of 2008, effective since 4 July 2008) referral to adult training;

5. referral to and assistance in starting work, including getting a job in another location in the country or in other states;

6. (Repealed – SG, No 60 of 2008, effective since 4 July 2008).

**Article 22.** Intermediation services for employers include:

1. provision of information about registered jobseekers by profession, major subject, professional experience, additional skills and readiness to start work;

2. provision of information on programmes and measures for job retention and employment promotion, as well as for training hired personnel;

3. provision of information on their rights and obligations in cases of mass lay-offs of workers and employees;

4. job-brokerage by means of:

a) providing information on the procedure and modes of announcing job vacancies;

b) acceptance of applications for job vacancies;

c) processing and dissemination of the information on the announced job vacancies;

d) selection of eligible candidates meeting the requirements of the employer;

e) referral of eligible candidates to the respective job;

f) requesting of feedback on the outcome of the referral;

5. (Supplemented – SG, No 95 of 2005) referral to suitable employment and training programmes and measures;

6. (New – SG, No 95 of 2005) provision of information on the issuance of permits for hiring foreigners.

**Article 22a.** (New – SG, No 98 of 2010, effective since 14 December 2010) (1) Job brokers as per Article 28(9)(1) of ZNZ shall, when they have at their disposal an electronic register of available jobs accessible via Internet, grant rights to link to it via the web site of the Employment Agency.

(2) Job brokers as per Article 28(9)(2) of ZNZ shall enter the information on job vacancies communicated to them, as listed below, in the "E-Labour Exchange" section on the web site of the Employment Agency:

1. broker (name, number and date of the certificated issued, number of the registered job-brokerage agreement with a foreign employer or shipowner);

2. place of work (in the country/abroad/as marine experts);

3. title of the position;

4. number of job vacancies;

5. period of validity of the ad.

(3) Job brokers as per Article 28(9)(2) of ZNZ shall update, within 3 business days in the period of validity of the ad, the information as per paragraph 2 regarding the jobs that have already been filled or those for which it is no more necessary to find a candidate.

The regulatory framework includes also:

Regulation on the Terms and Order of Performing Intermediary Activities When Employing

Ordinance on the Procedure for Provision of Job-brokerage Services by the Employment Agency to Foreign Employers for Hiring Bulgarian Nationals

Tariff of Charges Payable for Registration for Job-brokerage under the Employment Promotion Act

**2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

### **About 2007**

**The period was characterized by modernization of the mediation services.** For the purpose of facilitating contacts between employers and jobseekers 19 labour exchange events (4 general and 15 specialized ones) were organized and 2 additional ones were held under the auspices of the European network EURES. The labour exchange events were attended by 3 990 jobseekers and 374 employers, who advertised 4 219 job vacancies. 3 532 jobs were filled and 265 were subsequently closed by the employers. The efficiency of the labour exchanges was evidenced by the 90% job-filling rate attained by them;

- **There was an improvement in the quality and accessibility of the employment services and customer service by labour offices.** The one stop shop model of service is already implemented at a total of 32 labour offices across the country.
- **Improvement of incentives for employers**

**In the period January-November 2007 a total of 150 730 persons were covered by employment and training programmes and measures:**

- ✓ Jobs were provided to an average of 76 373 persons per month. Out of them 55 537 individuals worked under programmes and 21 016 persons were covered by incentives under the Employment Promotion Act;
- ✓ An average of 38 000 persons per month participated in training programmes.
- **Job creation was also promoted through a purposeful support for entrepreneurship:**
  - ✓ Under the Job Opportunities Through Business Support (JOBS) project technical and financial support was provided to 43 business centres and their business incubators. The project targeted micro and small companies, start-up entrepreneurs, unemployed persons, agricultural producers and disadvantaged groups in the labour market. During the first nine months of 2007 training was provided to 6 565 customers of business centres, 1 575 companies were approved to obtain financial leasing, information and technological services were provided to 2 123 entrepreneurs. A total of 4 641 jobs were created;
  - ✓ The Guarantee Fund for Micro Lending Project seeks to create jobs by facilitating the access of small start-up enterprises and natural persons to idle financial resources for the development of their business operations. In 2007 a total of 947 loans were made in the amount of BGN 21.7 million for opening 1 550 new permanent jobs;
  - ✓ A total of 1 141 unemployed individuals took up jobs owing to the incentives provided to micro entrepreneurs for creating new employment by subsidizing the first 5 new job openings.
  - ✓ Different forms of organization of working hours as well as alternative forms of employment

### **About 2008**

An important priority in the active policy of the Employment Agency was the attainment of greater and sustainable employment by providing quality and effective service to jobseekers and employers. The year saw further improvement of the employment services, such as completion of the system for service provision based on the one stop shop principle, maintenance of the information and self-information areas at the labour offices, provision of services on the Internet, etc.

217584 unemployed persons took up jobs in 2008 – 33236 (13.3%) down from the 2007 level. Almost all of those hired (92.7%) or 201809 individuals used the intermediation of the labour offices. Over a half of them (53.6%) or 108089 persons found professional fulfillment on the primary market. Their share went up by 2.4 percentage points compared to the previous year, which was also due to the active operation of the job brokers. The remaining 93720 unemployed persons attained job placements by joining various employment

programmes and measures. Out of them 76331 unemployed persons were placed under employment programmes and 17389 individuals were covered by incentives under the Employment Promotion Act.

The major characteristics of those who got employed were as follows:

- The number of the females who took up jobs was 130765. They constituted the majority (60.1%) of those hired, which was consistent with the mix of the registered jobless persons;

- The unskilled unemployed persons (114344 individuals) accounted for 52.6% of the totality of those hired. Their high relative share was conditioned both by the enhanced demand for unskilled labour in the primary market and by the implemented subsidized employment, whose major target group was made up of them;

- The 69883 long-term unemployed persons who were hired accounted for almost one-third of all of those who took up jobs (32.1%). The group of the long-term unemployed was dominated by uneducated and unskilled persons - 66.6%. Job-brokerage is a very important element in preventing long-term unemployment. The long-term unemployed constitute a priority group in the active employment policy;

- The unemployed specialists who took up jobs made up a share of over one-fifth (23.8%) or 51887 persons. A tendency sustained for years persisted: predominant best fulfillment of engineering and technical professionals, followed by those with degrees in economics and law, while the third position was held by the specialists in the field of education;

- The 51353 unemployed workers who got jobs accounted for 23.6% of the total number;

- The number of young people up to the age of 29 was 42405 and more than half of them (57.5%) had no special qualifications and their educational level was low. The share of the unemployed people up to the age of 29 was 19.5% of all persons placed in that period; 27004 unemployed individuals with university degrees found professional fulfillment, their relative share being 12.4%.

There was long lasting and continuous application of the **differentiated approach**, which boosted the effectiveness and efficiency of the employment services. The supply of individual, accessible and flexible employment services depending on the individual abilities of the jobseeker and the stated desired job are important elements for attaining employment. Employment growth is also facilitated by the practice of providing services to jobseekers and employers on local level rendered by labour office teams. The main purpose of the so-called “field work stations” is to provide on-site services both to unemployed and employed persons and to employers, including also improvement of the service quality. The operation of the field work stations has been well organized. Teams set up by labour offices developed and coordinated with the mayors of the respective municipalities schedules about which jobseekers were notified in advance. Field work stations facilitated the access to the services offered by the labour offices. At the end of 2008 there were 96 operational field work stations established at 47 labour offices in 63 municipalities.

From the beginning of 2008 the efforts of the job brokers were also focused on the group of the unemployed who had dropped out of the social assistance system. They undertook a set of measures which fostered their social integration and their options for adequate inclusion in the labour market. The development of an action plan for each person was based on a comprehensive assessment of the individual needs including specific measures and services whose aim was their job placement. As a result of that 4500 recipients of social assistance benefits got jobs that year. Nearly half of them (2237 persons or 49.7%) were included in employment programmes and measures. 769 individuals were enrolled in literacy and vocational qualification courses and they accounted for 17.7% of the total number of the members of this group that took up jobs. 441 individuals were enrolled in motivational

training for the purpose of surmounting their demotivation and triggering their active job seeking.

Effective job brokerage targeting employed individuals, students and retired persons took place at the labour offices. Job brokers assisted 1218 workers in changing their place of work and jobs were provided to 1495 students and 2462 pensioners. An increase in the number of the persons in these groups was observed that year: respectively, jobseekers grew by 361 persons, the number of students went up by 84 and that of retired people by 1827. The increase in the number of pensioners was due to a change in the Programme in Support of Motherhood and their inclusion in the target group.

A key element of job-brokerage was the establishment of effective contacts and **better interaction with employers**. The active work with them boosted their interest in hiring unemployed persons and acted as an incentive for opening jobs to be filled within short periods of time. An essential aspect in the activity of job brokers in terms of referral to advertized job vacancies is to strike a balance between the requirements of the employers and the abilities of the candidates offered for the job. 82584 employers were visited on-site in the companies during the year. These meetings proved to be a useful form of cooperation. The establishment and maintenance of a card-index of employers was further pursued in each labour office for the purpose of providing better services to employers and acquiring knowledge on the condition of companies. The dynamic changes increased the requirements regarding the qualifications and additional skills of the jobseekers to be employed. This impeded the job placement of low-skilled unemployed people, who were the predominant part of the individuals registered with the labour offices.

Jobseekers were still insufficiently mobile in terms of taking up a job in another community. It is problematic to hire unemployed persons for certain activities of seasonal nature, where employers require that jobs should be taken up at a later stage. Some companies offer employment under unattractive labour conditions, with low pay and certain level of turnover, which limits the potential for job placement. Practice has proved that **labour exchanges** constitute a particularly effective and successful form of job-brokerage for finding employment and for activating inactive persons. A total of 21 labour exchange events were held that year. 7 of them were of a general nature and 14 were specialized. Four of the specialized labour exchanges targeted the Roma community, three of them were dedicated to each of the spheres of rose-picking and tourism, hospitality and catering, one was focused on each of the sectors of agriculture and processing of agricultural products, on the sphere of shoe industry, on young specialists, who have completed vocational training and on persons with degrees of incapacitation. Labour exchange events were attended by 5090 jobseekers and 415 employers. The number of the job vacancies announced at these labour exchanges was 5510. The performance result was the employment of 4630 jobseekers accounting for 84.0% of the total number of jobseekers. Approximately half of those who took up jobs (2285 persons or 49.4%) were registered with the labour offices as unemployed. Direct contacts contributed to the attainment of a better match between the supply and demand of manpower on local markets and created prerequisites for more sustainable employment of jobless people.

Information and technical support is an essential factor for effective management and upgrading of the quality of services provided. The improvement of the capabilities for effective utilization of modern information technology for information exchange and dissemination and for obtaining feedback is an important line of activity in contemporary administration. With a view to improving the quality of the employment services offered, each change in the regulatory documents triggers a prompt update of the applied software used in the labour offices. There is regular updating and maintenance of the information and interactive sections on the web site of the Employment Agency, such as the **Electronic Labour Exchange**, the job vacancy ads, etc. In 2008 an average of over 1500 jobseekers and employers visited the web site on a daily basis.

Further efforts were made in 2008 to complete the establishment of a centralized software system with modern architecture and a single national and ESF data base on the labour market functioning online. The commissioning of the National Data Base Project under real conditions began on 1 December 2007 in all divisions of the Employment Agency in Plovdiv region. The users of the National Data Base are advised on a daily basis and current control and coordination are performed both of the actual operation of Labour Office Directorates (LODs) and of the joint activity with the contractor company under the project. The functionality control and the introduction of new requirements for refining the services are performed in close cooperation with the Employment Services General Directorate, the Information and Analyses Directorate and all LODs and Regional Employment Service Directorates (RESDs) in the Region of Plovdiv providing operational services to the labour market. The introduction of a National Data Base will allow more rational management of all resources of the Employment Agency.

An important feature of the quality of the employment services is their effectiveness. The beginning of 2008 marked the initiation of a monitoring on the effect of the vocational qualification courses organized by the Employment Agency. This research was conducted by exchanging information with the National Revenue Agency. The main goal was to conduct ongoing monitoring of the employment performance of the graduates of the courses as a vehicle to assess objectively the effectiveness of the qualification training and to outline trends and recommendations for improving the quality of training.

In December 2008 an Agreement for joint activities was signed between the General Staff of the Bulgarian Army, the new Social Activities of the Ministry of Defense Executive Agency and the Employment Agency. The common efforts were focused on two lines of activity: recruitment of professional servicemen and social adaptation and employment of the military personnel released from the army and the members of their families. Every month labour offices received a list of job vacancies for career servicemen, they familiarized themselves with it and referred suitable unemployed persons. Reception rooms were set up where those who wished to do so could obtain detailed information and professional consultation on the positions offered. As regards the second line of activity, the cooperation focused on facilitating the transition of the servicemen released from the Bulgarian army to civilian careers. They received information on job vacancies from the labour offices, obtained consultations and opted for suitable measures, participated in motivational training for adjustment and active jobseeking.

**In connection with the implementation of the Regulation on the Terms and Order of Performing Intermediary Activities When Employing** 173 certificates of registration for performing job-brokerage were issued, including: 104 for the Republic of Bulgaria, 55 for other countries, 14 for marine experts. A total of 63 contracts of job brokers with foreign employers, including shipowners, were registered. 51 refusals of registration for performing job-brokerage were issued on grounds of Article 12(1) of the Regulation, the registration of 34 job-brokers was discontinued. The Employment Agency refused to register 56 job-brokerage contracts concluded with foreign employers, including shipowners, who failed to comply with the provisions of Article 30 and Article 35 of the Regulation.

As of 31 December 2008 valid certificates for performing intermediary activities were held by 530 intermediation companies and out of them: 292 for the Republic of Bulgaria, 181 for other countries and 57 for marine experts.

### **About 2009**

In the situation of a financial and economic crisis and negative economic growth, along with a growing rate of shrinkage of employment and rising levels of the registered unemployed, the role of the Employment Agency increased considerably. It took active steps



to curb the growth of unemployment, to retain employment and to put under control the loss of jobs.

New quality of job-brokerage was achieved and the operation of the labour offices was intensified through anti-crisis measures. Special support was provided to the workers and employees dismissed as a result of the crisis, retention of employment was fostered, subsidized employment was ensured for the disadvantaged groups in the labour market. The intensity of the intermediation activities for job creation in the primary market increased. Job brokers swiftly and effectively redirected the released workers and employees to job vacancies in the real economy. The effect of these actions was the provision of employment to a large number of jobless persons. The main objective was their quick inclusion in the labour market and prevention of their demotivation and dequalification. As a basis of effective intermediation there was a further improvement of the quality of job-brokerage services and their adjustment under the conditions of mass lay-offs. In such cases the practice was to set up teams that operated in the period from the delivery of the notification to the end of the mass lay-off.

*Labour* exchanges proved to be a particularly effective form of job-brokerage and of active work with employers and unemployed for finding fulfillment and for stimulating the economically inactive persons. In 2009 the Employment Agency organized and held 14 labour exchange events, 7 of them being general and 7 specialized. Three of the specialized labour exchange events were in the area of tourism, hospitality and catering, two targeted the Roma community, one focused on the selection of military staff and the professional fulfillment of servicemen released from the Bulgarian army, and one was dedicated to young people. The events were attended by 4670 jobseekers and 220 employers, who reported 2178 job vacancies. Until the end of the year 1823 jobseekers were employed through the intermediation of the labour exchanges, 1074 of them were unemployed persons, registered with the labour offices. The total job-filling rate of the reported job vacancies was 83.7%. As a result of the direct contacts a better match between the supply and demand of manpower on the local markets was achieved, and, furthermore, prerequisites were created for more effective employment and mobility of the jobless persons, for improvement of the customer service at the labour offices.

For the purpose of expanding and improving the scope of the job-brokering services unity in action was initiated between public and private institutions offering such services. The activity of concluding *agreements for cooperation and joint activities between private job brokers and the territorial divisions of the Employment Agency* was initiated in October 2009. The purpose was to set conditions for information exchange on job vacancies, for using the “e-labour exchange” section, to regulate the organization of joint meetings with employers, to exchange experience and best practices. Towards the end of the year a total of 33 Agreements for Joint Activities in the Employment Area were signed. Through them the contracting parties cooperate as equal partners in the implementation of joint and open intermediation on the territory of the country.

The intensity and effectiveness of the intermediation activity for filling in job vacancies increased. Along these lines there was further application of the process operational model that had proved to be successful: offering of individual, accessible and flexible employment services, depending on the individual capabilities of the person, development of a portrait and a professional profile consistent with the expressed desire for a job. A baseline process model of service provision was introduced in all offices and the introduction of the one stop shop principle was still underway. At that stage the practice of faster and higher quality service at a one stop shop was put through at 36 labour offices in various regions across the country. In 2009 the model was introduced in three labour offices: LOD Stara Zagora, LOD Omurtag and LOD Smolyan.

The employment growth and the quality improvement of the services offered both to jobseekers and to employers were facilitated by the practice of service provision in communities by labour office teams. Field work stations eased the access to the services offered and ensured service of a higher quality. The provision of accessible, quality and effective services consistent with the individual needs, promoting individual initiative and responsibility allows each jobseeker to achieve their potential and to receive support. Community service provision is in line with the application of the process operational model, very good operational organization is created and a social effect is achieved. The labour offices developed, in coordination with the mayors of the respective municipalities, schedules for community service provision and jobseekers are notified about them. At the end of 2009 there were 103 successfully operating field work stations established at 47 labour offices in 63 municipalities.

2009 saw further application of the *differentiated approach* in the active employment policy, manifested in focusing specific programmes and measures on the identified target groups of unemployed persons. The accent was laid on the preventive interference of the state with the aim of avoiding a lapse in a state of long-term unemployment, social isolation of the individuals and poverty of the disadvantaged groups in the labour market.

*Electronic services* are a significant factor for upgrading the quality of the services provided. There is regular updating and maintenance of the information and interactive sections on the web site of the Employment Agency (e-labour exchange, job vacancy ads). In 2009 the average daily number of the web site visits was 1638, out of which 1113 were unique visits. The total number of the visits from the beginning of the year was 729189, demonstrating a growth of 20.5% from the 2008 level – an indicator of the expanding scope of electronically provided services.

The year witnessed further development and replication of the pilot project for a National Data Base on the labour market and the European Social Fund in all divisions of the National Employment Agency (NEA) in the country. As a result of this replication a centralized software system with modern architecture and a single national online data base will be established. Specifications of migration rules were drawn up and the data migration was tested for RESD Plovdiv, LOD Rodopi and RESD Sofia (for a part of the modules). The introduction of the National Data Base will help achieve more adequate process management and optimal managerial decision-making, it will create conditions for refining the work of the labour offices and for improving the quality of the services offered.

### **About 2010**

The efforts of labour offices were focused on active job-brokerage in the primary market and intensive meetings with employers. In 2010, in a context of impaired and uncertain economic situation, 201104 registered unemployed persons took up jobs – 8602 (4.1%) down from the level of the previous year.

The characteristics of those hired in 2010 were as follows:

- traditionally females accounted for the larger portion in the gender mix – 55.3% (111127 persons), which was consistent with the mix of the registered jobless individuals. Their relative share was 2.2 percentage points lower;

- the unskilled unemployed persons (114344 individuals) dominated the group of those who got jobs – 45.0% of all placed individuals, but their relative share had been reduced by 6 percentage points. The shrinkage was the outcome of the declining number of those included in employment programmes and measures, whose target group was made up of this category of unemployed persons. The majority of them had primary or lower level of education (78%) and their faster fulfillment in the labour market was facilitated by subsidized employment;

- The unemployed specialists who took up jobs (55496 persons) were 27.6%. Their share was 2.7 percentage points up from that for the previous year due to the priority in the

primary market, where those who got jobs constituted a considerable portion (62.4%) of the total number of placed unemployed persons with specialist qualification. Traditionally the top ranking group, accounting for over one-third (35.3%), was that of the hired specialists in the technical and technological field, those close to a quarter (23.6%) were educated in the area of social and economic sciences and law and 13.7% belonged to the service sphere;

- The workers who got jobs had almost the same relative share – 27.4% (55064 persons) as those with specialist qualifications. It was 3.2 percentage points higher, once again due to primary market priority. A larger part (60.1%) of the unemployed workers hired during the year got jobs in the real economy;

- young people up to the age of 29 accounted for almost one-fifth (19.6% or 39415 persons) of the total number of placed individuals – 0.4 percentage points up. A considerable portion (45%) of the young people who got employment had no special qualifications and their educational level was low, and this was the result of their inclusion in subsidized employment, while over one-third (35.6%) were young specialists supported in finding a job;

- the newly employed persons holding university degrees were 29562, and their share grew by 1.4 percentage points to reach 14.7%. A large portion of them were economists or legal professionals (27%), followed by specialists in the technology sector (20%) and in education (16%). Over 15% of the newly-hired jobless persons holding university degrees, were placed in the service sphere.

The placement services of the labour offices were used by 160913 unemployed persons or by 80.0% of all individuals who took up jobs. One-third of them were included in subsidized employment (53253 persons).

Effective job brokerage targeting employed individuals, students and retired persons took place at the labour offices. 330 employed persons were provided with opportunities to change their job during the year, while 125 retired persons and 38 students were hired.

The efforts of job brokers were particularly focused on the group of the unemployed who had dropped out of the social assistance system. A set of measures were undertaken for attaining their social integration, for surmounting demotivation and for triggering an active attitude for adequate involvement in the labour market. As a result, 1317 persons got job placements and they do not receive social assistance benefits any more. The educational and qualification mix of this group is a significant obstacle for finding employment, due to which a considerable part of them (973 persons) were provided with subsidized employment. 188 persons were assisted in getting jobs in the real economy. 133 unemployed individuals were enrolled in motivational training, 22 persons joined vocational qualification courses and one individual took up a literacy course.

The Employment Agency, through its territorial divisions, provides occupational and advisory services and renders assistance for the successful professional fulfillment and integration in society of disadvantaged young people – graduates of the institutions for raising and upbringing children deprived of parental care. Labour offices, jointly with the Homes for Raising and Educating Children Deprived of Parental Care (HRECDPC), organize and conduct questionnaire surveys in the beginning and at the end of the school year regarding the wishes of the young people in the two highest classes of secondary education in terms of choosing a profession in line with their personality profile. Group events for occupational guidance and cultivation of active behaviour on the labour market are held once in every two months. During these events there are presentations of professions, of opportunities for vocational training, for upgrading one's qualification level, for training leading to the acquisition of key competences, etc. Young people also develop skills to prepare documents to apply for a job, to make presentations to employers and to use various sources of information on job vacancies. They are provided with permanent access to the information and advisory units of the Job Centre. Job brokers assist young people in their independent work with specialized information materials on occupational orientation and with technical

equipment. Meetings are held at least once in three months, starting from the beginning of the school year, either at the labour offices or at the homes. Their main purpose is to provide information and consultation on the options that young people can use under the procedure of the Employment Promotion Act. These events involve psychologists and social workers who facilitate the socialization of young people. Some 200 meetings of this kind were held in 2010. With a view to ensuring employment for the alumni of the Homes, job brokers also work proactively with employers while seeking and creating jobs. The aim is to create options for faster professional fulfillment of the young people upon completing the training. Labour offices organized and conducted six specialized labour exchange events for school-leavers, during which there was direct contact with employers from diverse sectors. Job brokers worked individually with jobless young persons that had graduated a Home. As a result, 25 young people were provided with jobs in the primary labour market during the year, 7 youths were hired under an employment measure and 3 young people were included in the “New Choice – Development and Implementation” Project (Проект „Нов избор - развитие и реализация”) under the Human Resources Development Operational Programme.

A key element in boosting the efficiency of the intermediation services at labour offices are the resultant contacts with employers. The good interaction with them entails an increase in the reported jobs and their maximum filling within short periods of time. The active work with employers also increases the interest in hiring unemployed individuals and a balance is struck between the requirements for the announced jobs and the abilities of the job applicants. Visiting companies is an efficient form of cooperation. During that year some 68300 employers were visited on-site. Special attention was attached to corporate customers. Due to the organization of regular meetings with employer companies, regardless of the fact that a sizeable part of them did not declare job vacancies and did not hire new persons because of shrinkage of production, the 2010 reports mark a faster and higher-quality selection of manpower and hiring of unemployed persons on the primary market within the shortest period of time. The maintenance of good partnership and enhanced contacts with employers makes it possible to expand the scope of the jobs created and to fill them quickly. Job brokers pursue a flexible policy consistent with the dynamically changing condition in the labour market. There is an increase in the number of the interview meetings organized between unemployed persons and employers for the purpose of faster and more adequate selection of labour power and prompt job placement.

For the purpose of expanding and improving the scope of the offered job-brokering services the unity in action between public and private institutions offering such services has deepened. The activity of concluding agreements for cooperation and joint activities between private job brokers and the territorial divisions of the Employment Agency, initiated during the previous year, was pursued further and a total of 43 agreements were signed until the end of the year. These agreements act as a basis for the creation of conditions for information exchange on job vacancies, for sharing experience and best practices. The organization of labour exchanges proved, for yet another year in a row, to be successful intermediation for the attainment of more effective employment on the labour market for fostering proactiveness of both employers and inactive persons deregistered for various reasons. On the basis of the positive experience achieved in organizing labour exchanges, their application was significantly expanded and 107 labour exchange events were conducted during that year in different regions across the country. 41 of them were specialized, and the remaining 66 were general. The specialized labour exchanges focused on various target groups, as well as on individual business activities – on the Roma community (one of the most vulnerable groups in the labour market), on people with disabilities, on youths aged up to 29, on the fields of tourism, hospitality and catering, on the agriculture and forestry sectors, on the areas of construction, tobacco industry, shoe-making, viticulture and wine industry, clothing industry and on the spheres identified under the Human Resource Development Operational

Programme (HRD OP). Two of the specialized labour exchanges in the sphere of tourism, hospitality and catering and one of those targeting young specialists aged up to 29 were organized with the financial support of EURES. On the whole, the labour exchanges were visited by 1066 employers and 17207 jobseekers. 8268 job vacancies were announced at the labour exchanges. The hired persons were 6886 and 4946 of them had been registered as unemployed with the labour offices. The total job-filling rate of the job vacancies reported at the labour exchange events held during the year was 83.3%. Direct contacts helped attain a better match between the supply and demand of manpower in local markets and prerequisites are created for sustainable employment and mobility of jobless people.

**3) Please provide indicators, estimated if necessary, on the functioning and the performance of the employment services in practice, including the number of vacancies registered by employment services; placement rate (placements made by the employment services as a share of notified vacancies).**

Active behavior in the labour market and job-seeking in the segment serviced by the Employment Agency are measured by the number of **job vacancies reported to labour offices**. These are also indicative of the effect of job brokers' work with employers.

During the four-year period between 2007 and 2010 a total of 906408 job vacancies were reported (in the primary market, under employment programmes, under employment measures and under HRD OP). Under the influence of the economic environment the number of the job vacancies reported to labour offices during the period under review exhibited a downtrend. In 2010 job vacancies dropped by almost 69 thousand from the initial level of the period under consideration to reach 187579 vacancies. 2010 witnessed a more dramatic decline in the job openings in the primary market (by nearly 19 thousand) and under programmes (by almost 20 thousand) under the impact of the crisis, the declining needs of labour power and the reduction of the financial resource for active policy coming from the State Budget.

	2007	2008	2009	2010
<b>Job vacancies (total)</b>	256507	237927	224395	187579
<b>including:</b>				
<b>on the primary market</b>	149289	146506	142813	123887
<b>under employment and training programmes</b>	87471	77505	76723	56191
<b>Under ZNZ measures</b>	19747	13916	4859	3867
<b>Under HRD OP</b>				3634

The primary market is of key significance for determining the quantitative aspect of the total number of job vacancies, filed with the labour offices during this period. In 2007 the jobs in the real economy were over 149 thousand, and in 2008 they were approximately 146 500. In 2009 they were almost 143 thousand, only about 3600 vacancies less than those in 2008. The explanation of this fact lies in the anti-crisis measures undertaken during the

harsh year of the for the purpose of maximum disclosure and filling of job vacancies by job brokers (including those that were not reported to labour offices) and quick referral of the most suitable candidates to them. A new quality level of job-brokerage was attained. In 2010, due to the economic crisis, the declared jobs were close to 124 thousand. That was 25 402 jobs down from the 2007 level.

The decline of the subsidized employment positions was a consequence of the limited financial resources for active policies in the labour market under the National Employment Action Plan, in the light of the economic situation. In 2010 the number of the jobs under employment programmes was 31 280 short of that in 2007. After their more significant decline in 2008 (9961 down from the 2007 level), their number in 2009 remained almost unchanged – 76 723, while in 2008 it was 77 505. There was another considerable reduction in 2010 – 20 532 short of the previous year.

In 2010 the jobs under the ZNS measures were 3867. Due to the limited financial resource the downtrend in the jobs filed was sustained during that year as well, but its rate was lower (992 down from the 2009 level), as compared to 2009, when the drop from the 2008 level was 9057.

Employment schemes under the HRD OP play a significant role in reducing tension in the labour market. They are a vehicle for securing broader access to the labour market and for actively supporting the national policy to reduce unemployment and increase job vacancies. In 2010 the number of the job vacancies under the operational programme was 3634.

**The unemployed persons who have taken up jobs** constitute another way to measure the effect of the intermediation services performed by the labour offices. Those who have found a job on their own have also been assisted by the labour offices in the process of job-seeking by being enrolled in trainings, by obtaining consultations, etc.

	2007	2008	2009	2010
<b>Persons who have taken up jobs – total</b>	250820	217584	209706	201104
<b>Through LO brokerage</b>	230129	201809	195055	160913
<b>including:</b>				
<b>In the primary market</b>	117887	108089	118304	107660
<b>under programmes</b>	89279	76331	71263	49581
<b>under measures</b>	22963	17389	5488	3672

During the period under review a total of 879214 unemployed individuals took up jobs. There is a decline in the number of the unemployed persons who took up jobs. In 2007 they were 250820 persons, while in 2010 they shrank by 49716 persons to 201104 people.

Traditionally, the majority of the unemployed persons who get hired use the intermediation services of labour offices. Their number varies between 230129 persons in 2007 and 160913 persons in 2010. The number dropped by 69216 individuals.

In the situation of an economic crisis the State Budget funding for the active policy has been decreased, as a result of which, with the years, there was a gradual decline in the number of the unemployed persons covered by subsidized employment. During the period under consideration the total reduction in the number of persons included in employment programmes was 39698, the greatest decline (by 21655 persons) being observed in 2010, as compared to 2009. In spite of the long-term reduction in the number of unemployed persons covered by subsidized employment, in the following years the Human Resources

Development Operational Programme, financed by the European Social Fund, built upon the active policy and offset the limited financial resources for subsidized employment from the State Budget.

The primary market where 117887 unemployed persons were provided with jobs in 2007 played a decisive role in securing employment. In 2010 those who took up jobs dropped by 10227 persons to reach 107660 individuals. The dynamics in the years revealed a decline in their number in 2008 – 9798 persons down from the level of the previous year. In 2009 the Employment Agency undertook intensive action to restrict the growth of unemployment in the country, to boost employment, to upgrade the qualifications and enhance the protection of the labour force. As a consequence of the anti-crisis measures there was an increase in the number of the unemployed, who took up jobs in the real economy by 10215 persons to reach 118304 individuals, which was the highest magnitude for the period. Despite the efforts of job brokers to secure jobs for a maximum number of unemployed persons in the primary market, the economic crisis exerted its impact on the labour market, which shrank and in 2010 the unemployed persons who had taken up jobs dropped by 10644 compared to 2009

**The filling rate of the jobs** reported to labour offices (**percentage of the appointments achieved with the assistance of the employment bodies, as a share of the announced job vacancies**), as an average for the period, was almost 87% (86.8%) and it varied within a small range. In 2007 it was 89.7%, in 2008 it dropped to 84.8% (for a number of reasons, a part of which was the mismatch between the qualifications demanded by employers and the characteristics of the registered unemployed), in 2009 it went up by 2.1 percentage points to reach 86.9% and in 2010 it was 85.8%.

The job-filling rate in the primary market (real economy), as an average for the period, was 80.6%. The job-filling rate by employment programme and measure was higher both during the years and as an average for the period. Calculated as an average for the period by employment programme it was 95.4%, and by employment measure 109.8%, since there were cases of appointing more than one person in one and the same position or there were fillings of jobs announced in a previous period.

The dynamics of the job-filling rate in the primary market is indicative of the effectiveness of the employment services. In 2008 it dropped to 73.8%, and in 2009 and 2010, as a result of the anti-crisis measures, it went up – in 2009 by 9 percentage points, and in 2010 by 4.1 percentage points, to reach 82.8% and 86.9% respectively.

<b>Year</b>	<b>Job-filling rate – total (%)</b>	<b>Job-filling rate on the primary market (%)</b>	<b>Job-filling rate by employment programme (%)</b>	<b>Job-filling rate by employment measure (%)</b>
<b>2007</b>	89.7	79.0	102.1	116.3
<b>2008</b>	84.8	73.8	98.5	124.9
<b>2009</b>	86.9	82.8	92.9	112.9
<b>2010</b>	85.8	86.9	88.2	95.0

A qualification training was organized during the period under discussion with a view to increasing the job-filling rate and reducing the mismatch between the supply and demand of labour power in terms of qualification and for the purpose of increasing the employability of jobless and hired individuals. At that, the resources of the Human Resources Development Operational Programme (HRD OP) were mostly used for the employed persons.

### **Questions by the European Committee of Social Rights**

**In reply to the Committee, the report states that the number of people who have been unemployed for a year or more has continued to decline each year (decreasing by 14.4% between 2005 and 2006). The Committee asks for the next report to give further details, such as the number of jobseekers who have contacted or visited employers. It also asks for information on the total number of staff and respective qualifications in the public employment services.**

The information on this issue is presented in Annex No 1.

**The Committee previously asked what the conditions are for issuing permits and who supervises the performance of private employment services. It takes note of the information provided by the report on this matter.**

In the period 2007–2010 the conditions and procedure for the performance, by private services, of job-brokerage activities were governed by the Employment Promotion Act (Articles 26 through 29) and the Regulation on the Terms and Order of Performing Intermediary Activities When Employing (Promulgated, *SG.*, No 49 of 27 May 2003; Amended and supplemented, *SG.*, No 52 of 27 June 2006; Amended *SG.*, No 22 of 19 March 2010). The regime was of a registration type and job brokerage services could be organized and provided both by persons registered under the Bulgarian law, and by individuals entitled to perform employment intermediation services under the legislation of another EU Member State or a party to the Agreement on the European Economic Area, after issuance of a certificate of registration by the Minister of Labour and Social Policy or by an official authorized by them.

Job brokers (Labour intermediaries) could guide and assist jobseekers in taking up a job in a specific state only after registering, with the Employment Agency, an intermediation agreement, concluded with a foreign employer and/or shipowner.

When advertizing and/or publishing vacancy notices the job broker states the number under which it is registered for performing intermediation activities, the period of validity of the registration and the number of the registered job-brokerage agreement. The job broker advertizes and/or publishes vacancy notices only on the request of the employer.

Job-brokerage services are provided free-of-charge – without charging directly or indirectly, fully or partially, fees or other payments on the part of jobseekers. Jobseekers and employed persons do not pay anything. The following are also free of charge: provision of information and/or consultation services to job-seekers; provision of psychological support to jobseekers; referral to adult training; referral for taking up a job, including a job in another community in the country or abroad.

The Employment Promotion Act qualifies as a violation the payment of a commission fee to the job broker in cases of job placement. Cases where job brokers demand a certain percentage of the salary are also treated as violation.

The service provided by the broker is paid for solely by the employer, and that should in no way be covered from the remuneration of the person employed.

Specialized control and supervision on the activities of private job brokers is performed by the General Labour Inspectorate Executive Agency.

For the purpose of expanding and improving the scope of the offered job-brokering services, the unity in action between public and private institutions offering such services has deepened. The practice of concluding agreements for cooperation and joint activities between private job brokers and the territorial divisions of NES was launched in 2009, and by 31 December 2010 a total of 43 agreements had been signed. They created conditions for information exchange on job vacancies, for sharing experience and best practices.



**The Committee asks what percentage of the market the public employment services represent, that is placements made by the public employment services as a percentage of the total number of persons recruited on to the labour market.**

In the period under review the market share of the Employment Agency, in its capacity of a public job broker, in the total labour market in the country varied between 20.6% and 25.5%. In 2007 it was 22.2%, and in 2010 it was 24.8% of the total number of persons employed in the economy during that year. Its fluctuations over the years depend on the economic situation in the country, on the funds for subsidized employment, on the segmentation of the labour market, on the anti-crisis measures conducted with respect to employment in the primary and secondary market, etc. Another factor of significance for the size of the EA market share is the fact that only part of the job vacancies in the country are mandatorily reported to labour offices by employers (for people working in the administration under an employment contract).

	2007	2008	2009	2010
<b>EA market share</b>	22.2	20.6	25.5	24.8

#### **Article 1§4**

**“With a view to ensuring the effective exercise of the right to work, the Parties undertake:**

**to provide or promote appropriate vocational guidance, training and rehabilitation.”**

#### **Scope of the provision as interpreted by the ECSR**

*Vocational guidance, continuing vocational training for all workers should be guaranteed.  
Persons with disabilities should receive specialised guidance and training.*

**1) Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

The main documents regulating the organization and holding of qualification and motivational training are:

Employment Promotion Act (Chapter Seven)

Implementing Regulation of the Employment Promotion Act (Chapter Eleven)

National Employment Action Plan – annex (maximum amount of funds)

Guidelines to Organize Training Leading to Vocational Qualification

Guidelines to Organize Motivational Training

Guidelines for Payment of Funds to Transport Unemployed Trainees

Methodology for Selection of Unemployed Persons to Be Included in Training Leading to Vocational Qualification

Methodology for Evaluation of Proposals for Occupational Guidance and/or Adult Training Organized and Financed by the Employment Agency

List of the Occupations for Which Unemployed Persons Undergo Qualification Training

List of Evaluating Experts

Foreigners in the Republic of Bulgaria Act

# **EMPLOYMENT PROMOTION ACT**

## **Chapter Seven**

### **ADULT TRAINING AND CAREER GUIDANCE**

#### **Section I**

##### **Adult Training**

**Article 58.** (Amended, SG No. 26/2008) The Minister of Labour and Social Policy, acting jointly with the Minister of Education, Youth and Science, shall:

1. develop and coordinate the state policy in the field of adult training;
2. create conditions for the assessment and recognition of knowledge, skills and competences of adults acquired through non-formal or self-managed learning;
3. study, analyse and forecast the state, development and needs of adult training.

**Article 58a.** (New, SG No. 26/2008) Adult training shall include:

1. literacy training;
2. training for attainment of professional qualification;
3. training for acquisition and refinement of key competences;
4. motivational training.

**Article 59.** (1) There shall be established a National Advisory Board for Labour Force Professional Qualification with the Minister of Labour and Social Policy, consisting of representatives of ministries, agencies, commissions, nationally representative employers' and factory and office workers' organizations and other not-for-profit legal entities.

(2) The National Advisory Board for Labour Force Professional Qualification shall be chaired by a Deputy Minister of Labour and Social Policy, and a Deputy Minister of Education, Youth and Science shall serve as Deputy Chairperson.

(3) The National Advisory Board for Labour Force Professional Qualification shall perform the following functions:

1. coordinate the development of national policy and strategies for training of unemployed and employed persons for attainment of professional qualification;
2. (amended, SG No. 26/2008) create conditions for interaction among the nationally representative employers' and factory and office workers' organizations in connection with lifelong learning;
3. (supplemented, SG No. 26/2008) coordinate the needs of training for attainment of professional qualification by unemployed persons.

**Article 60.** (Amended, SG No. 26/2008) Apart from the institutions covered under Article 58 herein, the activities related to adult training shall be implemented by:

1. the National Employment Agency;
2. the National Agency for Vocational Education and Training;
3. the vocational training centres;
4. other institutions designated in a law or in an act of the Council of Ministers;
5. (new, SG No. 26/2008) natural or legal persons registered according to effective legislation.

**Article 60a.** (New, SG No. 43/2011, effective 01.07.2011) (1) A state enterprise named Bulgarian-German Vocational Training Centre shall be established as a legal entity within the meaning of Article 62 (3) of the Commerce Act, with its head office in Sofia, and with branches with the status of territorial units, whose number and head offices shall be determined by the Minister of Labour and Social Policy.

(2) The main object of the Bulgarian-German Vocational Training Centre State Enterprise shall be the provision of training to individuals aged 16 or more leading to the acquisition of vocational qualification, training in key competences and career guidance.

(3) The main public mission of the Bulgarian-German Vocational Training Centre State Enterprise shall be:

1. supporting the integration of unemployed persons from disadvantaged groups in the labour market through training leading to the acquisition of vocational qualification and key competences;
2. testing innovative practices with a view to their subsequent application by other vocational training institutions;
3. improving adult trainers' competences;
4. training mentors, external experts and adult trainers in specific professions;
5. establishing partnerships with business representatives and representatives of factory and office workers with a view to developing new and updating existing syllabi, training materials, career guidance, etc.

(4) The Enterprise may also pursue other activities related to its main object.

(5) The Bulgarian-German Vocational Training Centre State Enterprise shall have the following management bodies:

1. the Minister of Labour and Social Policy;
2. a Management Board;
3. an Executive Director.

(6) The activities of the Executive Director of the Bulgarian-German Vocational Training Centre State Enterprise shall be supported by a council comprised of representatives of the nationally representative employers' and factory and office workers' organisations.

(7) The structure and operation of the Bulgarian-German Vocational Training Centre State Enterprise, the powers and duties of its management bodies, and any issues related to the activities of the branches shall be regulated by Rules adopted by the Council of Ministers.

(8) For the performance of the Enterprise's activities under this Act, the State shall provide public and private state property to be used and managed thereby.

(9) The activities of the Bulgarian-German Vocational Training Centre State Enterprise related to the performance of its public missions shall be supported by the State through the budget of The Ministry of Labour and Social Policy and through the granting of public financial resources.

(10) The Enterprise may not have an interest in commercial companies or civil partnerships.

(11) The Enterprise may not enter into loan agreements with commercial banks or other financial institutions, unless it has obtained the Council of Ministers' explicit consent therefor.

(12) Public state property provided to the Enterprise may not be the object of enforcement.

(13) The Enterprise may not be privatised, and no insolvency procedure may be launched against it.

**Article 62.** (1) (Amended, SG No. 26/2008) Adult training shall be provided in accordance with the endorsed annual plan referred to in Article 30 (4) herein.

(2) (Amended, SG No. 38/2005, SG No. 18/2006) Training of adults for attainment of professional qualification shall be provided at the institutions referred to in Items 1 and 2 of Article 9 (1) of the Vocational Education and Training Act and at the higher schools under terms and according to a procedure established by the Regulations for Application of this Act.

(3) (New, SG No. 26/2008, amended, SG No. 59/2010) Literacy training shall be provided by the schools under Article 26 of the Public Education Act under terms and according to a procedure established by the Regulations for Application of this Act. Persons who have successfully completed literacy training shall receive a certificate in a standard form endorsed by an order of the Minister of Education, Youth and Science.

(4) (New, SG No. 26/2008) Training for acquisition of key competences and motivational training shall be provided by natural or legal persons registered according to effective legislation, under terms and according to a procedure established by the Regulations for Application of this Act.

(5) (New, SG No. 38/2005, amended, SG No. 18/2006, renumbered from Paragraph (3) and amended, SG No. 26/2008) A provider of training under Paragraphs (2), (3) and (4) shall be

selected under terms and according to a procedure established by the Regulations for Application of this Act.

## **Section II**

### **Career Guidance and Adult Training Organized by National Employment Agency**

**Article 63.** (Amended, SG No. 26/2003, SG No. 38/2005, SG No. 26/2008) The National Employment Agency shall organize adult training in accordance with the needs of the labour market, the requirements of employers and the endorsed plan referred to in Article 30 (4) herein for the following trainees:

1. unemployed persons;
2. (amended, SG No. 59/2010) persons referred to in Articles 48 and 49 herein;
3. factory and office workers at micro-enterprises and small enterprises;
4. (supplemented, SG No. 59/2010) factory and office workers in respect of whom the requirements to the qualification thereof or to the competences possessed thereby change owing to changed requirements for filling the job with the same employer;
5. persons who have acquired entitlement to early-retirement occupational pension and who do not work;
6. persons serving a custodial sentence.

**Article 65.** (Amended, SG No. 38/2005, SG No. 26/2008) (1) Inclusion of unemployed persons in training for attainment of professional qualification, organized by the National Employment Agency, may be preceded by career guidance.

(2) Career guidance shall be provided by the National Employment Agency and by licensed institutions according to the procedure established by the Vocational Education and Training Act. The terms and procedure for the organization and financing of career guidance shall be established by the Regulations for Application of this Act.

## **REGULATIONS FOR APPLICATION OF THE EMPLOYMENT PROMOTION ACT**

### **Chapter Eleven – TRAINING OF ADULTS AND PROFESSIONAL GUIDANCE**

**(Heading amended - SG, issue 60 of 2008, in force as of 04.07.2008)**

#### **Section I Training of adults (Heading amended - SG, issue 60 of 2008, in force as of 04.07.2008)**

**Article 54.** (Suppl.- SG, issue 95 of 2005, amended, issue 60 of 2008, in force as of 04.07.2008) (1) Training of adults and vocational guidance shall be carried out in compliance with the provisions of Chapter Seven of EPA.

(2) The following principles shall apply in vocational guidance and training of adults:

1. freedom of choice of profession, type and form of training;
2. free and equal access to training;
3. conformance of training with workforce demands of employers, labour market conditions and the individual opportunities of the persons concerned.

**Article 55.** (1) The Minister of Labour and Social Policy shall adopt Rules of Organisation and Procedures of the National Advisory Board for Labour Force Vocational Training.

(2) (Amended - SG, issue 60 of 2008, in force as of 04.07.2008) The organisational and technical support of the activities of the National Advisory Board for Labour Force Vocational Training shall be provided by the Ministry of Labour and Social Policy.

**Article 56.** (Amended - SG, issue 95 of 2005, repealed, issue 60 of 2008, in force as of 04.07.2008).

**Article 57.** (1) A study of labour market demand for qualified workforce may be assigned in compliance with the Public Procurement Act.

(2) (Amended - SG, issue 60 of 2008, in force as of 4.07.2008) On an annual basis, the National Employment Action Plan shall determine the means required for investigating

employer demand for qualified workforce, whereby the results of such survey shall be used for planning of adult training organised by the Employment Agency.

**Article 58.** (1) (Repealed - SG, issue 60 of 2008, in force as of 4.07.2008).

(2) Training of individuals under programmes pursuant to Chapter six, Section II of EPA shall be carried out in compliance with the terms and procedures of these Regulations and the procedures adopted for the respective programme.

## **Section II Training of Adults and Vocational Guidance organised by the Employment Agency (Heading amended - SG, issue 60 of 2008, in force as of 04.07.2008)**

**Article 59.** (1) (Repealed - SG, issue 60 of 2008, in force as of 04.07.2008).

(2) (Amended - SG, issue 60 of 2008, in force as of 04.07.2008) Training of adults shall be carried out with the purpose of providing the knowledge and skills required for taking available positions, for meeting future labour market demand for qualified workforce and maintaining the employment of employed individuals.

(3) (Amended - SG, issue 82 of 2004, issue 95 of 2005, issue 60 of 2008, in force as of 04.07.2008) The departments of the Employment Agency shall conclude contracts with the respective training institutions, with the Ministry of Justice through the General Directorate for Execution of Penalties and/or its territorial departments, with the unemployed and with the individuals entitled to early-retirement occupational pension, enrolled in the training.

(4) (New - SG, issue 95 of 2005) The Labour Office Directorate shall organise motivational training for unemployed individuals and/or conclude training contracts with the respective training institution.

**Article 60.** (Amended - SG, issue 82 of 2004, issue 60 of 2008, in force as of 04.07.2008, repealed, **issue 26 of 2012**).

**Article 61.** (Repealed - SG, issue 82 of 2004).

**Article 62.** (1) (Amended - SG, issue 82 of 2004, issue 60 of 2008, in force as of 04.07.2008) The departments of the Employment Agency may organise training of unemployed persons and the individuals listed under Article 63, item 5 of EPA without guaranteed job placement in accordance with lists of professions and key competences suggested by the regional employment authorities in compliance with labour market requirements.

(2) The lists under par. 1 above shall be coordinated by the National Advisory Board for Labour Force Vocational Training and shall be endorsed by the Minister of Labour and Social Policy.

(3) (Amended - SG, issue 82 of 2004, repealed, issue 95 of 2005).

(4) (New - SG, issue 60 of 2008, in force as of 4.07.2008) The Employment Agency shall fund the training of persons serving a custodial sentence without guaranteed job placement upon request by the Ministry of Justice through the General Directorate for Execution of Penalties.

**Article 63.** (Amended - SG, issue 82 of 2004, issue 95 of 2005, issue 60 of 2008, in force as of 04.07.2008) (1) The employer may indicate a training institution which meets EPA requirements or request from the respective Employment Agency department to organise training for attainment of professional qualifications or key competences for unemployed and employed persons pursuant to Article 63, items 1, 3 and 4 of EPA and for individuals under Article 63, item 5 of EPA with the purpose of job placement and job security provided that the employer:

1. has no payable public liabilities;
2. meets the eligibility requirements for grant of aids under the State Aids Act;
3. the individual is registered pursuant to the valid legislation in force;
4. (New - SG, issue 98 of 2010, in force as of 14.12.2010) is not liable for non-performance of valid contracts under programmes, measures and trainings and under projects of the Human Resources Development Operational Programme;

5. (New - SG, issue 98 of 2010, in force as of 14.12.2010) has not received funds from other funding sources for the expenses listed under Article 30a of EPA;
6. (Previous item 4 - SG, issue 98 of 2010, in force as of 14.12.2010) shall create or maintain the employment of all successfully graduating individuals for a period not shorter than 6 months following training completion; with regards to training for professional qualifications, the employer shall create or maintain employment for the specific position for which the person has trained.
- (2) (Amended - SG, issue 98 of 2010, in force as of 14.12.2010) The employer may testify for the circumstances under par. 1, items 1, 2 4 and 5 by means of a written statement and shall be held liable for delivering false data.
- (3) The employer shall submit to the Labour Office Directorate an application for such training in standard form, as approved by the Executive Director of the Employment Agency, together with the declarations and documents certifying the circumstances under par. 1.
- (4) The Cooperation Council shall rank the applications submitted in accordance with the priorities adopted within the municipal development plans and employer workforce demand.
- (5) The list of approved employers shall be published on the notice board of the Labour Office Directorate not later than 7 days following the date of the session of the Cooperation Council.
- (6) The relations between the employer and the respective Employment Agency department shall be regulated by means of a contract.
- (7) The director of Labour Office Directorate shall notify the Cooperation Council in writing of any training contracts aimed at providing and securing employment concluded with employers during the respective month.
- (8) The Employment Agency shall finance training up to the maximum permissible amount of financial resources for training per person as determined within the National Employment Action Plan for the respective year.
- (9) Funding of training of individuals employed in enterprises pursuant to Article 63, item 3 and 4 of EPA shall be carried out with the joint and equal participation of the Employment Agency and the employer. Training of individuals employed in enterprises under full budget support shall not be funded.
- Article 64.** (Amended - SG, issue 82 of 2004, issue 95 of 2005, repealed, issue 60 of 2008, in force as of 04.07.2008).
- Article 65.** (Repealed - SG, issue 95 of 2005).
- Article 66.** (Repealed - SG, issue 95 of 2005).
- Article 67.** (1) (Amended и Suppl.- SG, issue 60 of 2008, in force as of 04.07.2008) The employer may select the unemployed individuals to be enrolled in training for attainment of the professional qualifications or key competences required for the specific positions announced by such employer as available.
- (2) Where the employer fails to exercise its right under par. 1, the selection shall be carried out by the Labour Office Directorate.
- Article 68.** (Amended - SG, issue 60 of 2008, in force as of 4.07.2008) During the period of training, the Employment Agency and the territorial departments thereof shall exercise control over performance of contract obligations.
- Article 69.** (1) (Amended - SG, issue 60 of 2008, in force as of 4.07.2008) In return for participation in adult training courses in compliance with Article 66, par. 3 and 4 of EPA, the relevant departments of the Employment Agency shall provide funds for a study grant, transport and accommodation on the basis of a document, issued by the relevant training institution, certifying attendance and.
- (2) The study grant shall be paid by the relevant Employment Agency department within the month following the month of the training. The study grant for the month of December may be paid during the same month.

(3) (Repealed - SG, issue 60 of 2008, in force as of 04.07.2008).

(4) (New - SG, issue 60 of 2008, in force as of 04.07.2008) The Employment Agency departments shall cover the accommodation and transport costs of enrolled unemployed individuals where training is carried out outside the place of residence of the individuals.

(5) (New - SG, issue 60 of 2008, in force as of 04.07.2008) Where daily transport costs of the trainee are less than daily accommodation costs, the departments of the Employment Agency may, in accordance with the training schedule, cover exclusively daily transport costs.

(6) (New - SG, issue 60 of 2008, in force as of 4.07.2008) The Employment Agency shall conclude a group risk insurance covering trainees for the entire training period.

**Article 70.** (Repealed - SG, issue 95 of 2005).

**Article 71.** (Amended - SG, issue 60 of 2008, in force as of 04.07.2008) (1) Vocational guidance shall be provided with the purpose of assisting individuals, in compliance with their personal profile and individual characteristics, in their choice of profession, suitable training and career development.

(2) Vocational guidance shall be provided in individual and group form.

(3) Vocational guidance shall be provided within Employment Agency departments and/or the information and advisory units thereto, as well as in designated institutions licensed pursuant to the Vocational Education and Training Act (VEDA).

(4) Vocational guidance may be provided for profession from all economic and social fields.

(5) The Employment Agency departments shall provide professional guidance to employed persons and students wishing to work during off-study time and to individuals entitled to occupational pension for early retirement who are not employed.

(6) The Employment Agency departments shall organise vocational training for unemployed individuals or shall conclude vocational guidance contracts with designated institutions licensed under VEDA.

(7) The Employment Agency departments shall select the licensed institution to provide vocational guidance in compliance with the Public Procurement Act, whereby evaluation of the offers submitted shall be on the basis of the criteria for the most economically advantageous offer and the methodology approved by the Minister of Labour and Social Policy.

(8) Vocational guidance provided by designated institutions licensed under VEDA to unemployed individuals referred by Employment Agency departments shall be funded through active policy funds to the amount determined in the National Employment Action Plan for the respective year.

(9) The funds under par. 8 shall be provided as a lump sum for a period of two years for one and the same unemployed person.

(10) (New - SG, issue 98 of 2010, in force as of 14.12.2010) The Employment Agency and the territorial departments thereof shall control the performance of obligations under any vocational guidance contracts concluded.

**Article 72.** (Amended - SG, issue 60 of 2008, in force as of 4.07.2008) Vocational training within group measures may also include presentation of the activities of employers and training institutions related to specific professions.

**Article 73.** The Employment Agency department shall inform, advise and organise by referring unemployed individuals for enrolment in training within the vocational training centres of the Ministry of Labour and Social Policy.

**Article 74.** (Amended and supplemented- SG, issue 95 of 2005, amended, issue 98 of 2010, in force as of 14.12.2010) The Employment Agency department shall provide assistance by informing, advising and referring individuals under Articles 48 and 49 of EPA for training.

**Article 75.** (Amended - SG, issue 60 of 2008, in force as of 4.07.2008) (1) Vocational guidance shall be provided by means of designated information materials and technical means.

(2) The Employment Agency may organise the elaboration of specialized vocational guidance information materials.

## **FOREIGNERS IN THE REPUBLIC OF BULGARIA ACT**

### **Chapter III**

#### **STAY OF FOREIGNERS IN THE REPUBLIC OF BULGARIA**

**Article 22.** (1) Stay of foreigners in the Republic of Bulgaria shall only be admissible on the grounds of:

1. (amended, SG No. 29/2006) a visa issued under Article 9a, paragraph 2 herein;
2. international agreements on visa-free travel or on alleviated visa regulations;
3. a permission of the services charged with exercising administrative control over foreigners.

(2) (Amended, SG No. 29/2006) As an exception when this is required by the national interest or by force majeure the services for administrative control of foreigners may extend the terms of residence of a foreigner beyond the one permitted by the visa under a procedure specified by the Regulation on the Implementation of this Act.

(3) With regard to foreigners enjoying diplomatic and consular immunity, the permission as per paragraph (2) above shall be granted by the Ministry of Foreign Affairs.

(4) (New, SG No. 109/2007) The permission as per paragraph 1 item 3 shall be issued subject to a written statement on behalf of the State Agency for National Security.

**Article 23.**(Supplemented, SG No. 52/2007, amended, SG No. 9/2011) (1) Foreigners shall reside in the Republic of Bulgaria:

1. on a short-term basis - for up to 90 days from the date of entry into Bulgaria; the term may be prolonged once by the foreigners administrative control services for reasons of a humanitarian nature;
2. on a prolonged basis - where the period authorised is up to one year;
3. on a long-term basis - where the initial period authorised is 5 years, with a possibility of renewal after the submission of an application;
4. on a permanent basis - where the period authorised is unlimited.

(2) The periods referred to in Paragraph 1 shall not apply to foreigners who have been granted protection under the *Asylum and Refugees Act*.

#### **Article 24.**

(1) (Amended, SG No. 29/2007) A long-term residence permit may be granted to foreigners who possess a visa under Article 15, paragraph 1 and:

1. (amended, SG No. 42/2001, SG No. 112/2001) are willing to work under an employment agreement, having been granted a work permit by the authorities of the Ministry of Labour and Social Policy;
2. (amended, SG No. 42/2001, supplemented, SG No. 37/2003, SG No. 9//2011) engage in commercial activities in Bulgaria according to the statutory procedure and at least ten jobs for Bulgarian citizens have been created as a result of the said activities and maintained during the period of stay, unless otherwise agreed in an international treaty which has been ratified, promulgated and entered into force for the Republic of Bulgaria;
3. (repealed, SG No. 9/2011) ;
4. are foreign specialists staying in this country in accordance with international agreements to which the Republic of Bulgaria is a party;
5. (amended, SG No. 29/2007) have grounds to be permitted permanent residence, or have contracted a marriage with a foreigner permanent resident in Bulgaria;
6. (amended, SG No. 42/2001) serve as the representatives of foreign companies duly registered with the Bulgarian Chamber of Commerce and Industry;
7. (supplemented, SG No. 37/2003) are well-provided parents of legal permanent resident foreigners in this country or of a Bulgarian citizen;



8. (amended SG No. 70/2004) have been admitted to a medical establishment for continued treatment and have sufficient funds to pay for such treatment and to provide for themselves;
  9. are foreign mass-media correspondents with accreditation to the Republic of Bulgaria;
  10. are secured by a pension and have adequate means of support in this country;
  11. (Amended, SG No. 37/2004, repealed, SG No. 9/2011);
  12. (repealed, SG No. 42/2001);
  13. (Amended, SG No. 42/2001) are members of the family of a foreigner who has been granted a prolonged-stay permit;
  14. (New, SG No. 42/2001, amended, SG No. 37/2003, amended, SG No. 63/2005, effective 1.01.2006, SG 29/2007) are the parents of a foreigner or are de facto cohabitantes of a foreigner who has been granted a prolonged-stay permit in pursuance of Article 22, paragraph 3 herein;
  15. (new, SG No. 42/2001, amended, SG No. 112/2001) are willing to work on a free-lance basis, having been granted a permit by the authorities of the Ministry of Labour and Social Policy in pursuance of Article 24a;
  16. (new, SG No. 112/2001, supplemented, SG No. 109/2007) are willing to engage in not-for profit activities, having been granted a permit by the Ministry of Justice under terms and conditions set out in a Regulation issued by the Minister of Justice in consultation with the Minister of Interior and with the Chairperson of the State Agency for National Security;
  17. (new, SG No. 29/2007) have been granted a special protection status under Article 25 of the Combating Trafficking in Human Beings Act ;
  18. (New, SG No. 29/2007, amended, SG No. 9/2011) are members of the family of a Bulgarian citizen under Article 2, Paragraph 6.
- (2) (Amended, SG No. 9/2011) To obtain a prolonged-stay permit, persons shall have a residence secured, mandatory health insurance, means of subsistence sufficient not to resort to the national social assistance system and amounting to at least the minimum national monthly salary or the minimum national pension under the laws of the Republic of Bulgaria for the period of stay. Upon the initial submission of a residence permit application, persons aged 18 or more, except for those holding no citizenship, shall also present a certificate of previous convictions issued by the state whose citizens they are or by their country of usual residence.
- (3) (New, SG No. 63/2005, amended, SG No. 9/2011) A prolonged-stay permit application shall be considered within 14 days from the date of its submission. In legally and factually complicated cases and in case additional documents need to be presented, such time-limit may be prolonged by one month. The permit issuance procedure shall be specified in the Regulation on the Implementation of this Act.
- (4) (New, SG No. 21/2012) In the case of foreigners applying pursuant to Paragraph 1, Item 17, no visa under Article 15, Paragraph 1 shall be required.

#### **Article 24a**

(New, SG No. 42/2001, amended, SG No. 112/2001)

(1) (Supplemented, SG No. 37/2003) Any foreigner, who wishes to reside on a prolonged basis within the territory of the Republic of Bulgaria for the purpose of working on a freelance basis, may receive a long-term residence visa or a prolonged-stay permit, provided that such a foreigner satisfies the statutory requirements for entry into and residence in Bulgaria and presents the following documents to the diplomatic missions or consular posts or to the foreigners administrative control services, as the case may be:

1. An application following a sample format;

2. A permit to exercise a free lance profession;

(2) Permits to exercise free lance profession shall be issued by the authorities of the Ministry of Labour and Social Policy.

(3) (Amended and supplemented, SG No. 109/2007) The terms and procedure for the issuance, denial or withdrawal of permits to exercise free lance professions to foreigners shall be established in a Regulation issued by the Minister of Labour and Social Policy in co-

ordination with the Minister of Interior, the Minister of Finance and the Chairperson of the State Agency for National Security.

(4) No visa for a continued stay for the purposes of free lancing shall be issued to foreigners in the cases set out under Article 24, paragraph (1), subparagraphs (1) through (13) and (16).

(5) Foreigners meeting the statutory requirements for exercising the respective free lance profession shall be exempted from the issuance of a permit, where this is provided in an international agreement to which the Republic of Bulgaria is a signatory.

#### **Article 24b**

(New, SG No. 63/2007)

(1) A prolonged-stay permit may also be issued to foreigners in possession of visas pursuant to article 15 (1) and work as researchers under an exchange agreement with a research organisation whose seat is in the Republic of Bulgaria in relation to research projects, provided that the said organisation is registered on the list of research organisations in the sense of Council Directive 2005/71/EC on the specific procedure for admitting third-country nationals for the purposes of scientific research.

(2) The prolonged-stay permit shall be issued to persons under paragraph 1 for a period of one year and shall be extended if there are grounds for its repeated issuance. If the duration of the relevant research project is less than a year, the residence permit shall be issued for a period corresponding to the project duration.

(3) A foreigner entitled to receive a prolonged-stay permit in the Republic of Bulgaria pursuant to paragraph 1 must submit a valid foreign travel document to the controlling administrative bodies and must also file:

1. a model application;
2. a document certifying the payment of stamp duty under Tariff No. 4 on fees collected in the system of the Ministry of Interior pursuant to the Stamp Duty Act;
3. a photo copy of the travel document pages containing the photograph and the personal data of the holder, the entry visa and the most recent entry stamp into the country;
4. written evidence of a secured temporary residence in the country for the duration of the stay;
5. a certified copy of the exchange agreement with the research organisation legally registered in the Republic of Bulgaria.

(4) (New, SG No. 21/2012) Researchers shall be issued a prolonged-stay permit subject to the requirements of Article 24, Paragraph 2.

(5) (Renumbered from Paragraph 4, SG No. 21/2012) The application shall be reviewed and ruled upon within 7 business days and the foreigner shall be notified about the decision in writing.

(6) (New, SG No. 13/2008, amended, SG No. 74/2009, renumbered from Paragraph 5, SG No. 21/2012) The terms and procedure for inclusion of research organisations whose seat is in the Republic of Bulgaria in the list referred to in Paragraph (1) shall be established by an ordinance of the Minister of Education, Youth and Science.

(7) (New, SG No. 21/2012) A prolonged-stay permit may also be granted to members of the family of a researcher pursuant to Article 24, Paragraph 1, Item 13 for a period of validity corresponding to the period of validity of the researcher's permit.

(8) (New, SG No. 21/2012) A foreigner admitted as a researcher in another Member State may perform part of his/her research within the Republic of Bulgaria for a period of up to three months based on the exchange agreement concluded in the first Member State, which he/she shall produce before the foreigners administrative control services, along with a valid residence permit issued by the first Member State. The foreigner shall have means of subsistence sufficient for him/her not to resort to the national social assistance system and amounting to at least the minimum national salary or the minimum national pension according to the laws of the Republic of Bulgaria, for the period of his/her stay.

(9) (New, SG No. 21/2012) A foreigner admitted as a researcher in another Member State may perform part of his/her research within the Republic of Bulgaria for a period longer than three months. In such case he/she shall be issued a prolonged-stay permit subject to the conditions of Paragraphs 3 and 4.

#### **Article 24c**

(New, SG No. 9/2011)

(1) A prolonged-stay permit may also be granted to foreigners holding a visa under Article 15, Paragraph 1 who have been admitted as full-time students at a higher education establishment, students admitted in the secondary education system in the territory of Bulgaria within an exchange programme, or as interns without remuneration.

(2) A foreigner already admitted as a student in a European Union Member State who applies for pursuing part his/her course of study or for supplementing it with a related course in the Republic of Bulgaria shall be issued a prolonged-stay permit the period whereof shall be determined by the duration of study.

(3) The procedure of issuance of the permits referred to in Paragraphs 1 and 2 shall be specified in the Regulation on the Implementation of this Act.

#### **Article 24d**

(New, SG No. 9/2011)

**(1) Long-term resident status shall be granted to any foreigner who has legally and continually resided in the territory of the Republic of Bulgaria for 5 years prior to submitting the application for permission to stay on a long-term basis. After the long-term resident status is obtained, it shall be permanent, insofar as no grounds for its withdrawal under Article 40 have arisen.**

(2) The periods of stay of the persons referred to in Article 22, Paragraph 3 and of those staying exclusively on grounds of a temporary nature as employees under au pair programmes, seasonal workers, providers of cross-border services, workers or employees seconded by a service provider for the provision of cross-border services, or where their residence permit is formally restricted, shall not be taken into account in the calculation of the period of stay referred to in Paragraph 1.

(3) In the calculation of the period of stay referred to in Paragraph 1, only half of the length of foreigners' stay as university students, school students or interns on the authority of Article 24c shall be counted.

(4) The periods of absence from the territory of the Republic of Bulgaria shall not count as discontinuations of the period referred to in Paragraph 1 and shall be included in it, provided that they are shorter than 6 consecutive months and do not exceed a total of 10 months over the 5-year period.

(5) To obtain long-term resident status, a foreigner shall furnish evidence that he/she has means of subsistence sufficient for him/her and the members of his/her family not to resort to the national social assistance system and amounting to at least the minimum national salary or the minimum national pension, and that he/she holds mandatory health insurance for the period of stay in accordance with the laws of the Republic of Bulgaria.

(6) The competent body of the Ministry of Interior shall adopt a decision on an application for long-term resident status within three months after its submission. In legally and factually complicated cases and in case additional documents need to be presented, such time-limit may be prolonged by two months.

(7) When a foreigner is granted long-term resident status, he/she shall be provided with information on the rights and obligations arising from such status.

(8) The procedure for consideration of the application shall be specified in the Regulation on the Implementation of this Act.

#### **Article 24e**

(New, SG No. 9/2011)

(1) A foreigner who has been granted long-term resident status shall be issued a European Union long-term residence permit. The period of validity of such permit shall be 5 years, and shall be renewable upon expiry, after an application is submitted. The expiry of the period of validity of a European Union long-term residence permit does not constitute grounds for withdrawal or loss of such status.

(2) A European Union long-term residence permit shall be issued based on a personally submitted application. The permit shall be issued in accordance with the requirements of Council Regulation (EC) No 1030/2002 of 13 June 2002 laying down a uniform format for residence permits for third-country nationals. In the "permit type" field, "EU long-term residence" shall be noted.

#### **Article 24f**

(New, SG No. 9/2011)

(1) Members of the family of a foreigner residing on a long-term basis may obtain prolonged-stay permits with a period of validity of one year and a renewal possibility, without the long-term resident's authorised period of stay being exceeded thereby.

(2) For family members to be issued residence permits, the requirements of Article 24, Paragraph 2 shall be satisfied.

(3) (Effective 1.06.2011 as regards the second sentence - SG No. 9/2011) After the spouse of a foreigner residing in Bulgaria and his/her children who have come of age have stayed in the territory of the Republic of Bulgaria for 5 years, and provided that they have not obtained residence permits for reasons other than family reunification, they shall have the right to obtain long-term residence permits of their own, independently of that of the foreigner residing in Bulgaria, provided that the grounds referred to in Article 24d are present. When the period of stay of the members of the family of a holder of an EU Blue Card is calculated, the stay in different Member States may be cumulatively counted in accordance with the provisions of Article 33m, Paragraph 1.

(4) In case of marriage dissolution, the children of a long-term resident and the other parent shall be entitled to prolonged-stay permits of their own, provided that they satisfy the requirements of Article 24, Paragraph 2, and where the children are enrolled at a school within the national educational system or at a higher education establishment, until the end of the school year or until the course of study is completed.

(5) The procedure for issuance of the permit referred to in Paragraphs 1 - 4 shall be specified in the Regulation on the Implementation of this Act.

#### **Article 24g**

(New, SG No. 9/2011)

(1) In the cases referred to in Article 40, Paragraph 1, Items 6, 9 and 11, entitlement to long-term residence in the Republic of Bulgaria may be reinstated in accordance with a simplified procedure regulated by the Regulation on the Implementation of this Act.

(2) The procedure referred to in Paragraph 1 shall only apply to the persons referred to in Article 40, Paragraph 1, Item 9 who have stayed in the second Member State for study purposes.

#### **Article 24h.**

(New, SG No. 21/2012)

(1) A prolonged-stay permit may also be granted to illegally staying foreigners who are involved in pending administrative or criminal proceedings instituted under Article 227, Paragraphs 3 and 5 of the Criminal Code, until the proceedings are closed.

(2) The period of stay permitted under Paragraph (1) shall not be taken into account in the calculation of the period of stay with a view to permitting permanent or long-term residence.

#### **Article 25**

**(1) (Previous Article 25, SG No. 36/2009) A permanent residence permit may be granted to foreigners:**

1. (amended, SG No. 9/2011) of Bulgarian origin;
2. (amended, SG No. 29/2006, supplemented, SG No. 9/2011) five years after contracting a marriage with a foreigner residing in Bulgaria on a permanent basis, provided that they have legally and continually resided in the territory of Bulgaria for 5 years;
3. (amended, SG No. 29/2007) minor or underage children of a foreigner permanent resident in Bulgaria, who have not married;
4. (amended, SG No. 42/2001) who are parents of a Bulgarian citizen, when they provide him with the alimony due under the law, and in cases of recognition or adoption, after the expiration of three (3) years of the recognition or adoption;
5. (amended, SG No. 29/2006, repealed, SG No. 9/2011);
6. (amended, SG No. 11/2005, SG No. 36/2009) who have invested in Bulgaria more than BGN 1,000,000 or increased their investment by such an amount by acquisition of:
  - a) shares of Bulgarian commercial corporations traded in a regulated Bulgarian market;
  - b) bonds and treasury bills, as well as derivative instruments thereof, issued by the State or the municipalities, with at least 6 months to maturity;
  - c) title to a separate part of the property of a Bulgarian commercial corporation wherein the State or the municipalities hold more than 50 percent of the capital in accordance with the **Privatisation and Post-Privatisation Control Act**;
  - d) shares in a Bulgarian commercial corporation held by the State or the municipalities in accordance with the **Privatisation and Post-Privatisation Control Act**;
  - e) Bulgarian intellectual property - objects of copyright and neighbouring rights, patent-protected inventions, utility models, trademarks, service marks and industrial design;
  - f) rights under concession contracts within the territory of the Republic of Bulgaria;
7. (new, SG No. 36/2009) who have invested the amount referred to in item 6 in a licensed Bulgarian credit institution under a trust agreement the term whereof is at least 5 years;
8. (new, SG No. 36/2009) who have invested at least BGN 6,000,000 in the capital of a Bulgarian commercial corporation the shares whereof are not traded in a regulated market;
9. (new, SG No. 42/2001, renumbered from Item 7, SG No. 36/2009) who are not persons of Bulgarian descent born within the territory of the Republic of Bulgaria, have lost the Bulgarian citizenship thereof under emigration agreements or at their own will, and wish to settle lastingly within the territory of Bulgaria;
10. (new, SG No. 37/2003, renumbered from Item 8, SG No. 36/2009) who entered, resided, or were born within the territory of the Republic of Bulgaria prior to the 27th day of December 1998, and whose parent has contracted a civil marriage with a Bulgarian citizen;
11. (new, SG No. 29/2007, renumbered from Item 9, SG No. 36/2009) members of the family of a Bulgarian citizen if they have resided without interruption on the territory of the Republic of Bulgaria in the last five years;
12. (new, SG No. 9/2011) who, by 27 December 1998, entered the territory of the Republic of Bulgaria, reside therein and have not left it, or were born in the territory of the Republic of Bulgaria and are not recognised as citizens of the former Soviet republics; the requirement of Article 15, Paragraph 1 shall not apply to this category of persons;
13. (new, SG No. 9/2011) who pursue business and are certified in accordance with the procedure provided for in the Investment Promotion Act;
14. (new, SG No. 43/2011, effective 15.06.2011) minors who have been born and abandoned in Bulgaria by their parent/s (foreign nationals) and then accommodated in a

**child care institution or another alternative social service residence facility as a protection measure;**

**15. (new, SG No. 43/2011, effective 15.06.2011) minors who have been abandoned in Bulgaria by their parent/s (foreign nationals) and then accommodated in a child care institution or another alternative social service residence facility as a protection measure.**

**(2) (New, SG No. 36/2009, amended, SG No. 9/2011, SG No. 43/2011, effective 15.06.2011) The procedure for ascertainment of the circumstances and conditions referred to in Paragraph 1 shall be determined in the Regulation on the Implementation of this Act.**

**(3) (New, SG No. 9/2011) The competent body of the Ministry of Interior shall adopt a decision on an application for a permanent residence permit within three months after its submission. In legally and factually complicated cases and in case additional documents need to be presented, such time-limit may be prolonged by two months. The permit issuance procedure shall be specified in the Regulation on the Implementation of this Act.**

#### **Article 25a**

(New, SG No. 42/2001)

Authorisation for stay in the Republic of Bulgaria, without fulfilment of the requirements under this Act, may be granted to foreigners who have merits to the Republic of Bulgaria in the public and economic sphere, in the area of national security, science, technology, culture or sports.

#### **Article 25b**

(New, SG No. 52/2007, amended, SG No. 9/2011)

(1) Where the requirements of this Act are not satisfied, the right to stay in the Republic of Bulgaria may still be granted to the members of the family of a foreigner who, subject to the terms and conditions and in accordance with the procedure provided for in the Asylum and Refugees Act, has been:

1. granted asylum or refugee status;
2. granted humanitarian status;
3. granted temporary protection.

(2) The family members referred to in Paragraph 1 shall be issued prolonged-stay permits after a family reunification permission is issued subject to the terms and conditions and in accordance with the procedure provided for in the Asylum and Refugees Act. The residence permit shall be valid for a period of one year, whereafter it may be renewed, provided that the foreigner's period of stay is not exceeded.

#### **Article 26**

(1) (Redesignated from Article 26, SG No. 42/2001, amended, SG No. 9/2011, SG No. 39/2011, effective 15.06.2011) Issuance of a residence permit or extension of the period of stay shall be refused in the cases referred to in Article 10, Paragraph 1, Items 1 - 4, 6 - 11, 14, 16, 19 - 23.

(2) (New, SG No. 42/2001, amended, SG No. 36/2009) Issuance of a residence permit or extension of the period of stay in Bulgaria shall be refused to any foreigner found not to satisfy the requirements referred to in Article 24, Articles 24a - 24d, Article 24f, Article 25, Article 25b, Article 33a, Article 33d and Articles 33k - 33m.

(3) (New, SG No. 42/2001, supplemented, SG No. 37/2003) Issuance of a residence permit or extension of the period of stay shall be refused to any foreigner who has married a Bulgarian citizen or a foreigner or who has been adopted by a Bulgarian citizen or by a foreigner holding a residence permit if there are reasons to believe that the marriage was contracted or the adoption was made solely for the purpose of circumventing the standards regulating the

regime applicable to foreigners in the Republic of Bulgaria, and of obtaining a residence permit.

(4) (New, SG No. 42/2001, amended and supplemented, SG No. 9/2011) The foreigners administrative control services shall determine whether to refuse the permit under Paragraph (3) on the basis of information inviting a reasoned conclusion that the marriage has been contracted or the adoption made for the sole purpose of circumventing the standards regulating the regime applicable to foreigners in the Republic of Bulgaria, and of obtaining a residence permit. The following shall qualify as such information:

1. (Supplemented, SG No. 9/2011) the fact that the spouses or the person adopted and the adopter do not live together;
2. the lack of contribution to the obligations ensuing from the marriage;
3. the fact that the spouses did not know each other prior to contracting the marriage;
4. (Supplemented, SG No. 9/2011) the giving of conflicting information regarding personal data of the other spouse or the person adopted (name, address, nationality, profession), regarding the circumstances of the acquaintance thereof, or regarding other important personal information;
5. (Supplemented, SG No. 9/2011) the fact that the spouses or the person adopted and the adopter do not speak a language that they both understand;
6. the payment of a sum of money for contracting a marriage beyond the customary dowry;
7. (Supplemented, SG No. 9/2011) the existence of previous marriages contracted or adoptions made for the purpose of circumventing the standards regulating the regime applicable to foreigners.
8. (New, SG No. 9/2011) the fact that the marriage was contracted or the adoption made after the foreigner obtained a residence permit.

(5) (New, SG No. 42/2001, amended, SG No. 37/2003) The information covered under Paragraph (4) may be derived from interviews conducted by officers of the foreigners administrative control services, from statements made by the parties concerned or by third parties, from documents, or from checks and investigations performed by government authorities. The foreigners administrative control services shall be obligated to give the parties concerned a hearing.

(6) (New, SG No. 9/2011, effective after the entry into force of the decision of the Council of the European Union on the full application of the provisions of the Schengen acquis by the Republic of Bulgaria) In the cases referred to in Article 10, Paragraph 1, Item 19, a residence permit may be issued for reasons of a humanitarian nature or for reasons related to the observance of international obligations after consultations with the Member State which issued the alert for the purposes of refusing entry.

(7) (New, SG No. 9/2011) In case a foreigner or the members of his/her family contract any illness after the initial issuance of a residence permit pursuant to Chapter Three "a", or after the issuance of residence permits to the members of the family of a foreigner for reasons of family reunification, that may not be regarded as a reason to refuse extension of the period of stay.

(8) (New, SG No. 9/2011) A refusal to grant long-term resident status may not be based on the circumstances referred to in Article 10, Paragraph 1, Item 8. When refusal to grant long-term resident status is considered, the length of the foreigner's stay in the Republic of Bulgaria, his/her age, health status, family status, social integration and existing relations in Bulgaria or the lack of relations with the country of origin shall be taken into account.

(9) (New, SG No. 9/2011) A refusal to issue a residence permit or extend the period of stay shall be substantiated and announced to the interested parties and may be contested in accordance with the procedure provided for in the *Code of Administrative Procedure*.

#### **Article 26a**

(New, SG No. 37/2003, amended, SG No. 11/2005, repealed, SG No. 63/2005).

## **Article 27**

(1) (Amended, SG No. 29/2006) Any foreigners, who have entered Bulgaria on a certain ground, shall be refused extension of the duration of residence on another ground, with the exception of cases when this is required by the national interest and under force majeure.

(2) The duration of stay of foreigners shall only be extendible up to six (6) months prior to the expiration of their national foreign-travel documents' validity.

## **Article 27a**

(New, SG No. 42/2001, supplemented, SG No. 28/2008)

Government authorities which, pursuant to a statutory act, perform registration of foreigners, or of activities performed by foreigners, shall be obligated to check the type and grounds of visas issued to foreigners. In the event of establishing a discrepancy between the required registration and the type and grounds of the visa issues, registration shall not be made and the services exercising administrative control of foreigners and the State Agency for National Security shall be notified immediately.

## **Article 27b**

(New, SG No. 42/2001)

(1) Officials who, as a result of the duties performed by them, have established a change in the legal status or the activity of foreigners, must notify thereof the services exercising administrative control of foreigners immediately.

(2) (Supplemented, SG No. 9/2011) In the cases of forfeiture or termination of the entitlement of a foreigner to permanent or long-term residence, the foreigners administrative control services shall immediately notify the civil registration authorities.

## **Article 28**

(Amended, SG No. 42/2001)

(1) (Amended, SG No. 37/2003, SG No. 11/2005, repealed, SG No. 63/2005, effective 1.01.2006)

(2) (Repealed, SG No. 63/2005, effective 1.01.2006).

(3) (Supplemented, SG No. 37/2003, amended, SG No. 11/2005, SG No. 36/2009) Any natural or legal person who or which has provided accommodation to a foreigner shall notify in writing the service for administrative control of foreigners or the precinct department of the Ministry of Interior exercising jurisdiction over the whereabouts thereof within five days after providing such accommodation, stating the full name, date of birth, citizenship, and number and series of identity document of the foreigner.

(4) (Amended, SG No. 36/2009) Any hotelier or an employee thereof shall register a foreigner in a special register immediately upon accommodation. Information regarding the foreigners accommodated shall be provided by such person daily not later than 6:00 hours at the service for administrative control of foreigners or at the precinct department of the Ministry of Interior exercising jurisdiction over the location of the hotel.

(5) (New, SG No. 37/2003, repealed, SG No. 63/2005, effective 1.01.2006).

(6) (Renumbered from Paragraph (5), SG No. 37/2003, repealed, SG No. 63/2005, effective 1.01.2006).

(7) (Renumbered from Paragraph (6) and amended, SG No. 37/2003, amended, SG No. 63/2005, effective 1.01.2006) The stay in the Republic of Bulgaria of the persons referred to in Article 18 (2) and in Item 14 of Article 24 (1) herein shall not be assimilated to the duration required to obtain a permanent residence permit or to acquire Bulgarian citizenship by naturalisation.

## **Article 28a**

(New, SG No. 42/2001)

(1) (Amended, SG No. 54/2002) A foreigner who has not completed 18 years of age, who has entered this country on legal grounds unaccompanied by an escort: a parent or another person of legal age who is responsible for him under statutory provisions or common practice, or has



done so with an escort but has been abandoned by him and who has not requested protection under the *Asylum and Refugees Act*, may be granted an extension of the duration of stay on the territory of the Republic of Bulgaria.

(2) The state Agency for Child protection shall provide, temporarily, any foreigners under paragraph (1) with the material support and care necessary to meet their basic sustenance needs, medical care and due guardianship, including legal assistance and representation, and with access to free-of charge education at Bulgarian state and municipal schools, until the final settlement of the matter of their stay in this country but not after they have completed 18 years of age.

(3) (Supplemented, SG No. 9/2011) In the cases where any foreigners referred to in Paragraph (1) are not granted extension of the duration of residence within the territory of the Republic of Bulgaria, the said foreigners shall be returned to a member of their family, to an appointed guardian or to appropriate reception centres in the country of origin thereof, to a third country ready to admit them, or to a country obliged to admit them by virtue of an agreement on delivery and re-admission with the Republic of Bulgaria, subject to the condition that the life and freedom thereof are not jeopardised and they are not endangered by persecution, torture, or inhuman or degrading treatment in such a country.

#### **Article 29**

(1) (Previous Article 29, SG No. 36/2009, amended, SG No. 9/2011) Foreigners residing in the Republic of Bulgaria on a prolonged, long-term or permanent basis shall certify their identity according to a procedure established by law.

(2) (New, SG No. 36/2009, amended, SG No. 9/2011) Foreigners residing in the Republic of Bulgaria on a prolonged, long-term or permanent basis, including those who have lost their citizenship, shall certify their right to reside in the Republic of Bulgaria by a residence permit in accordance with the requirements of Council Regulation (EC) No 1030/2002 of 13 June 2002 laying down a uniform format for residence permits for third-country nationals.

(3) (New, SG No. 9/2011) To obtain a prolonged-stay, long-term or permanent residence permit, a foreigner shall hold a national travel document valid for at least 6 months from the date of submission of the residence permit application.

(4) (New, SG No. 36/2009, renumbered from Paragraph 3, SG No. 9/2011) The procedure for issuance of residence permits as referred to in paragraph 2 shall be determined by an act of the Council of Ministers.

#### **Article 30**

The loss or destruction of an foreigner's valid foreign-travel documents, or substitute papers, must be reported immediately to the services exercising administrative control over foreigners.

#### **Article 31**

(1) A foreigner's foreign-travel documents may be temporarily detained:

1. by the competent bodies of the judiciary when penal proceedings have been instituted because of a crime commission;
2. by the competent officers in the event of the foreigner's commitment to an institution for imprisonment of convicted persons;
3. by the Ministry of Interior's authorities when there is reasonable doubt that the documents are counterfeit or forged;
4. by the Ministry of Interior's authorities in the event that an order has been issued prescribing expulsion, forcible taking under escort to the border, or extradition from this country;
5. (repealed, SG, No. 29/2007);
6. by the Ministry of Interior's authorities in all events where foreigners have been forcibly sent back from another country.

(2) In all cases stipulated under paragraph (1), subparagraphs 1, 2 and 3 above, the officials detaining a foreigner's documents shall draw up a written statement on the basis whereof the services exercising administrative control over foreigners shall issue a temporary document certifying the person's identity.

(3) A detained foreign-travel document shall be returned to the concerned foreigner when the grounds for its temporary detention are no more existent.

(4) Foreign-travel documents of foreigners enjoying diplomatic immunity in the Republic of Bulgaria shall not be subject to detention, unless otherwise provided in the international treaties whereto the Republic of Bulgaria is a signatory.

#### **Article 32**

Foreign-travel documents of foreigners shall not be given or accepted as security by pledge, nor shall they be given into another's keeping for temporary use.

#### **Article 33**

(1) (Supplemented, SG No. 9/2011) Any foreigners who have been permitted long-term or permanent residence in the Republic of Bulgaria and the members of the family of a foreigner holding a long-term residence permit may take up employment according to the procedure established for Bulgarian citizens.

(2) (Amended, SG No. 43/2011, effective 15.06.2011) Any foreigners who reside within the territory of the Republic of Bulgaria on a short-term or a prolonged basis may perform work under an employment relationship or on a secondment basis only after obtaining a permit or registration from the authorities of the Ministry of Labour and Social Policy.

(3) (Amended, SG No. 43/2011, effective 15.06.2011) Any foreigners who have been granted a work permit or registration under Paragraph 2 may carry out employment activities only for the relevant employer or local person and for the period specified in the work permit or registration.

### **2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

Employment and training programmes aim to resolve specific labour market issues. They regulate discrepancies between workforce supply and demand, provide employment, and, where necessary – training, to individuals from disadvantaged groups on the labour market who have poor opportunities of finding employment on their own (young people up to 29 years of age, unemployed people over 50 years of age, unemployed people without education and qualifications and discouraged unemployed persons). A total of 87251 individuals were enrolled in different programmes throughout the year - 17419 (16.6%) less than in 2007. An average of 48325 individuals per month - 6766 (12.3%) less than in the preceding year, worked under the programmes. This reduction in the number of people enrolled and working under different programmes is due mainly to the reduced number of individuals enrolled and working under the National Programme “From Social Welfare to Employment” (NP FSWE) which continues to decrease each year.

In 2008, within the context of the concept for increased flexibility and security of the labour market, the Employment Agency implemented 27 programmes and 22 measures under the Employment Promotion Act (EPA). This multitude of active policy instruments allows provision of support to the unemployed which is tailored to their individual life situations and needs. For a large number of unemployed from *disadvantaged groups in the labour market*, subsidized employment is their only opportunity to participate in the labour process, to acquire professional skills and habits and consequently to seek employment on the primary labour market.

The programmes can be grouped in several directions:

### **Programmes and projects aimed at the youth**

The designated project, **commencing** in 2008 and aimed entirely at the training of unemployed young people, is **“Youth employment – a guarantee for the future”**. The purpose of the project is to motivate and stimulate unemployed and discouraged people up to 29 years of age for professional fulfilment, to stir economic activity in the municipalities and to activate the local labour market, as well as to promote mobility and improved competitiveness of the unemployed by increasing the awareness for the need of qualifications and life-long learning. A total of 1366 unemployed young people were involved in the project during the year.

**The “Career Start” Programme** assists young people with higher education but no work experience in their line of education to commence work in public administration (central departments, district and municipal administrations) immediately after graduation and thus to obtain the knowledge and experience required by employers in this field. An average of 394 young people per month worked under the programme, while the number of newly enrolled individuals is 282.

Year 2008 saw **the amendment and supplementation of the project for early school leavers** – the addition of two new activities: inclusion of a 6-month training practice for those who have successfully completed training for professional qualifications and have been enrolled in an apprenticeship programme as per the provisions of Article 55d of the Employment Promotion Act (EPA). On the whole, the project aims to achieve social adaptation and increase the employability of unemployed young people who have dropped out of school before completing their primary or secondary education. Throughout the year, the project has provided training opportunities for attainment of professional qualifications and/or key competences, for traineeships and apprenticeships under the supervision of a mentor, for 107 young people.

### **Programmes and projects supporting people with disabilities:**

Good results and a significant social impact towards improvement of the quality of life for people with disabilities are demonstrated by the *National Programme “Assistants to people with disabilities”*. The programme provides family type care for people with permanent disabilities or very ill people who live alone, while at the same time providing employment to unemployed people as personal and social assistants. A total of 13023 people were involved throughout the year, who, given the type of work, were almost 70% women. An average of 10351 individuals were employed per month, taking care of 12282 individuals.

**The national programme for employment and training of people with permanent disabilities** is addressed towards registered unemployed people with permanent disabilities or individuals of working age who have successfully undergone treatment for drug addictions – one of the most disadvantaged groups on the labour market. The programme provides employment and training of beneficiaries as a prerequisite for overcoming their social isolation and for their adequate integration into society. In 2008, an average of 2011 individuals per month worked under the programme, which is almost twice more than in the preceding year, with 1588 new unemployed persons enrolled (31.1% more than in 2007).

### **Programmes and projects aimed at promoting employment and increasing employability**

**The national programme entitled “From Social Welfare to Employment”** (NP “FSWE”) continues as the largest-scale programme despite the gradual restriction of its scope over the last few years. The programme accomplishes one of the main objectives of social policy – providing employment to, and achieving social integration of, the unemployed who receive monthly social benefits, for whom such assistance is the only opportunity to work and earn their income. In 2008, the Programme involved 52586 unemployed people which

amounts to 60.3% of individuals covered by all programmes. A little over half of those covered by the Programme are women (51.3%), young people up to 29 years of age constitute 13.5%, unemployed people over 50 years of age constitute 34.6%, while long-time unemployed individuals constitute 36.0%.

On average, 27451 individuals per month were employed under the programme during the reviewed period. Of those, 22769 worked under approved projects and 4682 were engaged in emergency activities. The structure of those working under approved projects follows the trend for the largest relative share (50.5%) of unemployed involved in the so-called 'hourly activities'. Of those, 4629 were involved in social activities and the remaining portion – in activities related to security (including security protection of rural terrains), maintenance of buildings and installations, protection of monuments of culture, environmental police and environmental patrol, etc. Sustainable activities (construction and repair works, forestation, landscaping and agricultural activities) involved an average of 9898 individuals per month, while public utilities and services – 1373 individuals.

*National programme “Assistance for retirement”* provides employment and retirement aid for unemployed people who are 5 points short from the eligible sum of length of contributory service and age, entitling to retirement pension, assists for alleviation of social tension and for professional fulfilment of those unemployed who are at a disadvantaged position in the labour market. In 2008, a monthly average of 3554 individuals worked under this programme – 903 less than in 2007. The number of newly enrolled unemployed for the year is 368.

*National programme “Restoration and protection of the Bulgarian forest”* **commenced** in the beginning of 2008. It aims to provide employment and social integration, to enhance the skills and qualifications of the unemployed by opening positions in restoration activities, protection of the state forest stock and improvement of the environmental situation in the country. Throughout the year, an average of 1663 unemployed persons per month worked under the programme, with the largest part – 1507 – being involved in forestry activities. The number of newly involved unemployed persons under the programme is 3088 (of whom 2781 – in forestry activities).

*National programme “In support of motherhood”* is connected to one of the key lines of activity in the state policy for promotion of employment – promotion of the participation of women in the labour market and reduction of gender gaps in unemployment. The **amendments and supplementations** of the programme, in force as of 2008, allow the involvement not only of unemployed individuals but also of individuals who have obtained occupational early-retirement pension and retirement pension and who have registered with the Labour Office Directorates of the Employment Agency. The programme's objectives are to promote employment and professional development for women by ensuring child care in order to provide a better personal/professional life balance by simultaneously creating employment for job seekers and providing quality care and assistance in the raising of young children. In 2008, an average of 1364 individuals per month worked under the programme, with 4066 newly attracted individuals (3454 or almost 7 times more than in 2007).

*National programme “Activation of inactive individuals”* is a **new** programme, the implementation of which commenced in 2008. The purpose of the programme is to activate and include into the labour market inactive and discouraged individuals, to encourage them to register in the Labour Office Directorates so that they can be entitled to participate in training and/or employment programmes. This allows social integration of economically inactive individuals of working age, reduces the risk of poverty and increases the total work force in the country. Of the 55 Roma mediators involved in training throughout the year (registered unemployed individuals who define themselves as Roma with at least secondary education), 50 were appointed as labour mediators in specific labour offices in the country.

***National programme for literacy and qualification training of the Roma people*** increases the employability of unemployed illiterate individuals and individuals with low level of literacy by enrolling them in literacy and vocational training courses. This also aims to achieve social motivation of the individuals involved in the programme, to promote active behaviour on the labour market and personal efforts for acquisition of further knowledge and skills. A total of 1448 individuals participated in the courses organised under the programme, 1390 of whom – in the literacy courses and 280 – in the vocational training courses (222 of those covered the “Literacy” module first).

The successful implementation of ***Melpomena National Programme*** continued during the reviewed year, providing employment to unemployed people with specific skills and experience in theatre and opera, with view of the limited fulfilment opportunities for many professionals with extensive experience in the field. 309 unemployed individuals commenced work under this programme during the analysed period, of whom more than half (57.9%) are women and 41.4% have higher education. An average of 263 persons per month were employed under the programme during the year.

The project ***Teachers for extracurricular activities and school holidays*** was initiated in order to provide a novel method of organising and conducting recreational and extracurricular activities and developing good habits in the field of traffic and transport safety for students, and at the same time providing employment to unemployed teachers, sportspeople and individuals dismissed from the system of the Ministry of Interior and the Ministry of Defence. Over the year, an average of 254 individuals per month were employed under this project, with 392 new unemployed individuals attracted.

***“Optimism” Project.*** The main objective of the project is to enhance professional competences for adaptation to the labour market or for self-employment of unemployed teachers through training towards the first level of professional qualifications for certain professions and specialties in accordance with labour market demand. A total of 375 unemployed individuals were involved in the project throughout the year.

#### ***Projects and programmes aimed at promotion of entrepreneurship:***

The ***Programme “Interest-free loan for disabled people”*** covers people with reduced abilities for work who have defended a business project and have received a loan through the ***Project “Guarantee Fund for Micro Credits”*** with the Ministry of Labour and Social Policy. The aim of the programme is to subsidize the interest on loans to people with reduced capacity to work, and the objective – to ensure equality and to create conditions for professional fulfilment for people with reduced capacity for work. A total of 341 individuals took advantage of these opportunities in 2008.

#### ***Projects and programmes funded by European and International donors:***

The ***programme “Active services on the labour market”*** was successfully completed in September 2008, having commenced in 2005. The programme is part of the project “Social investments and employment promotion” and is funded through a loan from the World Bank. The programme was implemented in three phases. All projects under the programme were aimed at improving the employment opportunities for people from the most vulnerable labour market groups and towards increase in their employability on the basis of new skills and knowledge. Since the beginning of the year, the programme provided work for 2496 unemployed individuals. For the entire period of the programme, over 20 thousand individuals have participated and have found their realization on the labour market.

A gradual increase in the unemployment rate is evident in 2009 (from 6.50% in January to 9.13% in December). Generally, this also means a growth in the target groups of

active programmes and labour market measures and an increase in the number of subsidized individuals.

The Employment Agency implemented 27 programmes and 23 measures under the Employment Promotion Act (EPA).

In 2009, a total of 20378 individuals were employed under different employment and training measures, as a monthly average, which is 1864 (10.1%) more than in 2008, with some having commenced work during the preceding year and still working. A new 12708 individuals were involved in promotion measures during the reviewed period. This is almost twice less than in the preceding year.

#### **Anti-crisis programmes and measures**

For the purpose of combating the impact of the financial and economic crisis on the labour market, several anti-crisis programmes and measures were implemented in 2009, which reflects the flexible employment policy applied.

**National programme “New employment opportunities”** was launched in February 2009. Within the programme, people laid off as a result of the economic crisis are provided, on a priority basis, with a special service package – information, consultations, guidance towards available positions, motivation, training for professional qualifications and key competences, subsidized employment. In May 2009, the Programme was supplemented by an “Active behaviour on the labour market” component for people dismissed from Kremikovtsi AD plant, which includes motivation, training for key competences and for professional qualifications in the field of: “Associate in a small or medium enterprise” and “Associate in social activities”. During the year, a total of 2152 individuals unemployed as a result of the crisis and registered as unemployed in the labour offices were enrolled for employment and training under the programme (of those: 1412 were enrolled in employment programmes and 740 – in the training component “Active behaviour on the Labour Market”).

February also saw the launch of an anti-crisis measure aimed at support for employment security of workers and employees in enterprises from the Industry and Services sectors, affected by the crisis. By means of changes in the Labour Code, employers are allowed (where required by the production process) to introduce part-time work for an additional 3 months within the same calendar year. Some 19485 workers and employers from the two sectors received compensations for part-time employment. 531 employers took advantage of the incentive.

#### **Programmes, projects and measures aimed at young people**

The “**Career Start**” Programme provides opportunities for unemployed young people with secondary or higher education to obtain work experience. The programme is implemented through two components. The target of Component 1 are young people under 29 years of age who have no experience in their field of education, but have completed their higher education and are registered in the Labour Office Directorates. The employers are public administrations – central departments and authorising officers by delegation and their territorial departments, district and municipal administrations. Young people are provided with employment for a period of 9 months. The target of Component 2 are young people under 24 years of age having completed their vocational training during the last 24 months without experience in the profession in which they have trained, registered in Labour Offices. The employers are from the private sector. Employment is provided for a period of 6 months. In 2009 the programme involved a total of 448 young people (of those, 417 have higher education and work under Component 1 and 31 have completed vocational training and work under Component 2). The average monthly figure for the year is 293 young people.

**The Project for early school leavers** aims to achieve social adaptation and to enhance the employability of unemployed young people of up to 29 years of age who have dropped

out of school before completing their primary or secondary education. The objectives of the project are to ensure training opportunities for professional qualifications and/or key competences in compliance with the local demands of the labour market and traineeship opportunities under the guidance of a supervisor, in accordance with EPA provisions. Throughout the year, 113 individuals were involved in the project, of which 109 in training and 4 in apprenticeship modules.

Year 2009 saw the launch of the *project “Profession – Vocation”* in the district of Burgas. The main objective is to increase the employability of unemployed people, mainly young people of up to 29 years of age without specific profession or professional experience, to increase their competitiveness on the labour market and to stimulate their social inclusion. The specific objectives of the project are acquisition of knowledge and skills through training for qualifications required by the profession “Power equipment and installations fitter”, motivation of active behaviour on the labour market and job placement. Fourteen unemployed people were included in the project.

The Employment Promotion Act stimulates *employers to create jobs for young people*. Some 398 employers have taken advantage of the incentives provided by the Act for employment of unemployed young people of up to 29 years of age, and have provided employment for an average of 2274 unemployed young people per month, including 951 new persons. 198 young people per month were enrolled in the traineeship measure for unemployed people of up to 29 years of age, including 121 new individuals.

#### **Programmes and projects for provision of social services to disabled people, elderly people living alone, children and people leaving specialized institutions**

The provision of social services is, on the one hand, an opportunity for creating jobs and ensuring employment, and on the other hand – meets the needs for social services of a wide circle of people.

The *National programme “Assistants to people with disabilities”* provides employment and social security to capable unemployed individuals, enhances the qualifications of in the field of care aimed at improvement of the lives and living environment of disabled people, achieves social adaptation within the existing disability, decreases the number of disabled and ill people placed in special institutions. In 2009, 10944 unemployed people were employed under the Programme as personal assistants and 1268 as social assistants). 149 unemployed individuals were enrolled in training as “Social assistants”. The average figure of employed people is 9217. The number of people who received care under the Programme is 10659.

*National Programme “Social services in family environment”* which was launched in 2009 provides employment to unemployed people in the field of services provided to elderly people and disabled people without separation from their family environment, under activities such as community care (“Domestic social patronage”) and “Domestic assistant”. This achieves social adaptation of elderly people and people living alone, people with disabilities and children at risk, prevents confinement in specialized institutions and reduces the number of people waiting to be admitted into such institutions, provides employment and ensures social security for capable unemployed individuals under the Programme. In 2009, 3799 individuals were included in the Programme (2398 of those – as Domestic assistants, and 1401 – within Domestic social patronage). An average monthly figure of 3298 individuals were employed under the Programme. Care was received by 9264 individuals.

Implementation of the *National programme “In Support of motherhood”* also continues. The objectives of the Programme are to create conditions for a smooth transition and return to work for women following absence due to pregnancy, birth or adoption, to promote their employment and professional development and, at the same time, to create employment for unemployed people and job seekers involved in the care for young children.

Not only unemployed people are entitled to participate in the Programme but also people who are entitled to occupational early-retirement pension and contributory-service age-related retirement pension, registered in the Labour Offices of the Employment Agency. In 2009, an average monthly number of 4148 individuals were employed under the programme, of whom 2188 entitled to retirement pension.

**Programmes and measures providing employment to unemployed individuals with permanent disabilities**

*The National programme for employment and vocational training of people with permanent disabilities* increases the employability of, and provides employment to, unemployed persons of working age with permanent disabilities registered in the national labour offices, or those who have successfully completed treatment for drug addictions, as a prerequisite for overcoming their social isolation and their successful social integration. The Programme is implemented in two components: Component 1 – “Training” is organised in compliance with the specific type of disabilities of the unemployed and the identified demands, per profession, of employers, who can create jobs for unemployed people under the Programme, and Component 2 – “Employment”, under which employers hire unemployed people for the available positions on a full-time or part-time basis for a term of at least 36 months. This component caters preferentially to unemployed people who have successfully completed training for professional qualifications under Component 1. In 2009, 123 employers concluded contracts under the provisions of the Programme. 2741 individuals as a monthly average worked under the Programme, 367 new individuals were enrolled.

The *Programme “Interest-free loan for disabled people”* ensures equality and creates conditions for social and economic integration of disabled people by increasing their competitiveness and achieving sustainable self-employment, formation of an entrepreneurship attitude for people with reduced capabilities, aimed at commencement and development of an independent business. The Programme subsidizes the interest on loans provided to disabled persons through the *“Guarantee Fund for Micro Credits” Project* of the Ministry of Labour and Social Policy. In 2009, the Programme included 250 individuals with reduced capacity for work, to whom the interest on approved loans under the Guarantee Fund for Micro Credits Project was reimbursed.

The Employment Promotion Act provides incentives to *employers who create jobs for unemployed disabled people*. Respectively 1208 and 268 individuals per month were employed for part-time, seasonal or hourly work under measures for disabled people with a significant social impact, and respectively 434 and 199 new individuals were involved in those measures. In 2009, 186 individuals worked under the measure for disabled young people or military invalids and individuals from social institutions.

**Programmes, projects and measures aimed at improving access to employment for people in a disadvantaged position in the labour market**

*National programme “From Social Welfare to Employment” (NP FSWE)* supports the transition from a passive to an active approach to employment for one of the most vulnerable groups on the labour market – unemployed people of working age receiving monthly social benefits. As a priority, the Programme includes unemployed people who are subject to social benefits and are members of families with children in which both parents are unemployed and the families receive monthly social assistance, as well as unemployed single parents/foster parents on welfare. The selection of unemployed individuals is carried out by referring for employment under the Programme those individuals who have the longest standing registration as unemployed. Being employed under the Programme allows them to revive their work habits and increases their chances to thereafter find a job on their own. This achieves social integration of the unemployed: on the one hand they brush up their work



habits and are able to earn their income, on the other – their employability is increased. As of 31.12.2009, the Programme involves 49938 unemployed people, or 49.2% of all individuals covered by all programmes. (Compared to 2008, their share has decreased with 11.1 per cent). A little over half of those involved under the Programme (53.1%) are women, young people up to 29 years of age make up 13.0%, unemployed over 50 years of age constitute 38.7%, while long-term unemployed individuals – 27.2%. On average, 23140 individuals per month were employed under the programme for the reviewed period. Of those, 14078 worked under approved projects and 9062 were engaged in emergency activities. The structure of those working under approved projects follows the trend for the largest relative share (7090 of unemployed) to be involved in the so-called ‘hourly activities’. Of those, 1579 were involved in social activities, and the remaining 5511 – in activities related to security (including security protection of rural terrains), maintenance of buildings and installations, protection of monuments of culture, environmental police and environmental patrol, etc. Sustainable activities (construction and repair works, forestation, landscaping and agricultural activities) involved an average of 6146 individuals per month, while public utilities and services – 843 individuals.

***National programme “Restoration and protection of the Bulgarian forest”*** commenced provides employment and social integration to unemployed people by opening positions in the field of restoration activities, protection of the state forest stock and improvement of the environmental situation in the country. The Programme includes, as a matter of priority, unemployed people who, following 01.01.2009, have dropped out of monthly social assistance pursuant to the Social Assistance Act. When those people have been provided for, the Programme selects among long-term unemployed persons, taking into account the length of their registration following their last employment, including employment under EPA programmes and measures. Qualified unemployed people may constitute up to 50% of the total number of people employed under the Programme. In 2009, the employment Programme involved 1862 individuals, with a monthly average of 1069 individuals.

The purpose of ***National programme “Activation of inactive individuals”*** is to activate and include into the labour market inactive and discouraged individuals, to encourage them to register in the Labour Office Directorates so that they can be entitled to participate in training and/or employment programmes. This allows social integration of economically inactive individuals of working age, reduces the risk of poverty and increases the total work force in the country. Of the total number of Roma mediators involved in training throughout the year (registered unemployed individuals who define themselves as Roma with at least secondary education), 73 were appointed as labour mediators in specific labour offices in the country. As a result of the implementation of the programme, 11873 inactive individuals registered in existing labour offices as unemployed people (of those 1537 individuals were provided with employment).

With the aim of stimulating active behaviour on the labour market and preventing long-term unemployment, an ***EPA measure*** was introduced under which unemployed people receiving monthly social assistance who have started work without the assistance of the Employment Agency received a so-called ***“bonus” upon commencement of work***. In 2009, 20 unemployed people from the target group received such incentive.

Under the measure stimulating ***employers to employ long-term unemployed people*** (with a continuous, uninterrupted registration as such for at least 12 months), referred by a department of the Employment Agency, a total of 141 unemployed people were involved for 2009, with an average of 526 working under the measure per month.

The ***National programme for literacy and qualification training of the Roma people*** increases the employability of unemployed illiterate individuals and individuals with low level of literacy by including them in literacy and vocational training courses. This also aims

to achieve social motivation of the individuals involved in the programme, to promote active behaviour on the labour market and personal efforts for further knowledge and skills. A total of 837 individuals participated in the courses organised under the programme, 789 of whom – in the literacy courses and 63 – in the vocational training courses (15 of those covered the “Literacy” module first).

A monthly average of 447 individuals *under the EPA measure encouraging employers to create apprenticeship positions for unemployed people with primary or lower level of education and no qualifications*, with 251 unemployed being included.

Individuals deprived of liberty, single parents (adoptive parents) and mothers to children under 3 years of age and 3 to 5 years of age also find themselves in a disadvantaged position in the labour market.

The implementation of the *project for “Re-socialization of prisoners through professional qualifications and vocational training”* (launched in 2009) increases the opportunities for active behaviour on the labour market and assists the process of reintegration of people deprived of liberty through inclusion in literacy courses and training for professional qualifications and key competences. The project is implemented in the prisons located in the towns of Belene, Bobov dol, Burgas, Varna, Vratsa, Lovech, Pazardzhik, Pleven, Plovdiv, Sliven, Sofia, Stara Zagora. The purpose of the project is to provide literacy training to 144 prisoners, to increase the qualifications of 204 prisoners; to allow 120 prisoners to acquire key competences, basic computer skills. The project involves people who are serving a custodial sentence and are awaiting release. The project is implemented in partnership with General Directorate for Execution of Penalties. In 2009, training under the project was provided to 348 prisoners as follows: literacy courses – to 120 prisoners, training for professional qualifications – to 144 and training for key competences – to 84 prisoners.

EPA provides incentives to employers creating jobs for *unemployed people who have served a custodial sentence and are referred by the Employment Agency*. During the year, an average of 20 individuals per month have worked under this measure and 12 new unemployed were attracted.

The Employment Promotion Act stimulates *Employers to employ unemployed individuals* – single parents (adoptive parents) and/or mothers (adoptive mothers) with children up to 3 years of age, as well as unemployed mothers with children between 3 and 5 years of age, referred by the departments of the Employment Agency. In 2009, the measure for single parents and/or mothers of children under 3 years of age included 306 and provided work to 852 unemployed, as a monthly average, while the measure for mothers (adoptive mothers) to children between 3 and 5 years of age – respectively attracted 193 unemployed and provided work to 367 persons on a monthly average. A total of 363 employers took advantage of the incentives provided by the Act.

#### **Programmes and measures aimed at extending active working life**

The *National programme “Assistance for retirement”* is implemented with the aim of providing employment and assistance for retirement to unemployed persons who are 5 points short from the eligible sum of length of contributory service and age. People, entitled to participate in the programme, are provided with employment on a full-time or part-time basis for a period of at least 3 and no more than 30 months until reaching retirement age when they will be entitled to a pension. A monthly average of 2216 persons worked under the Programme during the year.

An average of 2266 individuals per month worked under the *EPA measure providing incentives to employers who employ unemployed people over 50 years of age*, and 564 new individuals were attracted. Some 323 employers took advantage of the incentive.

Significantly smaller is the number of those who worked *under the measure providing incentives to employers who employ people between 50 and 64 years of age*, who

are entitled to an occupational pension for early retirement. Nine people were involved during the year, with a monthly average of 7 people working.

**Programmes and measures aimed at increasing the territorial mobility of employed and unemployed persons and development of regional labour markets**

With the aim of increasing market flexibility, the Employment Agency implements incentive measures for employment and training under the Employment Promotion Act, which *encourage the territorial mobility of the unemployed*. Unemployed people, referred for work by labour offices beyond the boundaries of their respective place of residence and are employed under a labour contract for a period of at least 6 months, are granted a one-off (lump) sum to cover transportation costs for household items and belongings, as well as daily transport costs to their place of work and back. The unemployed are also granted a one-off sum to cover transport expenses in order to travel for the initial contact with the employer as part of their job search. In 2009, the measure encouraged the territorial mobility of 390 unemployed people.

EPA regulates another incentive measure for increasing the territorial mobility of employed people *by stimulating employers to employ staff from other places*, with those who provide daily organised transport for travel to the place of work and back being given monthly sums to an amount determined on the basis of the National Employment Action Plan. During the year, daily organised transport for travel to the place of work and back was provided to 6621 workers and employees.

With the aim of successful implementation of the policy for alleviation of regional discrepancies in employment and the labour market, 2009 saw the implementation of **38 regional training and employment programmes**, aimed at disadvantaged groups specific to each municipality. The regional programmes are an important instrument for integration of risk groups in the labour market by involving them into activities which are of significance to the specific community, given the fact that, locally, the demands of the labour market can be assessed much better and financial resources can be directed much more efficiently. In addition, the implementation of regional programmes provides valuable experience for project-type work and achieves specific targets related to the development of the specific area. In 2009, 607 individuals were involved in regional and branch programmes.

**Incentive measures for entrepreneurship among the unemployed**

In 2009 a total of 655 unemployed received assistance through active policy instruments towards commencement of independent economic activity. During the year 282 individuals with an approved business plan received a one-off (lump) sum instead of unemployment benefits and 121 were stimulated to launch an independent business in the form of micro enterprise, and 252 – to commence agricultural activities, with the funds allocated for covering of related expenses running at over BGN 830 thousand. Individuals launching independent agricultural activities in the form of a micro enterprise and those with an approved business plan for agricultural activities were reimbursed the funds used for external consultancy services – to the amount of almost BGN 20 thousand. In addition, during the year, they were granted supplementary funds for attainment of professional qualifications in the field of the approved business project and monthly sums for social security contributions for more than BGN 70 thousand.

In 2010, the Employment Agency realized 19 programmes, 19 measures under the Employment Promotion Act (EPA) and 11 schemes under Human Resource Management Operational Programme.

## **Implementation of training and employment programmes and measures funded by the State budget**

**Programmes** and projects funded through the state budget offer the unemployed, mainly from disadvantaged groups on the labour market with poor opportunities to find work on their own, generally temporary employment aiming to maintain or enhance their work habits and skills. Participation of the unemployed in such programmes constitutes a transition to subsequent employment on the primary market. **The incentive measures** regulated by the Employment Promotion Act stimulate employers, by providing subsidies, to create new positions, to introduce flexible working hours, to hire unemployed people from disadvantaged groups on the labour market for certain periods of time. This, on the one hand, opens new positions on the primary market and, on the other, subsidizes the employment of people in a disadvantaged position on the labour market.

### **Implementation of schemes under the Human Resource Management Operational Programme funded by the European Social Fund**

During the year, the Employment Agency continued to implement existing and launched new schemes under HRM OP, which *supplement, expand and upgrade active and preventive labour market measures*. Project activities assist for overcoming the obstacles to entry into the labour market, encourage the professional mobility of employed and unemployed individuals, implement preventive measures for employed people facing the risk of unemployment and, first and foremost, offer training for attainment and enhancement of professional qualifications and key competences to both unemployed and employed individuals. This is expected to have an additional and speedy effect on employment rates and the labour market and, on the other hand, the development of skills and qualifications is regarded as a key approach to overcoming the effects of the crisis and a significant factor for economic growth and increased productivity.

***In 2010, a total of 79290 persons were involved in training and employment schemes under the Human Resources Development Operational Programme (incl. training for 76714 unemployed and employed persons and (subsequent) employment – to 2576 unemployed persons).***

- ***“Increase of youth employment through their permanent inclusion on the Bulgarian labour market”*** scheme. A total of 7400 young people were included under the programme, 6225 were enrolled in motivational modules and 5574 young people commenced training: 2613 – in foreign languages and 2961 – in Information and Communication Technologies. The total number of individuals who completed their training is 5047, namely 2327 – for language training and 2720 – for training in information and communication technologies. Following training, intermediation services were offered to 3296, and job placement following training – to 1104 young people.
- ***“Back to work”*** scheme. A total of 755 families were included in the project, 773 unemployed people – in training under the scheme and 77 unemployed persons received instructions under the scheme. Training was completed by 766 persons and instructions - by 76 persons. 713 persons were provided with employment through the project.
- ***“Development”*** scheme. A total of 659 applications for creation of positions were submitted by employers, 14128 positions were announced, 16645 unemployed persons submitted applications to the different labour offices for inclusion in the project. 8574 individuals were involved in training, with 3642 persons successfully completing their training. 1836 unemployed individuals were employed following the relevant training.
- The ***“Creating employment for young people through providing opportunities for work experience”*** scheme was launched in the beginning of October, with 344 applications from

employers by the end of the year and 605 positions announced. Applications for inclusion into the project were submitted by 441 unemployed young people. Some 27 individuals were provided with employment under the project.

- Under the ***“Providing conditions for active working life for people over 50 years of age and long-term unemployed”*** scheme, the call for project proposals was cancelled. Four of the contracts concluded under the scheme were performed within 2010, with 135 persons enrolled in vocational training, 55 of whom successfully completed their studies, 41 individuals participated in traineeships for a period of three months following completion of training, 16 unemployed persons were provided with subsequent employment for a period of one year.
- ***“Qualification services and promotion of employment”***. Some 248 individuals were enrolled in training for attainment or enhancement of professional qualifications, with 152 successfully completing their studies. Employment was provided to 28 unemployed.
- ***“Promoting Development of Projects Enhancing Independent Economic Activity”*** The project provided consultations to 7082 persons from the target group for enrolment in training.
- Grant scheme for ***Qualification services and training of employed persons*** – phase 1. Some 865 individuals were enrolled in training for attainment or enhancement of professional qualifications and for key competences under the scheme and 2010 successfully completed their training.
- Grant scheme for ***Qualification services and training of employed persons*** – phase 2. A total of 18838 employed persons were enrolled in training, with 16599 successfully completing their studies.
- The ***“I can”*** scheme. A total of 62583 applications for enrolment in training were approved, of which 17617 – for attainment of professional qualifications. The total number of individuals who received training vouchers is 42796 (of those, 11968 received training for professional qualifications). Training against vouchers was provided to 39051 persons, including 10467 individuals for professional qualifications and 28584 – for key competences. During the year, 18509 persons completed their training (including 6551 persons for professional qualifications and 11958 – for key competences).
- ***“Adaptability”*** scheme. Applications for training were submitted by 985 employed, of whom 642 applied for participation in training for professional qualifications and 343 – for training for a certain aspect of their profession. Sixty-six employers were approved for participation in the project. Training vouchers were provided to 801 individuals. A total of 792 individuals were enrolled in training. Transport was used by 53 persons. Training under the scheme was completed by 598 individuals.

#### **Grouping of the initiatives implemented in 2010 according to active policy objectives**

On the basis of the objectives of the active labour market policy, the programmes and incentive measures funded through the state budget and OPHRD schemes funded through the European Social Fund can be grouped in several directions:

#### **Aimed at overcoming the effects of the economic crisis on the labour market, maintenance of existing and creation of new jobs**

With the aim of overcoming the consequences and alleviating the negative impact of the economic crisis, the Employment Agency implements several measures which, in essence, have an ***anti-crisis nature***.

In the first place, implementation of the measure for maintenance of existing jobs through *compensation of workers and employees who have transitioned to part-time employment in the Industry and Services sectors* adopted in accordance with the provisions of

the amended Order No 44 of the Council of Ministers and launched in 2009, continued during the year. The 6188 workers and employers enrolled under the programme who have transitioned to part-time working hours, received, for a period of 4 months, supplementary sums in addition to their remuneration, to the amount of half the minimum salary.

Within the *National programme “New employment opportunity”*, people laid off as a result of the economic crisis are provided, as a matter of priority, with a specific service package – information, consultations, guidance towards available jobs, inclusion into suitable training for adults and subsidized employment for up to 6 months. For 2010, the programme catered to 193 individuals.

The scope of anti-crisis measures is also expanded through the implementation of the schemes “*Adaptability*” and “*Development*” under HRDOP. In order to restrict mass layoffs and leaving of workers and employees who, due to economic difficulties experienced by employees are unable to work for a full salary, and also to assist employers, the “*Adaptability*” scheme provides training for professional qualifications for the period during which employers are employed on a part-time basis. During the training period (not longer than six months), they receive supplementary funds by means of vouchers for enrolment in training for professional qualifications or for a certain aspect of their profession, a monthly study grant, and sums covering the transportation fees from and to the training centre where training is carried out in a place different from the place of work of the individuals.

Persons registered as unemployed in labour offices and dismissed from work after 01.11.2008 due to restructuring or closing-down of the employing enterprise, are part of the target group under the “*Development*” scheme. In order to maintain their work habits, to preserve their skills and to allow them to acquire new knowledge, these individuals may join training courses for attainment and enhancement of professional qualifications and subsequently be provided with employment for a term of 9 to 12 months.

The *Stimulation of the start of projects for development of self-dependent economic activity scheme* under HRDOP envisages assistance to unemployed people with a clear concept for commencement of economic activity in the development of such activity by providing specialized training and service. The scheme is implemented within the framework of three interconnected components and supports unemployed people who lack the initial financial capital for launching of an independent business or suitable professional qualifications and management skills for such business. Under this scheme, 2010 saw the launch of the project for “*Support for Bulgarian entrepreneurs – Component I*”, under which selected unemployed individuals registered in labour offices from around the country will be offered training in entrepreneurship, managerial and business skills and will receive consultations for commencement of an independent business.

#### ***Aimed at increasing the knowledge and skills of employed and unemployed individuals***

The initiatives of the Employment Agency for improving the qualifications of the workforce aim to maintain and upgrade professional knowledge, skills and abilities, to overcome certain shortcomings in qualifications, to adapt existing professional qualifications to the changing demands of the labour market. Investing in training improves the chances for people on the labour market, increases the productivity and competitiveness of enterprises, facilitates structural changes and constitutes an important prerequisite for sustainable economic growth. The importance of training is even greater at times of economic crisis, where there is a constant threat that the unemployment caused by the crisis may deviate into structural unemployment. Inclusion into different forms of training has a significant role for increasing the opportunities for market integration of unemployed people from disadvantaged groups (young people, long-term unemployed people without education and qualifications, people over 50, disabled people, etc.). Training is also important for employed people as it

allows them to hone their skills and knowledge in accordance with the growing demands of their existing work position and at the same time reduces the risk of unemployment.

In 2010, activities for acquisition of skills, professional qualifications and key competences are implemented mainly within the framework of HRDOP. During the year, 20556 **unemployed people** were enrolled in training (including training of 17168 individuals under HRDOP, training under programmes funded by the state budget was provided to 2180 persons, and training pursuant to Article 63 of EPA – to 1208 persons). The number of **employed** persons involved in training under HRDOP schemes, is 59546.

### ***Training of unemployed people***

The largest number of unemployed – 8574 – were enrolled in training for attainment and enhancement of professional qualifications under the “*Development*” scheme. Work positions and the training courses for such positions are announced by specific employers and are implemented by providing vouchers to representatives of the target groups. Those who have successfully completed their training are provided with subsidized employment under the scheme.

To young people of up to 29 years of age having completed seventh grade within the national system of education and having registered as unemployed in a labour office, the “*Increase of youth employment through their permanent inclusion on the Bulgarian labour market*” programme offers training in information and communication technologies and intensive foreign language training. The scheme has regional scope and is implemented in 10 districts. During the year, 5574 young people commenced training and 5047 completed their training.

In 2010, several *programmes and projects* were implemented with *funds from the state budget*, offering training for unemployed persons to a total of 2180 individuals.

The Employment Agency also organises training for **professional qualifications** for adults in compliance with market demands pursuant to Article 63, item 1 of EPA. During the year, 1208 unemployed people were enrolled in training under the measure. The courses for professional qualifications do not guarantee job placement and are carried out in the Bulgarian-German training centres (Stara Zagora, Pleven, Pazardzhik, Tsarevo and Smolyan). In terms of topics, there are 30 different specialties. The most numerous group is the group for key competences in computing, followed by welding, operation of centrally controlled machines and systems, electrical installations, production of culinary items and beverages, small and medium enterprises, operational accounting, internal water supply and sewerage networks, mechanization in agriculture, business administration, cashiers, etc.

During the year, **motivational training** was provided to 2083 unemployed persons, which has a positive effect for formation of active behaviour on the labour market and allows reaping the full benefits of enrolment in employment and training programmes and measures. Qualified experts from labour offices provided training to 1712 of those individuals.

**Professional guidance** is provided to job seekers (unemployed, employed and students) in the form of systematized and accessible information on a certain profession or group of specialties and is a step towards training for qualifications. Individual professional consultations were provided to 64818 unemployed. Some 33630 job seekers participated in group measures for vocational guidance and creation of active behaviour on the labour market. 3441 job seekers received information independently, through specialized information materials available in the labour offices.

### ***Training of employed persons***

Grant scheme for *Qualification services and training of employed persons – phase 1* offers training to employed individuals and encourages investment in human resources development. In 2010, 865 individuals were included in training for attainment and

enhancement of professional qualifications and key competences under the scheme. Training was successfully completed by some 2010 individuals (some of whom commenced training during the preceding year).

Grant scheme for *Qualification services and training of employed persons – phase 2* creates conditions for wider application of the principles of life-long learning. The scheme offers training for attainment and enhancement of professional qualifications and training for key competences to people employed in micro, small, medium and large enterprises and to independently employed people. In 2010, training for attainment and enhancement of professional qualifications under the scheme was provided to 18838 individuals. Those who successfully completed their training are 16599.

The “*I can*” scheme supplements the activities implemented through grant scheme “*Qualification services and training of employed persons*” – *phase 1 and 2*, by providing opportunities to persons whose employers have not applied for and do not implement projects under the above schemes, to actively participate in life-long learning measures and measures for enhancement of skills and knowledge. The scheme provides direct and equal access for employed individuals to life-long learning independent of the initiative of their employers. In 2010, some 39051 persons were involved in training against vouchers, and 18509 completed their training.

A survey was carried out in July in order to obtain objective information on the objectives and motivation of participants in HRDOP-provided training, among participants in the “*I can*” scheme, which has the widest scope. The results of the survey reveal that persons involved in training for key competences and professional qualifications have strong motivation for self-improvement and career development, and consciously and responsibly take advantage of the opportunities provided. The financial assistance received by employed persons under the voucher mechanism is an investment in the quality of the work force and stimulates the enhancement of knowledge and skills.

### **Providing support and access to employment to unemployed people from disadvantaged groups in the labour market**

The main function of the Employment Agency, as the main public labour intermediary, is to provide employment and training opportunities to unemployed people, especially to those in a disadvantaged position in the labour market, who are even more vulnerable in a time of crisis. Efforts are aimed at preventing the risk of poverty and social isolation, creating conditions for meaningful work and earning of a dignified income.

#### **1. Young people up to 29 years of age**

Integration of *unemployed young people* into the labour market is of crucial importance given the long-term negative effects arising from lack of the required knowledge, skills and work experience. The perspectives for professional fulfilment before unemployed young people can be improved through vocational training, traineeship programmes, promotion of geographic mobility, provision of subsidized employment, support to young entrepreneurs.

The “*Career Start*” programme is implemented with the aim of facilitating the transition from education to employment and provides opportunities for unemployed young people with higher education but no work experience in their field to commence work in public administrations, and to young people with vocational training – in private enterprises. During the year, the programme catered to a total of 669 persons (including 639 young people with higher education and 30 – with vocational training).

The project “*New employment – key skills for employment*” aims to assist adaptation to the labour market in an economic crisis for unemployed young people who have completed



their higher education, by providing training for entrepreneurship skills and employment opportunities. The project has a regional scope and is implemented in 9 districts. 995 individuals are involved.

***The project “This is my chance to find myself”*** provides an opportunity for unemployed young people up to 29 years of age with primary or lower education to acquire different workmanship skills, corresponding to their desires and motivation. The project achieves, on the one hand, professional guidance of unemployed young people towards sought after crafts and professions and provides them with the opportunity to practice those crafts and professions, and, on the other hand, allows transfer of knowledge from experienced craftsmen to young, inexperienced workers. Seventy individuals were included in the project.

The purpose of the ***project “From school to employment in tourism”*** is to create conditions for professional fulfilment of young people who have completed specialized studies in the field of tourism, to reduce unemployment among young people and to increase the efficiency of the educational system. The thirty-two young persons involved in traineeships during the year have completed professional training in “Hotels, restaurants and catering” and in “Travel, tourism and free time”.

The Employment Promotion Act stimulates employers to create positions for young people. 187 employers have taken advantage of the incentives provided by the Act in return for *employment of unemployed young people of up to 29 years of age and employment of young people with permanent disabilities or military invalids, as well as young people from social institutions*, having, in the course of the year, employed 411 young people. As a monthly average, 898 and 68 young people respectively have worked under the measures (a portion of them were enrolled in the preceding year). 879 individuals were included under the measure for provision of *traineeship to unemployed persons up to 29 years of age*.

With the aim of restricting the negative impact of the economic crisis on young people, a new scheme was launched in the last quarter of 2010 – ***“Creating employment for young people through providing opportunities for work experience”***, securing a first job placement for unemployed young people with completed secondary or higher education. The scheme includes introductory training for the purpose of developing work habits and providing traineeship for a term of six months with an employer and under supervisors appointed by this employer. Twenty-seven young people were involved in the scheme.

## **2. Unemployed people with disabilities**

Unemployed people with disabilities encounter significant difficulties in finding employment opportunities on the labour market, and, in an economic crisis are among those most affected and one of the most vulnerable groups. In 2010, a monthly average of 3102 individuals were involved in EPA programmes and incentive measures aimed at unemployed people with disabilities. 431 individuals with disabilities or reduced capacity for work were enrolled in training and/or employment after training under the different schemes of the Human Resources Development Operational Programme.

***The National programme for employment and vocational training of people with permanent disabilities*** aimed at unemployed people of working age with permanent disabilities or those who have successfully completed treatment for drug addictions provides employment in an integrated work environment on a full-time or part-time basis. For the year, as a monthly average, 2230 individuals were employed under the programme and 122 unemployed individuals were enrolled in the place of individuals dismissed from the programme.

The ***programme for “Interest-free loan for people with disabilities”*** is implemented in order to encourage the establishment of businesses among people with disabilities. In 2010 the programme included 168 individuals with reduced capacity for work whose interest on loans approved by the project was reimbursed.

The Employment Promotion Act provides incentives to employers who create jobs for unemployed people with permanent disabilities. Under the measures aimed for *persons with permanent disabilities and persons with permanent disabilities employed for temporary, seasonal and hourly work*, a total of 633 persons were employed, with 170 as the monthly average, and 533 new individuals, respectively 848 individuals were included. During the year, an average of 68 persons per month worked under the measure for *young people with permanent disabilities or people with military disabilities and persons from social institutions*.

Persons with permanent disabilities or reduced capacity for work can also be included in *training and employment schemes under HRM Operational Programme*. During the year, 365 unemployed and employed persons with disabilities were involved in training schemes and 66 unemployed persons with disabilities or reduced capacity for work were provided with employment following training.

### **3. Unemployed persons over 50 years of age**

Unemployed people over 50 years of age have equal access to all programmes, incentive measures and schemes under HRM OP. *As a total, active policy initiatives covered 32912 unemployed and employed people over 50 years of age, including 19699 individuals under EPA programmes and measures, and 13213 individuals – in schemes under HRM OP (of those, 11914 unemployed and employed individuals were involved in training and 1299 unemployed people – in employment following training)*. The significant number of elderly people involved in training (over 1/3 of all persons included in active policy measures are over 50 years of age) demonstrates the support they receive for enhancement of their knowledge and skills, for their adaptation to the labour market requirements and for practical implementation of the principles for lifelong learning. Special programmes and incentive measures are also implemented, with the aim of reducing unemployment among the elderly.

The *National programme “Assistance for retirement”* provides employment and Assistance for retirement to unemployed persons who are 5 points short from the eligible sum of length of contributory service and age. In 2010, employment was provided to a monthly average of 848 unemployed people at pre-retirement age who were enrolled in the programme during the preceding year.

An average of 904 individuals per months worked under the EPA measure providing incentives to employers *hiring unemployed individuals over 50* (the larger part of whom were enrolled during the preceding year), and only an average of 8 people per month under the measure for *people between 50 and 64*.

Registered unemployed individuals over 50 are one of the target groups under the *“Development” scheme*, which has the largest share (43.8%) as compared to the number of individuals enrolled in training for attainment and enhancement of professional qualifications under the scheme - 8574 persons. The share of adult workers provided with employment after training is even greater and reaches 51.4%.

Under the *“Creating conditions for active working life for people over the age of 50 and to long-term unemployed” scheme* the call for project proposals was cancelled due to lack of interest on behalf of potential beneficiaries and the small number of submitted proposals. In 2010, 4 of the concluded contracts were implemented, with the funds paid out under those contracts amounting to BGN 109.7 thousand. One hundred and thirty-five unemployed people were involved in vocational training during the period.

### **4. Creating employment of unemployed people in the field of social services**

Creating employment of unemployed people in the field of social services is a labour market active policy approach with a profound social impact.

In 2010, the *National programme “Assistants to people with disabilities”* was implemented in terms of the activity of “Personal assistant” and provided employment to unemployed people of working age who provide constant care to their relatives – seriously ill people or people with permanent disabilities, thus preventing their sinking into poverty. During the year, an average monthly number of 2146 unemployed people worked under the programme, with 4295 new people being included (of those, given the nature of the work, the larger part - 70.5% - are women).

The “*Back to work” scheme* continues and supplements the policy for encouraging professional/family life balance. Unemployed people, preferentially those at pre-retirement age, are trained in key competences, directed towards care for young children and are subsequently placed in positions involving care for children aged 1 to 3, whose parents may consequently continue their career development. This has a double effect: on the one hand, employment and career development in families with young children is stimulated, and, on the other hand, jobs are created for unemployed people and job seekers in the field of child care. In 2010, 850 persons were enrolled in training under this scheme (of those, 77 individuals with education and qualifications in the field of health care, education and social services were enrolled for instructions and guidance). A total of 713 work contracts with unemployed individuals were concluded.

#### **5. Other vulnerable groups in the labour market**

*Long-term unemployed people of active age, receiving social benefits* stand a poor chance of finding jobs on the primary labour market and require specific measures. The *National programme “From Social Welfare to Employment” (NP FSWE)* continues to cater to their needs. In 2010, it continued as the largest programme funded by the state budget. The programme implements one of the main objectives of social policy – provision of employment to, and social integration of, unemployed people receiving monthly social benefits, for whom this is the only opportunity to work and earn their income. During the year FSWE catered to 39125 unemployed people who constitute 70.8% of all persons covered by all programmes. Half of those included (50.9%) are women, 37.7% unemployed people over 50 and 27.6% are long-term unemployed people. A monthly average of 12771 persons worked under the programme during the period. Of those, 5953 individuals worked under approved projects, with the largest number being the number of those engaged in sustainable activities (construction and mounting works, forestry and landscaping) – 3258 individuals. An average of 6819 unemployed persons per month worked in emergency activities.

According to data supplied by the Employment Agency regarding the impact of the programme during the period of January – June 2010, the individuals employed under the programme carried out activities of lasting nature and residual effect, such as: renovation and repair of playgrounds – 307.5 thousand sq. m.; clearing of canals running through settlements - 127.8 thousand metres; repair of pavements and road surfaces – 152.8 thousand sq. m.; construction and mounting works on 2517 public buildings (incl. repairs of roofs and internal repairs) – 52.5 thousand sq. metres.

Given the significance of NP FSWE for implementation of social policy objectives, the Council of Ministers adopted Order No 89 of 11.05.2010, approving additional budget credits to the amount of BGN 10 million for funding of the programme, which, in turn, created more than 9 thousand additional positions.

Access to employment for unemployed people in a disadvantaged position on the labour market is also provided by 80 *regional employment programmes*, aimed at overcoming specific local problems. During the year, an average of 723 unemployed persons per month worked under those programmes, with some 1288 new individuals included.

The “Development” scheme under HRDOP provides *long-term unemployed people* registered as such in the labour offices, with training opportunities to acquire or to upgrade

their professional qualifications and ensures subsequent employment with the goal of integration into the labour market. During the year, 1595 long-term unemployed people were enrolled in training - 18.6% of the total number of individuals included in the scheme, and 369 individuals received job placement (20.1%).

Under the EPA measure *providing incentives to employers hiring long-term unemployed people*, an average of 216 people per month worked in 2010, following referral from the departments of the Employment Agency.

The objective of *National Programme "Activation of inactive persons"* is to achieve activation and inclusion in the labour market of *inactive and discouraged persons*, through individual and group application of instruments and services for their attraction and motivation to register in labour offices so that they can be entitled to participate in training and/employment. Of the Roma mediators trained during the preceding periods (i.e. registered unemployed individuals who define themselves as Roma and have at least some form of secondary education), 95 continue to work as labour mediators in specific labour offices in the country. As a result of the implementation of the programme, 10098 inactive persons registered in the labour offices (1529 of them commenced training or were provided with work, including under different programmes and measures).

An average of 121 persons per month worked under the EPA measure *providing incentives to employers to create apprenticeship positions for unemployed persons with primary or lower education and no qualifications*.

*Individuals deprived of liberty, single parents* (adoptive parents), *and mothers to children below 3* and between 3 and 5 years old also find themselves in a disadvantaged position on the labour market.

Implementation of the project *"Re-socialization of prisoners through professional qualifications and vocational training"* increases the opportunities for proactivity on the labour market and assists the process of re-integration of those deprived of liberty by including them in literacy courses, courses for professional qualification and acquisition of key competences. The project involves people who are currently serving a custodial sentence and will shortly be released. In 2010, training under the project was provided to 917 prisoners, of whom 101 participated in the literacy courses, 349 – in the courses for professional qualifications, 108 in key competences training and 359 in motivational training.

The Employment Promotion Act provides incentives to employers hiring unemployed individuals – single parents (adoptive parents) and/or mothers (adoptive mothers) with children under 3 years of age and single mothers to children between 3 and 5 years, referred by different departments of the Employment Agency. During 2010, the measure for *single parents and/or mothers with children under 3* catered to the needs of 166 persons, with 409 unemployed persons working as a monthly average, while the measure for *mothers (adoptive mothers) to children between 3 and 5* – work was provided to an average of 263 persons per month. A total of 128 employers took advantage of the incentives provided.

### **3) Please provide pertinent figures, statistics or any other relevant information, if appropriate.**

In 2008, some 112 thousand persons were included in different training and employment programmes and projects, as a total, which is 13.9% less than in 2007. Employment was provided to almost 67 thousand persons per month through active programmes and measures, which is 9409 (12.3%) less than in the preceding year.

An average of 4218 persons per month worked under active policy programmes and measures aimed at social integration of persons with disabilities, i.e. 6.3% of all persons working under the different programmes and measures. This is a relatively small share, but,

compared to the share of unemployed people with disabilities within the total number of unemployed people (5.3% in 2008), has been represented in proportion.

Active policy labour market initiatives for 2008 include a total of 61437 *women*, i.e. women make up 54.7% of the total number of persons involved in all programmes and measures. The share of women in the total number of registered unemployed is an average of 62.5% for the year. As compared to 2007, the absolute number of women included in programmes and measures decreased with 7220 but their relative share within the total number of individuals involved has increased with 2.1 percentage points.

The number of *long-term unemployed persons* included in employment and training programmes and measures for 2008 amounts to 29355 (26.2% of all persons involved in programmes and measures) – a reduction of 13006 persons (6.3 percentage points) in comparison to the preceding year. The changes in this target group follows the general trend for decrease of both the absolute number (with 50187 person), and the relative share of long-term unemployed people in the total number of registered unemployed (with 8.3 percentage points) as compared to 2007.

The share of *unemployed young people up to 29 years of age* included in programmes and measures also shows a decrease in 2008 as compared to the preceding year – a drop of 3.8 percentage points, to a figure of 18.5%, while the share of *unemployed people over 50* increases with 2.8 percentage points to 29.9%.

More than 114 thousand people were involved in training and employment programmes and measures in 2009 – with 1.8% more than in 2008. Active programmes and measures provided employment to almost 70 thousand people as a monthly average, which is 3135 (4.7%) more than the preceding year.

Active policy programmes and measures for social integration with people with disabilities have provided work 4403 disabled people as a monthly average, or 6.3% of all people employed under the different programmes and measures.

Active policy initiatives on the labour market for 2009 involved a total of 58980 women, i.e. women constitute 51.6% of all persons involved in the different programmes and measures. The share of women in the total number of registered unemployed is 57.7% as an average value for the year. Compared to 2008, the absolute number of women included in programmes and measures decreases (with 2457 persons), along with their relative share in the total number of individuals involved (with 3.1 percentage points).

The number of unemployed people included in employment and training programmes and measures in 2009 reaches 18186 (15.9% of all individuals included in the different programmes and measures), which shows a decrease of 11169 persons compared to the previous year (10.3 percentage points). This change in the target group reflects the general trend for reduction of the absolute number and the relative share of long-term unemployed people in the total number of registered unemployed compared to 2008.

The share of young people up to 29 years of age in the total number of people involved in programmes and measures also shows a decrease in 2009 when compared to the preceding year – a drop of 4.4 percentage points to 14.1%, while the share of unemployed people over 50 increases with 3.5 percentage points and reaches 33.4%.

In 2010, a total of 27202, as a monthly average, worked under different employment and training programmes and measures (part of whom were included in the preceding year) - with 42773 (or more than two and a half times) less than those working during the same period of 2009. The number of people working under different programmes is 21196, and the number of people working under incentive measures – 6005.

In 2010, out of 100 unemployed individuals in Bulgaria, an average of almost 8 per month worked under programmes and incentive measures. The sharp drop in this indicator is

the result, on the one hand, of the reduction of the average monthly number of people working under programmes and measures compared to the same period of the preceding year, and, on the other hand, the increase in the average monthly number of registered unemployed. The number of new persons involved in employment and training programmes and measures is almost twice less than in the preceding year and equals 588625 (55253 in programmes and 3609 – in measures).

Active labour market policy initiatives in 2010 covered a total of 76814 *women* (of whom: 31059 – under programmes, incentive measures and qualifications, and 45755 – in training and subsequent employment under HRDOP schemes). The share of women in the total number of people covered is 55.1%, while the average annual share of women in the total number of registered unemployed persons is 54.6%.

With view of limiting unemployment active policy initiatives include an almost equal number of *young people up to 29 years of age* (31931) and *people over 50 years of age* (32912), with their relative share in the total number of individuals covered by active policy being also very similar – respectively 22.9% and 23.6%. The distribution of the two groups of persons among the different active policy instruments, however, is quite the opposite and is determined by the age-related specifics of these two target groups: approximately a third (10562) of young people and two-thirds (19699) of persons over 50 were involved in programmes and measures offering predominantly subsidized employment, while HRDOP schemes, providing mainly training opportunities, the presence is respectively around two-thirds (21369) of young people and slightly over one third (13213) of individuals over 50.

The number of *long-term unemployed persons* involved in training and employment under different programmes, measures and HRDOP is 14501 (12061 in programmes and measures and 2440 – in HRDOP). Their share in the total number of people covered by the active policy is 10.4%. The absolute number of long-term unemployed people included in programmes and measures decreases in comparison to 2009 (with 6125 persons or 33.7%), but those participating in training under HRDOP schemes acquire or improve their professional qualifications and/or key competences and hence significantly improve their opportunities for subsequent lasting labour market integration.

For the purpose of social integration of one of the most vulnerable groups on the labour market, *unemployed people with disabilities*, several EPA programmes and measures are implemented, providing employment *specifically* to people from this target group. During the year, an average of 3102 per month worked under such programmes, or 11.4% of all people working under the different programmes and measures.

### **Questions of the European Committee of Social Rights**

**In its previous conclusion (Conclusions 2007), the Committee referred to a reform of the vocational guidance system that aimed to turn vocational information centres (VICs), counselling and vocational training centres (CVTCs) and job clubs into specialist employment agencies under the employment office directorates (EBDs). In the absence of information in the report, the Committee repeats its request for information on the outcome of this reform.**

During the period of 2003-2004, vocational information and consultation is performed in the Employment office directorates (EOD) or the Information and Consultancy Units (ICU) being any of the following: Vocational Information Centre (VIC), Vocational Information and Consulting Centre (VICC) and the “Employment” club. VIC and VICC offer vocational information, self-information and consultation of unemployed, employed and students, up-to-

date information on the different professions, education, qualification and career development opportunities. The “Employment“ club carries out individual and group work with unemployed people for proactive skills on the labour market.

By means of order of the Executive Director of the Employment Agency from the beginning of 2005, the existing VIC, VICC and the “Employment” club are transformed in “Employment” centres – specialized units with the respective Employment Office Directorate, carrying out the activities of vocational guidance and creation of active skills on the labour market. The unification of the specialized information and consultancy units is aimed at facilitating uniform practices in this field with clearly formulated objectives of the activity, unified list of services and provision of work technology, methodical guidelines and information systems.

As of present, vocational guidance is offered by the Employment Offices and/or any of the existing “Employment” centres attached to such offices.

The vocational guidance organised by the Employment Agency provides job seekers (unemployed, employed and students) with systematized and accessible information on specific professions or group of specialties, participation in training for qualifications and subsequent referral to certain job positions. Vocational guidance can be either individual or in groups (of people with common interests). During the provision of information and consultations, job seekers receive ample information on the types of professions that are currently sought after on the labour market (in terms of tasks performed, work environment, requirements to those practicing the profession, etc.), the methods of acquiring a new profession or upgrading the knowledge and skills related to their current profession. They are provided with information on the state and trends of the qualifications services market and can take advantage of the special information materials available (summary descriptions, information files, videos, multimedia products, etc).

<b>Indicators</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Recipients of individual professional consultations	95 668	94 127	64 818
Participants in group events	50 753	48 051	33 630

In 2008, an amendment to the Employment Promotion Act regulates the possibility for funding through the state budget of unemployed individuals referred for vocational guidance in private information and vocational guidance centres, licenced by the National Agency for Vocational Education and Training. As of present, there are eight licenced private information and vocational training centres.

### **Continuing vocational training**

**In 2005, 27,859 unemployed persons started vocational training and 36,344 graduated with a vocational qualification. After training, 26,832 unemployed persons found a job. In 2006, 31,153 persons were enrolled in vocational training courses, i.e. 11.8% more than in 2005. The Committee wishes to know how many training placements or courses are available and whether the supply meets the demand for training.**

**In reply to the Committee’s question about the measures taken to remedy the low rate of public participation in continuing training, the report states that a national strategy to promote continuing training was adopted for the period 2005-2010. The aim of this strategy is to set priorities for developing continuing training and to designate institutions responsible for implementing them. The National Vocational Development Centre provides training for officials from various ministries as well as courses designed**

**to upgrade skills in occupations for which there is particularly high demand in the labour market. The Committee asks that the next report provide information on the results of this strategy.**

According to data from the Employment Agency, the number of unemployed people included in professional qualifications courses was 35 120 in 2007, which is 12.7% more than in 2006. With the aim of reducing the stay of unemployed people on the labour market, a “new start” was provided to 10 852 unemployed people who were included in educational courses within six months from their respective registration in Employment offices. From all unemployed included in vocational training, 29 535 completed their training and work was commenced by 15 216 unemployed with the majority of them (12 436 individuals or 81.7%) without a guaranteed job position.

In 2008, the number unemployed people included in training is 25 027, while a “new start” in the form of training was provided to 9 471 unemployed individuals. During the year, 25 634 unemployed people completed vocational training courses (including people who commenced their qualifications training in 2007). Following completion of their qualification training, work was commenced by 11 670 persons, 85.7% of whom without guaranteed job positions.

2008 saw the introduction of changes in legislation in the field of adult training which create conditions for improvement of access of adults to training, especially to people without education or low level of education and no qualifications. In addition to training for professional qualifications and motivational training, the changes regulated new training opportunities – literacy training for illiterate people and people with limited literacy skills, training of unemployed and employed people for attainment and enhancement of key competences, apprenticeship to unemployed individuals with primary and lower education and no qualifications under the guidance of a supervisor. Improvements were introduced in the legislation related to the traineeship of unemployed individuals following completion of training for professional qualifications.

According to data from the administrative statistics of the Employment Agency, in 2009 courses for professional qualifications funded through the state budget allocated to active policy were commenced by 8973 unemployed people, with the majority of them (80.8%) taking guaranteed positions. The number of unemployed who completed professional qualification courses during the year is 10 182, a portion of whom commenced training in the preceding year. Work was commenced by 31.7% of the unemployed who completed vocational training in 2009. Compared to the previous year, there is a significant reduction in the number of unemployed people completing vocational training and taking a position on the labour market. The main reason behind this change is the further exacerbation of the economic crisis in 2009 and the increased unemployment rates in the country, which requires a reduction in the funds allocated for training and redirection of activities and funds towards providing employment.

With the aim of acquiring knowledge and skills which will allow keeping their current position or taking a new position, in 2009, 2949 employed persons were involved in training courses provided with state budget funds allocated to active policy measures. The majority of participants are workers and employees who are subject to increased professional qualification requirements due to changes in production.

Due to the restricted financial resources allocated from the state budget for active labour market measures and programmes, an important role in adult training has the Human Resources Development Operational Programme. In 2009, under HRDOP schemes, almost 22 thousand employed individuals were included in training for acquisition and improvement of professional qualifications and key competences on the labour market.



A new financial instrument for funding of adult training was introduced in October 2009 by means of an Order of the Council of Ministers, with the aim of improving access to, and participation in, training – training vouchers. These vouchers serve to finance training for professional qualifications and key competences for unemployed and employed persons under the Human Resources Development Operational Programme. By providing opportunities for selection of the type and duration of training and the respective training institution, greater compliance between the actual training and training needs can be achieved.

Three adult training schemes for both employed and unemployed individuals using training vouchers were initiated in 2009 under HRDOP: the “*I can*” scheme – aimed at professional qualifications and/or key competences training for employed persons; the “*Development*” scheme, providing professional qualifications to individuals dismissed due to restructuring or closing down of the respective enterprise, curtailing of volumes or closing down of some of the production activities; and the “*Adaptability*” scheme, providing training for professional qualifications to employed individuals forced to shift to part-time employment. The time term for application of all three schemes is until 2012.

In 2010 the economic crisis continued to have a negative impact on the labour market in Bulgaria. In such conditions, active policy activities, including training, are being implemented with reduced state budget funds. The number of unemployed people included in training programmes and measures funded through the state budget is only 2 180, with the majority of them (1 208) being included in professional training courses without a guaranteed job position.

The limited state budget funds allocated to active labour market policy measures are compensated through HRDOP financial resources. In 2010, the HRDOP funds used for overcoming the negative consequences of the crisis amount to more than BGN 34 million (more than EUR 17 million). These considerable resources are aimed towards creating employment, promoting workforce mobility, support to workers and employees forced to shift to part-time employment, training of unemployed and employed persons. Almost 77 thousand employed and unemployed individuals were included in training courses under HRDOP schemes during the year.

The application of training vouchers under HRDOP schemes continued in 2010. The opportunities offered by the voucher mechanism, namely free selection of the type of training and the training institution, as well as the facilitated procedure for obtaining of vouchers provokes the interest of individuals towards training, which, under an economic crisis, turns into an anti-crisis measure. According to data provided by the Employment Agency, in 2010 the number of people applying for training against vouchers is 114 038. Training vouchers are awarded to 52 171 individuals, with the largest share of vouchers - 43 597 being awarded to employed people, and 8 574 – to unemployed individuals.

**The National strategy for continuing vocational training for the period of 2005 - 2010** was adopted by means of Protocol decision No 38.1/14.10.2004 of the Minister of Councils. Action plans for implementation of the Strategy are elaborated and put into effect on an annual basis. The leading institution, responsible for implementation of the Strategy, is the Ministry of Education, Youth and Science. Other institutions and organisations responsible for implementation of the Strategy are the National Agency for Vocational Education and Training, the Ministry of Economy, Energy and Tourism, the Ministry of Labour and Social Policy, the Employment Agency, the National Institute of Statistics, organisations of the social partners with national representation, etc. The annual reports on implementation of the Action plans for the Strategy are available on the internet page of the Ministry of Education, youth and science - <http://www.mon.bg/>, in the section entitled “Vocational training”.

**In its previous conclusion, the Committee observed that nationals of other States Parties lawfully resident or working regularly in Bulgaria enjoyed equal treatment regarding all the aspects considered under Article 1§4, as long as they held a permanent residence permit. The Committee asked what were the conditions governing the issuing of such permits. The report states that, under Article 25 of the Foreigners Act, permanent residence may be granted to foreigners provided, *inter alia*, they have resided lawfully without interruption in the country for a period of five years.**

Requirements for obtaining long-term and permanent residence are governed by the LAW FOR THE FOREIGNERS IN THE REPUBLIC OF BULGARIA, CHAPTER THREE RESIDENCE OF FOREIGNERS IN BULGARIA – article 24 and article 25 (see above the answer to Question 1)

**The Committee notes that, pursuant to the Revised Charter, equality of treatment in matters of vocational guidance must be guaranteed for non-nationals. Pursuant to the Appendix to the Charter, equality of treatment must be guaranteed for nationals of other States Parties lawfully resident or working regularly in the territory of the Party concerned. This implies that no length of residence requirement may be imposed on students or trainees who reside in whatever capacity or are authorised to reside, because of their links with persons legally residing in the country, in the territory of the party concerned, before they can begin their training. The Committee notes that there is a length of residence requirement for foreigners wishing to receive vocational guidance, training or rehabilitation and that this situation constitutes unequal treatment in breach of the Revised Charter.**

According to Article 2 of the Employment Promotion Act, upon realization of the rights and discharge of the duties under this Act, no direct or indirect discrimination and privileges or restrictions shall be admissible on the basis of nationality, origin, gender, sexual orientation, race, skin colour, age, political and religious convictions, affiliation to trade-union and other public organisations and movements, marital, social and property status, and mental and physical disabilities.

Every Bulgarian citizen and the citizen of any other member-state of the European Union or another country – party to the Treaty on the European Economic Area or of the Swiss Confederation, who seeks work, may register in any of the territorial departments of the Employment Agency. Depending on their status, individuals may register as unemployed; as students wishing to work in their free time; as people entitled to retirement pension; as people entitled to occupational pension for early retirement who do not work, and can take advantage of the following employment services:

- Information on available positions announced;
- Information on employment promotion and employment security programmes and measures;
- Intermediation in terms of information and job placement;
- Psychological assistance;
- Professional guidance;
- Inclusion in adult training schemes;
- Inclusion in employment and training programmes and measures.

According to the procedures designated for Bulgarian citizens, employment services are also available to:

- Foreigners with long-term or permanent residence permit for the Republic of Bulgaria;

- Individuals granted the right the asylum;
- Individuals granted a refugee status or humanitarian status;
- Individuals for whom such services are regulated by an international agreement to which the Republic of Bulgaria is a party;
- Individuals – citizens of third states, who are family members to Bulgarian citizens or citizens to member-states of the European Union, a country – party to the Treaty on the European Economic Space or the Swiss Confederation;
- Family members of foreigners – holders of long-term residence permits;
- EU Blue card holders, who have found themselves without work for a period of three months or who wish to change their employer.

## **ARTICLE 18 – THE RIGHT TO ENGAGE IN A GAINFUL OCCUPATION IN THE TERRITORY OF OTHER PARTIES**

### **Article 18§4**

**“With a view to ensuring the effective exercise of the right to engage in a gainful occupation in the territory of any other Party, the Parties undertake: the right of their nationals to leave the country to engage in a gainful occupation in the territories of the other Parties.”**

### **Scope of the provision as interpreted by the ECSR**

*Right of nationals to leave their country to engage in a gainful occupation in the territories of other State party.*

**1) Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

The major documents stipulating the work of the Bulgarian nationals abroad are:  
Law on Encouragement of Employment (art. 22, para. 6) (art. 27, para. 3, item 2 and 3) (art. art. 67 - 69)

Ordinance on the rules for providing mediation services by the Employment Agency to foreign employers for employing Bulgarian nationals.

Tariff on the fees for providing mediation services by the Employment Agency to foreign employers and licenced mediation agencies for hiring Bulgarian nationals in other countries.

## **EMPLOYMENT PROMOTION ACT**

**Article 22.** (6) (Renumbered from Paragraph (5), SG No. 59/2010) Employers shall be free to select on their own the job seekers who have been recommended thereto by the division of the National Employment Agency or to require from the National Employment Agency to perform the selection on the basis of a request placed in advance.

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**Article 27.** (3) The National Employment Agency shall provide intermediation services:

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2. at no charge: for placement of Bulgarian citizens abroad, as well as of foreigners in Bulgaria in implementation of an international treaty whereto the Republic of Bulgaria is a party;

3. (amended, SG No. 18/2006) under a contract with foreign employers and licensed job placement intermediation agencies, which pay a fee for intermediation services performed, and with similar foreign institutions for placement of Bulgarian citizens in other States.

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## **Section I**

**(New, SG No. 43/2011, effective 15.06.2011)**

### **Employment of Bulgarian Citizens Abroad**

**Article 67.** By virtue of this Act, Bulgarian citizens may work in another State in conformity with the national legislation thereof and/or under the terms and according to the procedure established by an international treaty on exchange of labour force whereto the Republic of Bulgaria is a party, by means of:

1. (amended, SG No. 26/2003) concluding a contract with an employer from the respective State through the agency of a job placement intermediation service provider within the meaning of Article 27 (2) and Article 28 (1) herein;

2. (amended, SG No. 26/2008) being posted by the employer thereof.

**Article 68.** (Amended, SG No. 18/2006) The Ministry of Labour and Social Policy shall pursue cooperation with the public authorities of other States which are responsible for the monitoring of the conditions for job placement, exchanging therewith information regarding:

1. the national labour legislation and the legislation governing the placement of foreigners;

2. the Bulgarian citizens placed within the territory of the respective State and the citizens of the respective State placed within the territory of the Republic of Bulgaria;

3. the violations of the terms and the procedure for placement as detected;

4. the detected cases of illegal performance of work by Bulgarians within the territory of the respective State and by citizens of the respective State within the territory of the Republic of Bulgaria.

**Article 69.** (1) (Amended, SG No. 26/2008) Employers and job placement intermediation service providers referred to in Article 67 herein may not agree on conditions of work and remunerations for Bulgarian citizens which are below the minimum levels applicable in the receiving State in conformity with the national legislation thereof.

(2) The relationships between the Bulgarian citizens and the natural or legal persons who or which are job placement intermediation service providers under Article 28 (1) herein, through the agency whereof employment in another State is procured, shall be regulated by a placement intermediation contract.

### **2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

Bulgarian has been integrating on the European labour market by executing international treaties and agreements with partner agencies for export and exchange of labour force, performing mediation for hiring Bulgarian nationals abroad by contracts with foreign employers, similar foreign institutions and licenced mediation agencies, and participation in the network «European Employment Services» (EURES). The integration of our country in the European labour market is also affected by the protection of the labour market which is done in view of our migration policy of our country, an external border of the European Union.

After the accession of Bulgaria to the European Union at the beginning of 2007, the Bulgarian nationals, as citizens of the European Union, can live freely in any member state of the Union. The principle of the European Union for free movement of workers means that a person may find work in any country in the EU and the European Economic Area (EEA). The EU member states have different positions on the access of Bulgarian workers to the labour market, expressed in the so called transitional provisions on the free movement provided for in the Treaty of Accession of Bulgaria and Romania to EU. Twelve EU member states (the

Czech Republic, Poland, Slovenia, Slovakia, Lithuania, Latvia, Cyprus, Estonia, Sweden, Finland, Hungary, Romania,) do not apply transitional periods for Bulgarian workers but some of them issue a formal work permit with statistical purpose. Bulgarian nationals may work in these countries and find by themselves a local employer in the EU member state by using the services of the national employment agencies, the EURES network or of physical and legal persons (the so called mediators) that are entitled to perform mediation employment services according to Bulgarian legislation and the legislation of the relevant EU member state. The other countries members of the EU and EEA apply an admmissive regime of staged opening of their labour market by using various mechanisms – easier admission for certain professions, applying quotas for access to certain economic sectors and other mechanisms. Bulgarian nationals may work in these member states only if they have obtained a work permit in advance. This limitation is valid also for starting work in the Confederation of Switzerland and the member states of the European Economic Area – Norway, Iceland and Liechtenstein.

At the same time, Bulgaria opened its labour market for the citizens of the EU and EEA as of the moment of its accession to the Union. They have the right to work freely in the country and register at the employment bureaus benefiting from all services available for Bulgarian nationals.

On the basis of *international treaties on exchange or export of labour force*, short-term or long-term employment of unemployed and employed persons abroad is ensured . In view of the agreements with partner offices on export and exchange of labour force, the international treaties with Germany, Switzerland, Spain and France are realized through which *employment of various duration for 7854 Bulgarian nationals has been ensured*. According to the Agreement between the Governments of Bulgaria and FRG regarding the employment of workers for the execution of contracts of 1991, due to economic reasons, 25 % of the granted quota has been utilized. Regarding the Agreement with the Federal Republic of Germany of 1992 on the employment of workers for improving their professional and language skills, there is a tendency for decrease because there is age limit; requirement for very good knowledge of German language; necessity of finished professional education in the profession used for applying; high legalization fees for the documents; the increasingly more favourable conditions for the young Bulgarian specialists to find a well-paid job on the Bulgarian labour market and, last but not least – no employment is not guaranteed to the candidates. There has always been, however, constant interest towards the Agreement with Spain both by Bulgarian nationals and the Spanish employers.

By 31.12.2008, the holders of valid certificates for performing mediation activity are 530 mediation companies and of them: for the Republic of Bulgaria - 292, for abroad - 181 and for marine specialists - 57.

According to the information provided to the Employment Agency by the mediation companies, in 2008, the persons employed in the Republic of Bulgaria are 11257; marine specialists on ships sailing under foreign flag - 5244, Bulgarian nationals abroad - 599, and the greatest number is in the EU countries: the Czech Republic - 220, the Kingdom of Denmark - 136, Cyprus - 49, Slovakia - 27, Latvia - 35, Poland - 26, the United Kingdom of Great Britain and Northern Ireland - 18, and in the USA - 53. The data shows there is a tendency towards increase of the number of employment mediators for the Republic of Bulgaria, and, respectively, the number of the registered mediators for abroad and marine specialists decreases. Besides, the number of mediators who terminate their registration for performing mediation activity for employment of people increases. The tendency towards increasing the number of registered mediation contracts concluded with employers from member states of the EU and EEC keeps existing.

In 2008, the Employment Agency kept on executing its commitments in *the EURES network*, in compliance with the Action Plan approved by EURES which was prepared on the

basis of priorities approved by the European Commission for the period 2007 – 2010. The EURES-advisors, with the support of the EURES Line-managers, EURES-assistants and under the management and supervision of the Employment Agency and the EURES-manager, performed many initiatives and popularized the activity of EURES in Bulgaria.

The main services of the EURES-network are related to ensuring information, consultation and mediation for the persons looking for a job; assistance to the employers who wish to hire workers from other countries; provision of recommendations, instructions and advice to the workers and employers in border areas.

The main activities performed in 2008 fall into the following priorities:

- **Priority 4** “Improving the Visibility of the services provided by the EURES network by strengthening the communication activities”.
- **Priority 6** “In addition to the general provision of information, to establish, where necessary, more systematic contacts with specific groups – participants in the labour market”.
- **Priority 8** “To ensure the quality of the information offered in the network and in particular, the vacant jobs published by the public employment services”.
- **Priority 9** “To contribute for the identification of the labour deficit and the problems which may be soothed by transnational labour mobility, including the option for enlarging the scope of the provided information to workers coming from third countries”.

In 2008, 20 information events, individual consultations and mediation were organized for the persons searching for work within which the participants got acquainted with the options for mediation and expert consultation offered by EURES and what is the most important they should know and do when they go to work in another country of the European Union. A total of 1 236 persons looking for job took part in these information days.

A labour exchange for medical staff was organized in the city of Varna with the participation of EURES consultants from Norway, Germany and Bulgaria, and European Employment Days in the city of Veliko Tarnovo visited by a total number of 710 people, of which 220 registered as ones looking for a job, through the labour bureau in the city of Veliko Tarnovo and 47 from other towns in Bulgaria.

The EURES-advisors took active part with presentations regarding the activity of the European Mobility Network in:

- Career Days at Technical University – Sofia;
- Career Day at South-West University – the city of Blagoevgrad;
- Career Days at Veliko Tarnovo University.
- The Seminar organized by the European Institute and “Europe Direct” network at which various European networks for establishing common fields of activity and cooperation such as SOLVIT, Enterprise Europe Network, European Documentation Center at the National Library, Euro-Bulgarian Culture Centre, National Centre for Information and Documentation, Human Resource Development Centre, Eurodesk, the Information Office of the Council of Europe and others were presented.
- The Seminar organized by Human Resource Development Centre in Bulgaria that is in charge of EUROPASS – Bulgaria and Ploteus.

In reference to the application of the legislation on the employment of foreigners in Bulgaria and in compliance with the application of the policy for *protection of the national labour market* in strict observance of the legal acts regarding the regime of residence and employment of foreigners, in 2008, **1871 work permits were issued**. Of them, the new work permits are 1457 and 414 are with extended term. For the reporting period, a total of 1 638 requests for issuing work permits were processed and 175 refusals were given. The largest number of issued work permits is for nationals of Turkey working under employment mainly in the field of power engineering. The tendency for a significant increase of the requests for issuing work permits continues mainly because of the realization of some of the major

projects assigned to foreign sub-contractors, such as the modernization of Maritsa Iztok 1 Thermal Power Station and the construction of some lots of our national road network.

In 2008, the Employment Agency registered short-term employment without work permit under art.4., para.3 of the Ordinance of the conditions and rules for issuing, refusal and temporary work permit for foreigners in Bulgaria to 360 foreigners as being sent on a business trip for the installation of equipment according to a contract for execution.

*In reference to agreements with partner offices for export and exchange of labour force in effect*, the realization of the international treaties with Germany, Switzerland and France continued in 2009, through which **employment of different duration was ensured for 2706 Bulgarian nationals**. Under the Agreement with Germany regarding employment of workers for the execution of contracts for work 15% (3170 persons/month) of the granted quota were utilized.

A decrease of the realized mediation was recorded compared to 2008. This is due, on one hand, to the economic situation in Europe, and, on the other hand, to the free movement of Bulgarian nationals following the opening of the Spanish labour market.

The activities related to the participation of the Employment Agency, in execution of its commitments to *the European Employment Network EURES*, are in execution of the Action Plans of EURES and the Grant Agreements of 2008/2009 and for 2009/2010. In this view, a number of initiatives were organized throughout the year.

An annual reporting meeting of EURES – Bulgaria was held which was attended by EURES assistants of all Labour Bureau Directorates, the Directors of Regional Employment Office Directorates in their capacity of EURES Line –managers, the EURES Manager, all EURES Advisors and the management of Employment Agency.

In the city of Ruse in March, a labour exchange for *agricultural work in Denmark*, was organized with the participation of 3 Danish employers and EURES advisors from Denmark and Bulgaria. More than 200 people looking for a job visited the exchange. In June, EURES Denmark confirmed that 100 Bulgarian employees had started work.

*3 small labour exchanges for agricultural work in Spain – one in March and two in December* were conducted with participation of Spanish employers. At the labour exchange conducted in March, 30 Bulgarian employees were approved and started work, and at the one in December, the approved persons were 100 and they were expected to start work in March 2010. *A labour exchange for medical staff in Varna* was realized with the participation of 2 German clinics and EURES advisors from Germany and Finland.

*Two labour-information exchanges were conducted in the city of Berlin and in the city of Munich*, Germany – to return Bulgarian, students in German Universities. Bulgarian employers and private mediators participated in them. More than 400 students and graduates visited the events.

64 “*EURES Open Doors*” were organized at Labour Bureau Directorates. The unemployed and the people looking for a job were informed about the options for finding a job in the members states of the EU/EEA. A questionnaire was filled in for each visitor and the filled in cards were summarized.

*7 information days for people looking for a job and unemployed* were organized throughout the year in the cities of Kazanlak, Kardzhali, Sliven, Montana, Elena, Zlataritsa and Strazhitsa. 7 information events for employers were conducted in the cities of Plovdiv, Smolyan, Provadia, Kavarna, Novi Pazar, Pleven and Duloovo. A total of 132 employers or their representatives received personalized information and consultations regarding the EURES network, the structure of EURES in Bulgaria and the services provided by the Employment Agency, including current measures and programs as well as OP “Human Resource Development”.

Throughout the year, the labour mediators and the EURES assistants from Labour Bureau Directorate consulted 9 503 people and the EURES advisors – 5 993 people.

Leaflets /90 000 pieces/ with information in Bulgarian language were updated so that information about the conditions of life and work in the countries of the treaty for EEA and Switzerland may reach a wide circle of users. In the second half of the year, brand new information materials were prepared.

In reference to the application of the Ordinance on the conditions and rules for performing mediation activity for employment, in 2009, **146 certificates for registration of mediation activity were issued**, including: for the Republic of Bulgaria – 73, for abroad – 54, for marine specialists – 19. A total of 52 contracts of mediators were registered with foreign employers, including ship owners.

By 31.12.2009, the holders of valid certificates for performing mediation activity were 587 mediation companies and of them: for the Republic of Bulgaria - 312, for abroad - 204 and for marine specialists - 71.

The tendency towards gradual decrease of the mediators for employment – for the Republic of Bulgaria, for abroad and for sailors, continues. A tendency towards increase of the registered mediation contracts concluded with employers of the EU member states is observed. The contacts of EA with the registered employment mediators get closer by concluding Agreement for joint activity in the field of employment.

The activities related to the participation of the Employment Agency in the European network EURES are in execution of the common objectives set in the European Strategy 2020. In 2010, activities under EURES Grant Agreement 2009/2010 and Grant Agreement 2010/2013 were performed (Specific Agreement for 2010-2011 ).

The EURES advisors held 4 information events /Haskovo, Lom, Sofia – for students, Dimitrovgrad/ for people looking for a job within which the participants got acquainted with the option for mediation and getting expert consultation offered by EURES.

74 days of “EURES Open Doors” were conducted at Labour Bureau Directorates and were attended by 1 837 people. The EURES assistants informed the unemployed and the persons looking for a job about the options for finding a job in the member states UE/EEA. A questionnaire was filled in for each visitor.

In 2010, 5 labour exchanges and selection interviews were conducted. In March in the city of Sofia, the European Labour Day was conducted with the participation of EURES advisors from Belgium, the Czech Republic, Slovakia, Italy, Poland, Norway, Finland, Sweden, France, Spain, Great Britain, Denmark, Germany, Slovenia, employers and mediation companies from Italy, Great Britain and Switzerland, the Bulgarian EURES team and employees of EA.

In March, in the city of Plovdiv, a labour exchange was organized for agricultural work in Denmark with the participation of 4 Danish employers and EURES advisors from Denmark and Bulgaria. More than 200 people looking for a job visited the exchange. In June, EURES Denmark confirmed that approximately 100 Bulgarian employees had started work.

2 small labour exchanges were held in February for agricultural work in Spain – in Razgrad and Blagoevgrad, with participation of Spanish employers, to which only people registered at Labour Bureau Directorates as unemployed were admitted. 560 people looking for a job came to have an interview in Razgrad. 157 people started work. 279 people looking for a job came to have an interview in Blagoevgrad and 30 people started work. After the interviews in Plovdiv in December 2010, 255 people started work. Besides, interviews for work in Finland were organized for doctors and nurses in the cities of Varna, Burgas and Plovdiv. 27 out of the interviewed 65 people were approved. An interview for agricultural work in Greece was done in the city of Yambol with the participation of a Greek employer. 233 people looking for a job came. 50 people started work.



In 2010, the EURES Manager, EURES Advisors and the EURES Assistants took part in work meetings, seminars and conferences at European level in the city of Brussels, the city of Larnaka, the city of Nitra and the city of Gdansk. EURES advisors participated in a visit to assess the performed mediation for work in agriculture in 2010 organized by EURES Denmark.

*In 2010, the EURES Assistants and the Labour Mediators consulted at Labour Bureau Directorate 10 947 people, and the EURES advisors – 6425 people. More than 47 024 people visited the EURES site of the Employment Agency in the same period, and 1 126 registered, including nationals of other member states. The people hired as a result of the mediation activity of the EURES team and the conducted labour exchanges were more than 450 people.*

By 31.12.2010, the holders of valid certificates for performing mediation activity were 639 mediation companies and of them: for the Republic of Bulgaria - 331, for abroad - 228 and for marine specialists - 80. The number of mediators who, due to the economic crisis, terminate their activity or terminate upon their initiative their registration for performing employment mediation activity increased.

In its work for execution of international contracts and agreements with partner offices for export and exchange of labour force, the Employment Agency aims at maximum use of use of the vacant jobs announced by foreign employers in particular offers and maximum publicity is given to the offers received by the Employment Agency. In view of the increased demand of Bulgarian season workers for work in Germany, job offers for household assistants were announced in January, and in April – of candidates for work at hotels and restaurants. 9 out of the received 340 offers were rejected in the reporting period.

### **Matters of the European Committee on Social Rights**

**The Committee considers that the restrictions on the right to leave the country provided for by Bulgarian legislation satisfy the requirements of Article G of the Revised Charter. It asks, nonetheless, for the next report to give details of how the restriction for reasons of national security is applied in practice.**

The legal definition for national security is contained in paragraph 1, item 13 of the Additional Provisions of the Law on Protection of Classified Information, according to which, the national security is a condition of the state and society in which the basic rights and freedoms of the person and the citizen, the territorial integrity, the independence and sovereignty of the country are protected and the democratic functioning of the state and the civil institutions is guaranteed as a result of which, the nation preserves and increases its welfare and develops.

Imposing forceful administrative measures (FAM) in the above sense is envisaged in the provisions of art. 75, item 1 and item 2 of the Law on Bulgarian Identity Documents (LBID).

Persons for whom there is information that with their travel, they might be a direct danger to the security of the Republic of Bulgaria, are not allowed to leave the country (art. 75, item 1 from LBID) and the same is valid for persons for whom there is sufficient evidence that their travel endangers the system of protection of classified information which is a state secret of the Republic of Bulgaria (art. 75, item 2 of LBID).

Pursuant to art. 41, para. 3 of the Law on State Agency for National Security, the Chairperson the Agency imposes FAM under art. 75, item 2 of LBID for prohibition to leave the country for persons whose travel endangers the security of the Republic of Bulgaria. The measures under art. 75, item 2 of LBID are applied with a motivated order of the Chairperson

of the State Commission for Security of Information or the heads of the offices for security of information and the authorities of the public order (art. 78, item 2 of LBID).

## **ARTICLE 20 – THE RIGHT TO EQUAL OPPORTUNITIES AND EQUAL TREATMENT IN MATTERS OF EMPLOYMENT AND OCCUPATION WITHOUT DISCRIMINATION ON THE GROUNDS OF SEX**

**“With a view to ensuring the effective exercise of the right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex, the Parties undertake to recognize that right and to take appropriate measures to ensure or promote its application in the following fields:**

- a. access to employment, protection against dismissal and occupational reintegration;**
- b. vocational guidance, training, retraining and rehabilitation;**
- c. terms of employment and working conditions, including remuneration;**
- d. career development, including promotion.**

### *Appendix to Article 20*

- 1. It is understood that social security matters, as well as other provisions relating to unemployment benefit, old age benefit and survivor’s benefit, may be excluded from the scope of this article.**
- 2. Provisions concerning the protection of women, particularly as regards pregnancy, confinement and the post-natal period, shall not be deemed to be discrimination as referred to in this article.**
- 3. This article shall not prevent the adoption of specific measures aimed at removing *de facto* inequalities.**
- 4. Occupational activities which, by reason of their nature or the context in which they are carried out, can be entrusted only to persons of a particular sex may be excluded from the scope of this article or some of its provisions. This provision is not to be interpreted as requiring the Parties to embody in laws or regulations a list of occupations which, by reason of their nature or the context in which they are carried out, may be reserved to persons of a particular sex.**

### **Scope of the provision as interpreted by the ECSR**

*Paragraphs a, b, c and d: Right to equal treatment between women and men at all stages of working life – access to employment, remuneration and other working conditions, including dismissal and other forms of detriment, vocational training and guidance and promotion, as well as with respect to social security. The principle of equal treatment of women and men is understood to mean the absence of any direct or indirect discrimination on grounds of sex. The right of women and men to equality must be guaranteed by a sufficiently detailed law. Any legislation, regulation or other administrative measure that fails to comply with the equality principle must be repealed or revoked. National legislation must provide for appropriate and effective remedies in the event of alleged discrimination. The burden of proof must be shifted. Anyone who suffers discrimination on grounds of sex must be entitled to adequate compensation, i.e. compensation that is sufficient to make good the damage suffered by the victim and act as a deterrent to the offender. Employees who try to enforce their right to equality must be legally protected against any form of reprisals from their employers. Occupational activities – and the training required for them – which, by their nature or the context in which they are carried out, can only be entrusted to persons of one sex may be excluded from the scope of Article 20. Provisions protecting women are not deemed to be*

*discrimination if they are objectively justified by needs that apply exclusively to women, such as those relating to maternity (pregnancy, childbirth and the postnatal period). Along with legislation, States party are required to take specific steps aimed at removing de facto inequalities affecting women's training or employment opportunities, including positive action.*

**1) Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

The general legal frame guaranteeing the right of equal opportunities and equal treatment in the sphere of employment and profession free of discrimination is stipulated in:

## **LABOUR CODE**

### **Exercise of Labour Rights and Duties**

**Article 8.** (1) Labour rights and duties shall be exercised in good faith, pursuant to the requirements of the law.

(2) Good faith in the exercise of labour rights and duties shall be presumed until the contrary has been proved.

(3) (Amended, SG No. 100/1992, SG No. 25/2001, SG No. 52/2004) In the course of exercise of labour rights and duties no direct or indirect discrimination shall be allowed on grounds of ethnicity, origin, gender, sexual orientation, race, skin colour, age, political and religious convictions, affiliation to trade union and other public organisations and movements, family and property status, existence of mental or physical disabilities, as well as differences in the contract term and the duration of working time.

(4) Labour rights and duties shall be personal. Any renunciation of labour rights, as well as any transfer of labour rights and duties, shall be void.

According to Art. 8, para. 3 of the Labour Code, discrimination in the implementation of labor rights and obligations based on sex, is inadmissible. It shall not constitute discrimination the differences or the preferences, based on the qualification requirements for the performance of a particular job. It is not discriminatory the special protection of certain groups of workers and employees – minors, pregnant women, mothers of small children, people with disabilities, occupational rehabilitees and etc., established by regulations.

### **Pregnancy, Child-Birth and Adoption Leave**

**Article 163.** (1) (Amended, SG No. 110/1999, SG No. 52/2004, No. 68/2006, SG No. 109/2008, effective 2.01.2009) Female factory and office workers shall be entitled to pregnancy and child-birth leave of 410 days for each child, 45 days of which shall compulsorily be used before the confinement.

(6) (Amended, SG No. 48/2006) A female factory or office worker who adopts a child shall be entitled to a leave under Paragraph (1) in an amount equal to the difference between the child's age on the day when it was delivered for adoption and the expiry of the period of child-birth leave to which the said adopter is entitled.

(7) (New, SG No. 108/2008, effective 1.01.2009) Where the mother and father are married or share a household, the father shall be entitled to a 15-day leave upon the birth of a child as from the date of discharge of the child from the medical-treatment facility.

(8) (New, SG No. 108/2008, effective 1.01.2009, amended, SG No. 109/2008, effective 2.01.2009) With the consent of the mother (female adopter), the father (male adopter) may use the balance to 410 days instead of her after the child's attainment of the age of six months.

(9) (New, SG No. 108/2008, effective 1.01.2009) The leave of the mother shall be interrupted for the time during which the father (male adopter) uses a leave under Paragraph (8).

Since 2009, new rules regarding the rights of leave for pregnancy, giving birth and raising an infant have come into effect. A legal opportunity was envisaged the father to take active part in the cares for the baby. The changes allowed, when the child gets 6 months old, the rest of the maternity leave to the amount of 410 days to be used by the father with the consent of the mother. For this period, if he complies with the legal requirements, he receives a compensation to the amount of 90 % of his remuneration under the labour employment.

The provision regarding the parent vacation in the Labour Code has been improved, in the Code of Social Security and in the relevant secondary legislation for encouraging the equality of the social security rights of men and women when they take care of a child. Incentives have been envisaged for the secured persons – fathers for a more active participation in the parental duties and for improvement of the combination of the professional and family life of the persons with social security – mothers and fathers.

The main amendments in the Labour Code, adopted on December 17, 2008, in effect as of January 1, 2009, refer to the following:

- The period in which the compensation for pregnancy and giving birth is paid was increased from 315 to 410 days (of which 45 before birth);
- An option was created, after the child gets 6 months old, the father with social security payments for general disease and maternity to use instead of the mother the remaining 410 calendar days and receive financial compensation for that period;
- The basic period covered by the social security payments necessary for calculating the amount of the financial compensation for pregnancy and giving birth was increased from 6 to 12 months;
- Various hypotheses are envisaged of existing, pending and future cases in view that the changes will come into legal effect on January 1, 2009.

To facilitate the practical application of the legislative changes regarding the compensations for maternity, the Central Office of NSSI prepared in due time and announced on 23.12.2008 (on the day when the laws were promulgated in SG) detailed instructions to the regional social security offices which were also published on the site of NSSI.

The right of a paid leave and compensation from the SMSS for the father by the 15-th day of the child's birth introduced with the legislative amendments to SSC and LC (adopted on December 17, 2008 by the Parliament, prom. SG issue 109 of 23.12.2008). As of January 1, 2009, the right of the socially secured for general disease and maternity father to use a 15-day leave and compensation from the SMSS when a child is born was introduced. Thus, the increased father's responsibility for taking care of the child from the first days after he/she is born was increased. This reform made a significant step for overcoming -stereotypes. At the same time, the solution is valid also when the mother and the father are not married but live in matrimonial co-existence in one household, the father has the right of this leave and compensation.

The care is towards the child and it does not matter whether he/she was born by a married couple or in a matrimonial co-existence. The leading idea is the one of equality of the mother and father (man and woman) and, on the other hand – to guarantee the best interest of the child to receive care from both responsible parents.

The father falls into the scope of protection against dismissal under art. 333 of LC, while he uses the rest of the leave for pregnancy and giving birth up to 410 days after the child gets 6 months old. The protection means that the employer can dismiss a worker or employee who began using leave for pregnancy and giving birth under art. 163 of LC only due to the winding up of the company (art. 333, para. 6 of LC).

The right of the father to this type of vacation is not only his independent right but it depends on the right of the mother to have leave – in case her right is denied, this is a reason for his right to use vacation under art. 163, para. 8 of LC to parish.

### **Protection against Dismissal**

**Article 333.** (Amended, SG No. 100/1992) (1) (Amended, SG No. 110/1999, effective 17.12.1999, SG No. 25/2001) In the cases under Items 2, 3, 5 of Article 328 (1) and Item 6 of Article 330 (2), an employer must mandatorily obtain an advance permission from the labour inspectorate for each particular case in order to dismiss:

1. (amended, SG No. 52/2004, SG No. 108/2008) a female factory or office worker, who is the mother of a child who has not attained the age of three years;

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(5) (New, SG No. 52/2004, amended, SG No. 46/2007, supplemented, SG No. 103/2009, effective 29.12.2009) A pregnant female factory or office worker and a female factory or office worker in an advanced stage of in vitro treatment, may be dismissed with notice only in pursuance of Items 1, 7, 8 and 12 of Article 328 (1), as well as without notice in pursuance of Item 6 of Article 330 (1) and Article 330 (2). In the cases under Item 6 of Article 330 (2), dismissal may take place only with the prior permission of the labour inspectorate.

(6) (New, SG No. 25/2001, renumbered from Paragraph (5), SG No. 52/2004, amended, SG No. 108/2008) A factory or office worker, who uses a leave under Article 163, may be dismissed only in pursuance of Item 1 of Article 328 (1).

With the amendments of art. 333, the existing gap in the Bulgarian legislation was filled in and new norms were created which ensure the labour protection of women in an advanced stage of in vitro treatment procedure. At present, the in vitro fertilization is one of the widest used methods of treatment of the women with impaired reproductive health.

With the proposed legislative solution, the female employees and workers in an advanced stage of treatment for in vitro fertilization, use a special protection for their employment and protection against dismissal together with the pregnant, breast-feeding women and the mothers of children below the age of 3.

Before the amendment, the female workers and employees using maternity leave had a more limited protection and it was only for dismissal due to certain reasons: winding up of part of the company or reducing the staff; decrease of the volume of work; lack of efficient performance; change of the requirements for occupying the position if she does not comply with them; objective impossibility for execution of the labour contract; disciplinary dismissal.

In those cases, they could be fired only after preliminary written consent of the Labour Inspection. With the introduction of the special protection, during pregnancy and at giving birth, no other reason for bilateral termination of the employment contract by the employer except for winding up of the whole company is allowed.

### **Right to Equal Pay**

**Article 243.** (Repealed, SG No. 100/1992, new, SG No. 25/2001) (1) Women and men shall be entitled to equal pay for equal work or work of equal value.

(2) Paragraph (1) shall apply to all payments under the employment relationship.

The text of art. 243 of LC provides for guarantees for equality in the payment for equal labour regardless of the . An explicit legal requirement was introduced the principle of equal payment for the same or equal labour of the man and the woman to be applied regarding all payments under the employment relations.

In Bulgaria, the existing legislation provides for equal remuneration for the same or equal labour. Legal guarantees have been created for avoiding difference by in the received remunerations for jobs (positions or functions) which require equal complexity and responsibility at work, with the same level of education and professional qualification and performance. The payment systems, rules for formation of the salary, including additional and incentive payments (bonuses) existing in the country and in the separate organizations, do not imply differences in the payments based on gender. The situation with the collective and individual contracts is analogical. The Labour Code forbids all forms of discrimination, privileges and limitations based on nationality, origin, gender and race. In 2001, the principle of equal payment of men and women was introduced in the Labour Code and in 2003, an amendment was added to the effect that the definition of indirect discrimination was introduced again.

## **PROTECTION AGAINST DISCRIMINATION ACT**

**Article 7.** (1) It shall not constitute discrimination:

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7. (amended, SG No. 103/2009, effective 29.12.2009) the special protection of pregnant women, women in an advanced stage of in vitro treatment and mothers, established by law, unless they have waived enjoyment of this protection and has notified the employer in writing of this waiver;

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13. (renumbered from Item 12, SG No. 69/2008) the measures in the field of education and training to ensure balanced participation of women and men, as far and for as long as such measures are necessary;

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**Article 12.** (3) The employer shall not have the right to refuse to employ a candidate on the grounds of pregnancy, maternity or bringing up a child.

**Article 13.** (3) (New, SG No. 108/2008) When a mother on maternity or parental leave, or a person on a leave under Article 163(8) of the Labour Code or parental leave, returns to work owing to the expiration of the leave or termination of its use, such person is entitled to assume the same job position as the one prior to the leave, or another equal position, and to make use of any improvement of the work conditions to which this person would be entitled if not on leave.

The amendments made in the Law on Protection against Discrimination introduced the right of the woman, after leave for pregnancy, giving birth and adopting a child, or a leave for raising a child under the age of 2, to return to her job or at an equal position under terms and conditions which are not less favourable for her, and benefit from each improvement of the labour condition to which she would be entitled during her absence /with which compliance of the national legislation with the provisions of Directive 2006/54/EUC is achieved for the implementation of the principles of equal opportunities and the equal treatment of women and men (revised)/. This right was spread also on a parent for using a father's leave and/or adoption leave, and a leave for taking care of a child under the age of 2. When this term ends, the parents has the right to return to his job or at an equal position under conditions and order which are not less favourable, as well as to benefit from each improvement of the labour conditions to which he would be entitled in his absence.

**Article 14.** (1) The employer shall ensure equal remuneration for equal or equivalent work.

(2) (Supplemented, SG No. 108/2008) Paragraph (1) shall apply to all remunerations, whether paid directly or indirectly, in cash or in kind, notwithstanding the validity term of the employment contract or the length of business hours.

(3) (Amended, SG No. 38/2012, effective 1.07.2012) The assessment criteria for determining labour remunerations and the assessment of work performance shall be equal for all factory and office workers and shall be determined by the collective agreements, or by internal wage rules, or by statutory terms and procedure of assessing state administration employees notwithstanding the grounds under Article 4 (1).

(4) (New, SG No. 108/2008, repealed, SG No. 38/2012, effective 1.07.2012).

**Article 15.** (2) (New, SG No. 108/2008) Upon returning to work after maternity and/or parental leave, where a technological operational change has been introduced with regard to any person referred to in Article 13(3), training shall be provided for the said person, with a view to obtaining the relevant professional qualification, as appropriate with regard to the changes.

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**Article 27.** (Amended, SG No. 23/2011, effective 22.03.2011)

The provisions of this Section shall furthermore apply to discrimination on the grounds of gender while in military service in the armed forces, except in carrying out any activities and occupying any positions where gender is a determining factor.

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**Article 35.** (1) Persons providing training and education, as well as the compilers of textbooks and learning materials, shall be obliged to give information and to apply methods of training and education in a way focused on overcoming stereotypes about the role of women and men in all spheres of social and family life.

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#### **ADDITIONAL PROVISIONS**

§ 1. 16. (New, SG No. 103/2009) "Women in an advanced stage of in vitro treatment" shall be women, who are in a stage of treatment through the methods of assisted reproduction, including the period from egg retrieval to the embryo transfer but no more than 20 days.

The Law of Protection against Discrimination was adopted in 2003 and came into legal effect as of 01.01.2004 in execution of the international commitments for legislative prohibition of discrimination by various criteria and establish a national mechanism for prevention and protection against discrimination undertaken by the Republic of Bulgaria. The national and international mechanisms include authorities with competence for protection against discrimination and procedures for control of the observance of the anti-discrimination legislation, such as the procedures for protection of the victims of discrimination.

The adoption of the Law on Protection against Discrimination (LPD) managed to bring our national legislation closer to the Directives of the European Union in the sphere of anti-discrimination, equal opportunities and equal treatment. The Law on Protection against Discrimination is a **wide codification law** envisaging a **special authority for its implementation**. The Commission of Protection against Discrimination is a specialized authority assigned to conduct the state policy in the sphere of equal opportunities and equal treatment of all citizens in the territory of the Republic of Bulgaria. The LPD provides the Commission envisaged in it with a large range of powers but simultaneously, it engages it with serious public responsibilities. Its activity of implementation of the anti-discrimination legislation, CPD (Commission for Protection against Discrimination) realized partnership with the NGO sector by interaction for policy making in favour of equality and equal treatment.

The Commission for Protection of Discrimination proved itself to be an independent specialized state authority for prevention, control and protection of discrimination.

In view of the improvement of the coordination with national institutions, in execution of the state anti-discrimination policy, the Commission is in active cooperation with the Commission for Human Rights and Ecclesiastical Matters at the Parliament, the Ministry of Labour and Social Policy, the Ministry of Education, the Ministry of Regional Development and Public Works, the National Ombudsman, the National Council of Cooperation in Ethnical and Demographic Issues at the Council of Ministers, the regional administrations and the local power presented by the municipalities and the municipal councils. Partner relations have been established with trade union organizations.

## **EMPLOYMENT PROMOTION ACT**

**Article 2.** Upon realization of the rights and discharge of the duties under this Act, no direct or indirect discrimination and privileges or restrictions shall be admissible on the basis of nationality, origin, gender, sexual orientation, race, skin colour, age, political and religious convictions, affiliation to trade-union and other public organizations and movements, marital, social and property status, and mental and physical disabilities.

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### **Section VIII**

#### **Programmes and Measures Providing Equal Opportunities through Social and Economic Integration to Disadvantaged Groups on the Labour Market**

**Article 53.** (Amended, SG No. 26/2003) For each job created for full-time or part-time work, filled by unemployed persons who are single parents (or adopters) and/or mothers (or female adopters) with children under 3 years of age and who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

**Article 53a.** (New, SG No. 26/2008) (1) For each job created for full-time or part-time work, filled by unemployed mothers (adopters) with children between 3 and 5 years of age, who are hired upon referral by the divisions of the National Employment Agency, the employer shall be provided with sums according to Article 30a (2) herein for the shorter of the period of employment of any such persons and twelve months.

(2) The employer shall have the right to propose training for attainment of professional qualification for the persons hired under Paragraph (1). Financial resources according to Article 30a (2) herein shall be provided to the training institution for the persons included by the employer and the National Employment Agency in organized training for professional qualification.

#### **2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

Some professions are reserved primarily for one or another gender and this is due to the nature of this activity or to the conditions under which it is performed.

Ordinance No 4 dated 30 March 2004 on the types of professions and activities for which, due to their nature or the conditions under which they are performed, the gender is an essential and determinant professional requirement pursuant to art. 7, para. 1, item 2 of the Law on Protection against Discrimination.

List of the types of professions and activities for which, due to their nature or the conditions under which they are performed, the gender is an essential and determinant professional requirement:

##### **I. Professions:**



1. Actors;
2. Dancing partners;
3. Demonstrators;
4. Models;
5. Signers;
6. Professional sportsmen;
7. Dancers;
8. Bath attendants;
9. Photo models.

In reference to the development of the policy for encouragement of equality of men and women, the Ministry of Defence /MD/ revoked Ordinance No 14 of 2005 on the activities for performing regular duty military service in the army, for which, due to their nature or the conditions under which they are performed, gender is an essential and determinant professional requirement pursuant to art. 7, para. 1, item 2 of the Law on Protection against Discrimination /SG, issue 87 of 2005 /, prom SG issue 89 of 12 November 2010. **The effect of this measure is the all positions in the army of the Republic of Bulgaria are now open to both genders.**

The state policy for encouraging the participation of women in the economy of the country is performed within the general policy for equal opportunities of women and men. **One of the key directions in the policy for increasing the employment includes the application of a complex of measures for encouraging the participation of women on the labour market and reducing the differences in the levels of unemployment, employment and payment of the two genders.** Projects for increasing the competitiveness of women on the labour market by inclusion in professional training, entrepreneurship training, establishing options for employment of unemployed women engaged in the care of infants, encouraging the employers to hire unemployed people – single parents of children under the age of 3 were developed and realized. See the information under art. 1, para. 1 on projects related to the professional realization and support of mothers/parents in the referenced period.

The inter-institutional work group at the Ministry of Labour and Social Policy prepared a draft of the National Action Plan for Encouraging the Equality of Men and Women in 2011 which was approved by the Council of Ministers on December 15, 2011. **The National Action Plan for Encouraging the Equality of Men and Women** follows the principles and objectives of the National Strategy on Encouragement of Equality (2009- 2015) and of the Strategic Plan for Development of the Ministry of Labour and Social Policy (2009-2013), priority 5.5: Execution of the international commitments of the Republic of Bulgaria in reference to encouraging the equal opportunities, the equal treatment and the gender equality.

The Plan takes into consideration that, in the new economic and social situation faced by the EU member states, a serious mobilization of the human resources and a higher-quality use of the economic potential of all social groups is necessary. The chance for combining the professional and family life affects directly the employment of women and their positions on the labour market, their incomes and economic independence. The main challenge is the direction of the policies and incentives to encouragement and ensuring a chance for men to undertake more responsibilities related to taking care within the family.

The National Plan for Encouraging the equality of women and men puts an emphasis on prevention and protection against all forms of violence, including domestic violence by: giving power to women; creation of a whole framework, policies and measures for protection and assistance to all victims of the violence against women and domestic violence; ensuring support and assistance to NGOs and law enforcement authorities for efficient cooperation aiming at adopting an integrated approach in eliminating violence against women and domestic violence.

In execution of the national plans for employment, projects were prepared and are being executed for enhancement of the competitiveness of the women on the labour market by inclusion in professional training, training in entrepreneurship, establishing opportunities for employment of unemployed women engaged in raising infants, encouragement for the employers to hire unemployed people – single parents of children under the age of 3.

The Ministry of Labour and Social Policy and the Employment Agency realized in 2010 the following programs and encouragement measures in support of the employment of women:

1. **In 2010, under the National Program “In Support of Maternity” which supports the earlier return to work of the mothers, an average of 861 people took care of their infants.** The realization of the program created a better balance between the professional and the personal life of the working parents with small children.
2. In 2010, the realization of the measure stipulated in the provision of art. 53 of the Law on Encouragement of Employment /LEE/ for encouraging the employers who hire unemployed persons – single parents (adopters) and/or mothers (adopters) with children under the age of 3 continued. The funds from the budget for active policy of the Ministry of Labour and Social Policy financed the expenses for labour remuneration and social insurance of the employed people. **In 2010, employment of 380 unemployed mothers with children under the age of 3 was ensured under the measure.**
3. Aiming at the integration of unemployed mothers with children at the age from 3 to 5 on the labour market, an encouragement measure was realized stipulated in the provision of art. 53 of the Law on Encouragement of Employment. The employers who opened jobs and ensured employment for unemployed people were provided with funds for labour remuneration and social insurance payments. **In 2010, employment of 263 unemployed mothers with children at the age of 3-5 was ensured under the measure.**
4. In 2010, the scheme “Back to Work” was realized – project “Baby-sitter – a Chance for Realization with Trainings towards Employment” under Operative program “Human Resource Development”. The project encourages the combination of professional and personal life of the parents with small children by ensuring a free baby-sitter. Unemployed people who have undergone training for key competences for looking after infants take care of the small children. The project ensures funds for labour remuneration and social insurance of the hired people. **In 2010, 755 families were included in the project.**

**The project “Training for Combination of Professional and Personal Life of Women”** was done in 2007. The main objective of the project is to increase the suitability for employment and acquiring knowledge and skills for work at home by ensuring opportunities for professional realization of women in the field of information technologies. The project is intended for unemployed women registered at the territorial offices of the Employment Agency with secondary or higher education at the age between 20 and 48. The direct objectives of the project are enhancement of the opportunities for women to combine the professional and personal life; improvement of the chances for professional realization of women as IT specialists on the labour market and in particular, in the computer processing of advertising materials – graphic and internet design; encouragement of acquiring knowledge and skills in the field of information technologies and computer technologies; enhancement of the adaptivity of women in the dynamically changing conditions of the information society based on knowledge and skills; development of the capacity at local level for using information and computer technologies.

**National program “In Support of Maternity”** is an expression of the policy for encouragement of the participation of women on the labour market and ensuring quality care in raising infants under the age of 3. In 2007, the execution of the program started which creates conditions for a better professional development and returning to employment of the mothers by ensuring free care of their children. The program is aimed at a better combination of the professional and personal life of the mothers and a smooth transition between the period of giving birth and work, on one hand, and on the other – jobs are opened to which unemployed people are hired and, last but not least, high-quality care is provided to small children. The labour remuneration of the baby-sitters is financed with funds for compensation of the mothers from the fund “General Disease and Maternity” of the State Social Security. In 2007, 612 unemployed people were included in the program “In support of Maternity”.

The program involves mothers/adopters with the right of leave for raising a child under the age of 2 and with the right for compensation in raising an infant, as well as the self-insured people, insured against the risk “maternity”; working mothers/adopters (with the exception of the ones employed under programs and measures for employment under the rules of LEE); father/adopter within the period of the leave for raising a child under the age of 2 and until 3 when the mother/adopter died, she was deprived of parental rights or exercising parental rights on the child was granted to the father/adopter.

The program was designed on the basis of the Law on Encouragement of Employment and aims at creating conditions for a smooth transition and returning to work of the women after using a leave for pregnancy and giving birth or adoption as well as achieving a better balance between the personal and professional life.

One of the key directions for enhancement of the economic activity of the population and employment in the National Action Plan for 2009 is related to encouragement of the approach to work based on “the life cycle”. It is planned to continue performing actions for ensuring affordable services of raising children. The application of alternative forms of care for children, common for the European countries will continue in combination with the traditional system of establishments for children.

**The project “Family Centers for Children”** was realized in 2009 for the last time. It was created with the purpose to provide employment for unemployed women in family centers for raising children and support for families for combining the family and professional life. In one family center under the project, children of only one age group can be raised – from 1 to 3 years of age and from 3 until 5 years of age. The family center is the home of the person who takes care of the children. The people employed at the children’s centers use their main paid annual leave in August. In case of temporary disability of the woman raising children at the family center, they are directed to the closest center by the residence of the child. On the specialized site of the Ministry of Labour and Social Policy [www.mlsp.government.bg/equal](http://www.mlsp.government.bg/equal), information about the policy of equality is updated in compliance with the European legislation and practice.

Many joint events were conducted with the social partners and NGOs for encouraging public discussions on a number of issues related to the equality of men and women – seminars under projects, work meetings of the Gender Equality Coalition, established by consultants and expert work groups under project of PROGRES program.

In 2010, media policy was conducted by the institutions for enhancement of the sensitivity of society regarding the principle of gender equality and anti-discrimination as well as ensuring information regarding the applied measures in the spheres of competence of each ministry/institution.

The Ministry of Defence, together with the Association of the Military Women realized a project approved and financed by the US Department regarding the experience of NATO on gender equality in the armed forces. The objective of the project is to enrich the knowledge and enhance the awareness of the soldiers in Bulgarian army of the good practices

of equality, to improve the professional climate by preventing gender discrimination, ensure equal opportunities for career development. The target groups of participants were from various categories of soldiers, from ethnical groups, representatives of both genders.

A page has been created on the internet site of the Ministry of Defence for promotion of the policy of gender equality and ensuring equal opportunities. A hot line has been established by the Ministry of Defence together with the Association of Military women for complaints of discrimination cases.

**3) Please provide pertinent figures, statistics or any other relevant information, in particular on employment and unemployment rates by sex and percentage differences in earnings.**

The participation of women in the world of paid labour is determined by many factors. Among which: the structure of the economy and the economic cycles, the educational level and the professional qualification, the established and legislatively regulated opportunities for labour, the family status, the incomes of households, etc. The traditions, the established stereotypes about the role of the woman and the man in the family and raising the children, the participation in the social and economic life is also a significant factor. Under the conditions of economic crisis in the period 2008 – 2010, a slight increase of the difference in the gross hour wage of men and women is observed in Bulgaria. According to the latest available information from Eurostat, it varies from 12,3 % (2008 ), 13,9 % (2009 ), 14,1 % (2010).

The breakdown by economic activities for Bulgaria shows that the greatest differences in the average monthly payment by gender are in the sectors: Financial and insurance activities – 32,3%; Human health care and social work – 31,7 %, Culture, sport and entertainment – 30,3 %. The initiatives for increasing the awareness on the problem, the active participation of the social partners and the participation in various forms of life-long training both for men and women have a significant importance for the differences in the payment.

Taking into consideration the fact that the equality of women and men is of major importance for achieving the objectives envisaged in the European Strategy Europe 2020 and in the European Strategy for Equality between Men and Women 2010-2015, and is a measure of the democratic development of society, Bulgaria will continue to develop and improve the national legislation for protection of the rights of the citizens and ensuring an equal treatment of women and men as well as to increase the awareness about gender equality and the importance of overcoming the stereotypes related to that.

The National Statistical Institute, as a member of the group of the UN “Friends of the Chairperson of the Statistical Commission of UN” participates in the discussion about the system of internationally compared indicators for measuring all forms of violence against women proposed by the UN and the draft of the preliminary report prepared after that regarding the indicators of violence against women.

In 2008, the National Statistical Institute participates in the fifth work session of the Economic Commission of Europe /ECE/ and of the conference on statistics at which a draft manual on gender statistics and a draft manual for training of statisticians in this sphere were reviewed. Discussions were conducted about the use of statistical information for the preparation of analysis at national and international level, the new challenges before statistics in the assessment of the inequality of the separate groups of the population and the use of economic indicators in the assessment of gender equality were reviewed.

In 2008, the National Statistical Institute began submitting all data by required by the European Economic Commission. In reference to the preparation of the World Program on Development of Gender Statistics, an observation of the gender statistic was done in Bulgaria.

The National Statistical Institute participated in 2008 in the discussion of the system of internationally compared indicators of all forms of violence on women.

At the beginning of 2008, all necessary data and indicators were sent to the Economic Commission of Europe at the UN for supplement and update of the data base created at the Statistical Department of the EEC by gender in the separate statistical spheres maintained by the Commission. At the end of 2009, the preparation of the information for 2007 and 2008 began which was included in the Gender Equality Questionnaire for 2009 of EEC at the UN. After they are entered, the online data base by gender will have information from 1998 until 2007.

In April 2009, the sector Statistics of Migration and Equal Opportunities was created in Demographic and Social Statistics Directorate and thus, the activity of gender equality was institutionalized at NSI.

In 2008, activities to enlarge the scope of statistical indicators by criteria such as gender began related to the compensations and aids under the state social security, including for parental leave aiming at the support of monitoring of the encouragement of gender equality and enriching the national statistics and Eurostat with social security information by gender. For this purpose, programming of the objectives of the statistics by gender of the input data from processing the sick leave slips through the relevant modules of the Information system of NSI was done.

Monitoring and analysis by types of social security compensations and aids is done at the National Social Security Institute which is published on the site of NSSI in the section "Equality of Women and Men", analysis on topic "Gender Dimension – Labour Market and Social Security Protection (2000 – 2009)". Also, analysis was done of the types of compensations and pensions which was published in the Annual Review of NSSI "The Social Security in Bulgaria in 2009". Thus, the level of inequality is shown (respectively, equality) between women and men in view of the social security. There is statistical information on the social security indicators by gender and analysis of the condition and level of inequality of women and men through the prism of gender. **The maintenance of the data base and the analytical information about the social security payments by gender is an important prerequisite for justifying the development of efficient measures for decreasing the level of inequality of women and men.**

Statistical indicators by gender were introduced at NSSI and the data from them was processed and rules for their maintenance and update have been created. **Thus, the support of the monitoring for encouragement of the gender equality, enrichment of the national statistics and Eurostat with social security information by gender is done.** There is statistical information and indicators by gender for the short-term compensations from the State Social Security /SSS/. The data base and the statistics of NSSI, besides various information about pensions by gender, also contains such about the short-term compensations.

Regarding the measures for decrease and elimination of the segregation on the labour market and the effect of the financial and economic crisis on the employment of women and men, a survey of the data base of Employment Agency was done for 2008 and 2009 and for the nine months of 2010 (January – September), as a result of which, the following has been established:

The chances of the unemployed to get realized on the labour market are direct and significant function of the gender, age, professional qualification and educational characteristic of the unemployed people. In 2009, the stable tendency observed in the last 8 years towards decrease of the unemployed women and men registered at the labour bureaus was interrupted.

The average annual number of unemployed women registered at the labour bureaus in 2009 was 162 107, and of the unemployed men – 118 873. Compared to 2008, the unemployed women are by 16 123 people (by 11.0%) more. The unemployed men, in contrast

to the previous years when they decreased by a higher rate, increased significantly throughout the year - by 31 138 people (by 35.5%). **In 2009, the situation was significantly changed and the average monthly rate was increased and was 2 times higher for men compared to the one for unemployed women, i.e., the crisis affected men more strongly.** The average monthly rate of increase for the unemployed women was 2.2% (with a decrease of -1.2% in 2008 ), and the one for men was 4.5% (with a decrease of -1.9% in 2008 ).



Registered unemployed people by gender

Source: Employment Agency

The pre-emptive rate of increase with men leads to a significant change of the ration women: men, which from 62.5% : 37.5% in 2008 became 57.7% : 42.3% in 2009 and a significant decrease of the share of women by 4.8 percent is observed.

In 2009, the unemployed women prevailed at the labour bureaus in all regions and the following regions were with the lowest share observed also in the previous years: Kardzhali (64.4%), Burgas (63.7%), Varna (63.6%), Smolyan (62.9%), Targovishte (62.2%), Haskovo (61.7%), Razgrad (61.2%) and Pernik (61.0%). In some of the regions, the share of the unemployed women decreased significantly compared to 2008. Such regions are: Burgas (by 9.6 percentage points less), Varna (a decrease of 8.3 percentage points), Sofia-City (by 8.1 percentage points less), Pernik (a decrease of 7.9 percentage points) and Gabrovo (by 7.8 percentage points less).

For the nine months of 2010 (January-September), the average monthly number of the registered unemployed people by gender was as follows:

- women – 193 568, and in the nine months of 2009, an average of 156 218 women were registered monthly. The increase of the registered unemployed women in the nine months of 2010 compared to the nine months of 2009 is 23,9% or by 37 350 women more.

- men – 162 274, and in the nine months of 2009, an average of 111 331 men were registered monthly. The increase of the registered unemployed women in the nine months of 2010 compared to the nine months of 2009 is 45,8% or by 50 942 men more.

As seen from the specified information for the first nine months of 2010, **the trend of stronger effect of the crisis on men than women** was preserved.

The changes in 2009 in the structure of employment by gender compared to 2008 were minimal – in favour of women. A little bit more than half of all the employed people

continued to be men – 53.2% (1732.3 thousand people), with 53.3% in 2008. Women were 46.8% (1521.3 thousand people), with 46.7% in the previous year. The coefficient of employment of men was 54.9%, and of women - 44.4%, and there is a decrease, respectively by 1.6 and by 1.1 percent. **It is evident from the mentioned data that the combination of the professional development with family engagements affects negatively the labour realization of women and the level of employment for them. Therefore, the measures in the sphere of combining the professional and family life play an important role for the activation of women on the labour market and ensure equal opportunities for labour realization of women and men.**

According to the results of the Observation of the Labour Force in the fourth quarter of 2010 conducted by the National Statistical Institute, the economically active population in the country at the age of 15 – 63 full years was 3 358.9 thousands. **The coefficient of economic activity was 66.6 % and compared to the fourth quarter of 2009, it almost preserved its level. This indicator decreases for men by 1.1 points – to 70.3 %, and for women – its value increased by 1.2 points and reached 62.0 %.**

In the fourth quarter of 2010, the employment coefficient of the population at the age of 15 – 63 full years was 59.0% and is by 2.2 points lower compared to the same for the period of 2009. **For men, the decrease of the employment coefficient is significantly larger than for women – respectively by 3.6 and 0.8 points. The level of employment reached 61.7% for men and 56.4 % for women.**

In the period of the fourth quarter of 2009 – the fourth quarter of 2010, the coefficient of employment of the population at the age of 20 – 64 full years (indicator, included in Europe 2020 Strategy) decreased by 2.8 points and at the end of the period, it reached 64.7%, respectively 67.7% for men and 61.8% for women.

In the fourth quarter of 2010, the coefficient of employment for the age group 55 – 64 full years was 42.9% and is by 2.8 points lower compared to the same quarter of 2009. The employment coefficient by gender for the same age group is respectively 48.5 for men and 38.0 % for women.

The economically inactive persons at the age of 15 – 64 full years were 1 688.2 thousand, or 33.4% of the population in the same age group. Of them, 746.5 thousand were men and 941.7 thousand were women, and the coefficient of economic inactivity by gender was relatively 29.7 and 37.1 %.

In the fourth quarter of 2010, the total number of employed persons at the age of 15 or more full years is 3 023.7 thousand, or 46.3% of the population of the same age. Compared to the same quarter of 2009, the number decreased by 147.9 thousand, or 4.7 %, and their relative share – by 1.9 points. The decrease of the employment refers to a greater extent to men compared to women and the number of employed people decreases respectively by 6.5 and by 2.5 %.

In the fourth quarter of 2010, the unemployed people in the country were 382.4 thousand people and the unemployment coefficient – 11.2%. Compared to the same quarter of 2009, the number of unemployed people increased by 109.6 thousand, and the unemployment coefficient – by 3.3 points. The unemployment increased more with men compared to women (the increase of the unemployment coefficient is respectively by 3.7 and 2.9 points) and, in the last quarter of 2010, the unemployment coefficient with men (12.1%) exceeded by almost two points the one with women (10.3%). The unemployed young people (15-24 full years) were 70.4 thousand, and the coefficient of youth unemployment reached 26.5 % - respectively 28.8 % with men and 23.2 % with women.

The activity of Chief Labour Inspection Executive Agency /CLI EA/ is aimed at control of the observance of the labour legislation and the specialized control of the observance of the Law on Healthy and Safe Work Conditions, the Law on Encouragement of Employment and the Public Officials Act.

The annual plan of CLI EA for 2010 did not envisage measures and programs which were aimed at inspecting issues related to gender equality.

In the 10 months of 2010, the control authorities of CLI performed inspections of 28 906 companies or separate sites. The staff working in those companies was 1 048 254, including: 599 120 men and 449 134 women.

**The conclusion from this information is that the level of employment with women was lower than the one with men irrespective that it had kept increasing in recent years.** There are, however, whole branches and economic activities (education, health care, textile and clothes production, services, production of food products, etc.) which could be said to be feminized (primarily women are employed and work there).

The following statistics could be specified in view of the equality of genders in the activity of CLI EA: the structure of staff of CLI EA – total number of 490 people, including: men – 40%; women – 60 %. Women at executive positions in the system of CLI EA: 60 %.

A good practice of organization and implementation of activities related to protection against professional risks and prevention of these risks is the employer to employ officials with suitable education and qualification or to create a specialized office. Many of these offices are managed by experts, representatives of the female gender in industrial companies like Stomana Industry JSC Pernik; Titan Zlatna Panega Cement JSC, Zlatna Panega; Promed Stil LD, Debelt; Sofia Med JSC, Sofia, Varhim Ltd., Mezdra; Devnya Cement JSC, Devnya; RUA-Metal Factory JSC, Lom; Helios Metallurg Ltd., Plovdiv.

### **Questions of the European Committee of Social Rights:**

**The report indicates that a draft Act on Equal Opportunities for Men and Women was submitted for debate to the National Assembly in 2006, but was subsequently withdrawn to introduce some amendments. The Committee asks if there has been any progress or developments concerning this new draft law.**

The provisions of the Draft Law on Equal Opportunities for Men and Women are incorporated in the Law on Protection against Discrimination; therefore we consider it unnecessary to adopt a separate law on equal opportunities for men and women.

**The Committee recalls that under Article 20 compensation for victims of discrimination should not be subject to an upper limit as this can prevent it from being adequate and proportionate to the damage suffered by the victim. According to the report, Bulgarian legislation sets no upper limits on the amount of compensation for damages linked to a discriminatory dismissal (Article 71 of the Protection against Discrimination Act). However, the Committee had previously noted that persons who suffered discriminatory dismissal were eligible for reinstatement and entitled to damages up to a maximum of six months wages (Conclusions 2006, Article 1§2, Bulgaria). The Committee refers to its observations and questions under Article 1§2, and requests a clarification on this issue with a view to assessing the situation on this part of Article 20.**

See the information provided in article 1, para 2



**The Committee asks for more information in the next report on how equal treatment for women and men is being promoted by means of collective agreements, in particular as regards equal pay.**

In addition, we provide comments of the CITUB (Appendix 3) on the content of the collective agreements in overcoming gender discrimination.

**The Committee asks what is the estimated percentage of the pay gap which cannot be attributed to known factors, such as the employment of women in sectors where remuneration is lower.**

See the information provided in Question 3) Digital data, statistics or other information - paragraph 2.

## **ARTICLE 24 – RIGHT OF WORKERS TO PROTECTION IN CASES OF TERMINATION OF EMPLOYMENT**

**“With a view to ensuring the effective exercise of the right of workers to protection in cases of termination of employment, the Parties undertake to recognise:**

**a. the right of all workers not to have their employment terminated without valid reasons for such termination connected with their capacity or conduct or based on the operational requirements of the undertaking, establishment or service;**

**b. the right of workers whose employment is terminated without a valid reason to adequate compensation or other appropriate relief.**

**To this end the Parties undertake to ensure that a worker who considers that his employment has been terminated without a valid reason shall have the right to appeal to an impartial body.”**

### *Appendix to Article 24*

**1. It is understood that for the purposes of this article the terms "termination of employment" and "terminated" mean termination of employment at the initiative of the employer.**

**2. It is understood that this article covers all workers but that a Party may exclude from some or all of its protection the following categories of employed persons:**

**a. workers engaged under a contract of employment for a specified period of time or a specified task;**

**b. workers undergoing a period of probation or a qualifying period of employment, provided that this is determined in advance and is of a reasonable duration;**

**c. workers engaged on a casual basis for a short period.**

**3. or the purpose of this article the following, in particular, shall not constitute valid reasons for termination of employment:**

**a. trade union membership or participation in union activities outside working hours, or, with the consent of the employer, within working hours;**

**b. seeking office as, acting or having acted in the capacity of a workers' representative;**

**c. the filing of a complaint or the participation in proceedings against an employer involving alleged violation of laws or regulations or recourse to competent administrative authorities;**

- d. race, colour, sex, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin;
- e. maternity or parental leave;
- f. temporary absence from work due to illness or injury.

4. It is understood that compensation or other appropriate relief in case of termination of employment without valid reasons shall be determined by national laws or regulations, collective agreements or other means appropriate to national conditions.

**Scope of the provision as interpreted by the ECSR**

*Under Article 24, the following are regarded as valid reasons for termination of an employment contract:*

- i) reasons connected with the capacity or conduct of the employee certain economic reasons;*
- ii) these must be reasons “based on the operational requirements of the undertaking, establishment or service”*

*The appendix to Article 24 lists reasons for which it is prohibited to terminate employment.*

*Prohibition to terminate employment for most of these reasons is also a requirement for conformity with other Articles of the Charter.*

*Two reasons are examined only under Article 24, namely:*

*a. the filing of a complaint or the participation in proceedings against an employer involving alleged violation of laws or regulations or recourse to competent administrative authorities.*

*National legislation or case-law must contain express safeguards against retaliatory dismissal.*

*b. temporary absence from work due to illness or injury. A time limit can be placed on protection against dismissal in such cases.*

*Any employee who considers him- or herself to have been dismissed without valid reason must have the right to appeal to an impartial body. Employees dismissed without valid reason must be granted adequate compensation or other appropriate relief. Compensation systems are considered appropriate if they include the following provisions:*

- reimbursement of financial losses incurred between the date of dismissal and the decision of the appeal body, the possibility of reinstatement;*
- and/or compensation of a high enough level to dissuade the employer and make good the damage suffered by the employee.*

**1) Please describe the general legal framework, including decisions by courts and other judicial bodies, if possible. Please specify the nature of, reasons for and extent of any reforms.**

**2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

**The amendments in the legislation compared to the previous report are the following:**

**LABOUR CODE**

**Termination of Employment Contract by Employer without Notice  
(Heading amended, SG No. 100/1992)**

**Article 330.** (1) (Amended, SG No. 100/1992) An employer may terminate without notice an employment contract of a factory or office worker who has been detained for execution of a sentence.

(2) (Amended, SG No. 100/1992) An employer shall terminate an employment contract without notice where:

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2. (renumbered from Item 3, SG No. 100/1992, amended, SG No. 101/2010) the factory or office worker is divested of the academic degree, if the contract of employment has been concluded considering the degree awarded;
9. (new, SG No. 94/2008, effective 1.01.2009) a conflict of interest has been ascertained by an effective act under the Conflict of Interest Prevention and Disclosure Act.

Art. 330. (1) (Amend. - SG, issue 100 of 1992 ) The employer may terminate the labour contract without advance notice when the employee or the worker is arrested for execution of a verdict.

(2) (Amend. - SG, issue 100 of 1992 ) The employer shall terminate the labour contract without advance notice when:

2. (previous item 3 - SG, issue 100 of 1992 , amend., issue 101 of 2010 ) the worker or employee is deprived of the scientific degree in case the labour contract was concluded in view of the acquired degree;

9. (new - SG, issue 94 of 2008, in effect as of of 1.01.2009 ) an enforced legal act ascertained conflict of interest under the Law on Prevention and Detection of Conflicts of Interests.

The amendments in art. 330, para. 2, item 2 of LC are based on the revocation of the Law on Scientific Degree and the Law on Development of Academic Staff of the Republic of Bulgaria. The new regulation introduces the following – the scientific degree are: “Doctor”(educational and scientific): "Doctor of Sciences"; academic titles: "Assistant"; "Chief Assistant"; "Assistant Professor"; "Professor".

The grounds in item 9 of art. 330. para. 2 of LC was created with the Law on Prevention and Detection of Conflicts of Interests ( LPDCI ) and came into effect together with it – 01.01.2009. Its public and legal purpose is to ensure the implementation of this law for the moral spirit of society and of the persons who occupy public posts. The legal issues set by these grounds can be divided into two groups.

The first of them is to define its filed of application. Pursuant to art. 1 LPDCI, this law shall be applied towards persons occupying „public posts”. The law defines those persons not by a definition, but by their exhaustive specification in a long list under art. 3, which covers 25 groups of persons. A part of them included one or two officials (President, Vice-president, Chairman of the Supreme Constitutional Court, Chairman of the Supreme Court of Appeal, the Prosecutor General, etc.), and others cover a relatively large group of people ( judges, prosecutors and investigators, officials of the legislative, executive and judicial power, etc.) What should be explicitly specified is to emphasize that the grounds under item 9 have limited application within LPDCI, because the „public functions” are usually occupied by persons under official or other public power. But, with the wide formulation of art. 3, item 25 LPDCI, the number of officials with labour employment in the country is not small.

The second group of questions refers to the contents of the grounds under item 9. It is determined by two main indicators:

A) there is a conflict on interests under LPDCI. The term “conflict of interests” is taken from art. 2 LPDCI. It consists of existence of private or public interest a person occupying a public function has in the above sense. The conflict of interests is the inconsistency of interests. This is an expression of a conflict of interests, their mutual exclusion due to the difference in the objectives and the cause to which one and the other interest serves. “The public interest” is the interest of society. The serving to this interest requires that the obligations of the officials occupying public functions are performed “honestly, in good faith, responsibly and impartially” (art. 4, para. 1 LPDCI). This set of “assessment terms” expresses one main idea: the employee who performs a “public function” (in a state authority or a local self-government or local administration authority) should be led only and solely by the common interests to which he/she serves and which he/she protects in

his/her employment in the execution of his/her obligations under it. The “private interest” is the personal interest of the relevant official and the personal interest of his relatives for whom the law uses the legal-technical summarized name “related persons” – spouse, including a person with which the official lives on matrimonial base, relatives in direct line of descent without limitation (parents and children, grandchildren and grandparents), relatives from the lateral line of descent up to fourth degree (first cousins), by marriage up to second degree (marriage with his/her sister’s husband’s parents), etc. who are exhaustingly listed in LPDCI. „The personal interest” is the personal benefit of the official or of his/her relatives as “related persons”. It can be both material (financial, material) or non-material (satisfaction, prestige, others of the kind). The meaning of the law is the private interest not to affect and not to be affected by the protection of the public interest.

B) The second element of the grounds under item 9 is that the conflict of interests is not only claimed and the official “accused of”, “blamed” or “suspected”, but it is to be ascertained by “an enacted statement under LPDCI”. „Ascertaining” here means certainty in the existence of conflict of interests. The “ascertaining” is done under the rules of chapter six of LPDCI (art. 23-31). This provision stipulates special proceedings for ascertaining conflicts of interests: verification and ascertaining the facts, decision of the relevant commission undero art. 25, para. 2 or of an authority under art. 28 LPDCI or of the Supreme Administrative Court and the decision coming into effect: when it is not subject to appeal under the procedures of the Administrative Procedure Code or after it is appealed in the cases stipulated by the law and court appeal before an administrative court, the decision comes into legal effect (art. 27-30 LPDCI).

Those two criteria should exist cumulatively so that there are the grounds to perform the dismissal under item 9.

Art. 333. (Amend. - SG, issue 100 of 1992 ) (1) (Amend. - SG, issue 110 of 1999 , in effect as of 17.12.1999 , issue 25 of 2001 ) In the cases under art. 328, para. 1, items 2, 3, 5 and 11 and art. 330, para. 2, item 6, the employer may dismiss only with advance permission from the labour inspection on a case by case basis:

1. (amend. - SG, issue 52 of 2004 , issue 108 of 2008 ) a female worker or employer who is a mother of a child by the age of 3;

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(5) (New - SG, issue 52 of 2004 , amend., issue 46 of 2007 , suppl., issue 103 of 2009 , in effect as of 29.12.2009 ) A pregnant worker or employee or an employee or worker at an advanced stage of in-vitro treatment may be dismissed only by an advance notice under art. 328, para. 1, item 1, 7, 8 and 12, and also without advance notice pursuant to art. 330, para. 1 and para. 2, item 6. In the case under art. 330, para. 2, item 6, the dismissal may be done with advance permission from the labour inspection.

(6) (New - SG, issue 25 of 2001 , previous para. 5, issue 52 of 2004 , amend., issue 108 of 2008 ) A worker or employee using vacation under art. 163, may be dismissed only pursuant to art. 328, para. 1, item 1.

With the amendments in item 1 of art. 333, para. 1, only a mother of a child by the age of 3 remains within the scope of the protected workers and employees. It does not matter whether the mother uses or not leave under art. 164 or under art. 165, or after she used her leave under art. 163, she began work. The protection covers both biological and foster mothers. The civil status of the mother does not matter: married, divorced, widow, single mother, in civil marriage or living in matrimonial-type of relations, etc.

The supplement to art. 333, para. 5 enlarges the scope of persons using this protection. The addition of the workers and employees in advance stage of in-vitro treatment makes their rights equal to those of pregnant workers and employees.

The amendments of Bulgarian legislation make it in compliance with the requirements of Directive 92/85/EEC of the Council of 19 October 1992 on the introduction of measures for encouragement of the improvement of the safety and health at work during employment of pregnant workers and workers who breastfeed, young mothers or breast-feeding women, and Directive 76/207/EEC of the Council of 9 February 1976 on the implementation of the principle of equal treatment of men and women regarding the access to employment, the professional qualification and development and of work conditions.

The large number of persons with reproductive problems is among the major factors for the negative demographic processes and is a problem of large social significance. Legislative changes in this sphere have been prepared in compliance with the judicial practice of the Court of Justice of the European Union in Luxembourg. The rapid development of the reproductive medicine worldwide sets new requirements to the legislation which should stipulate in an adequate manner the newly arisen social relations. Due to considerations related to the observance of the principle of legal certainty and taking into account the interests of the business and employers, the protection against dismissal provided for in this bill refers only to the female workers who, on the date of presenting the dismissal order, are in advanced stage of iv-vitro treatment.

The relevant amendments and supplements in the Public Service Act and of the Law on Protection against Discrimination are made in the conclusive provisions

The amendment of art. 333, para. 6 of LC consists of replacing the words „female worker or employee” with „worker or employee”. In reference to leave due to „pregnancy, giving birth and adoption”, as the title of art. 163 LC is now, the female worker or employee is envisaged because, biologically, only she can be pregnant and give birth. According to the new provision, this leave is 410 calendar days of which almost half after the infant get 6 months old, may be used by the father as well – worker or employee - with the consent of the mother. The use in para. 6 of „worker and employee” as a summary includes both the mother – worker or employee, while using leave due to pregnancy and giving birth (before or after the delivery and until the infant gets 6 months old under art. 163), and the leave of the father under art. 163 – before and after delivery, leave of the father under art. 163, para. 7, as well as his leave under para. 8 – when he uses it. The protection against dismissal is used by those of the two parents – mother or father, foster mother or foster father who uses leave under art. 163.

## **CIVIL SERVANTS ACT**

**Article 107.** (1) (Redesignated from Article 107, SG No. 95/2003) The appointing authority shall terminate the civil-service relationship without notice where:

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8. (New, SG No. 94/2008, effective 1.01.2009, amended, SG No. 97/2010, effective 10.12.2010) a conflict of interest has been ascertained by an effective act under the Conflict of Interest Prevention and Ascertainment Act.

The justification for the addition of point 8 of art. 107, para. 1 of the Civil Servants Act (CSA) is analogous to the introduction of section 9 of Art. 330, para. 2 of the Labour Code and is set out above.

### **Protection upon Termination of Civil-Service Relationship**

**Article 107b.** (New, SG No. 95/2003, amended, SG No. 24/2006) (1) The appointing authority may terminate the civil-service relationship with a female civil servant who is using a pregnancy and child-birth leave solely in pursuance of Item 1 of Article 106 herein.

(2) (Supplemented, SG No. 103/2009, effective 29.12.2009) The appointing authority may not terminate the civil-service relationship with a female civil servant who is pregnant or is at an advanced stage of in vitro fertilization treatment in pursuance of Item 2 of Article 106 (1) herein. In such case termination shall be admissible if a suitable alternative position is available in the same administration and the female servant refuses to occupy the said position.

The circumstances of the Appendix to para. 2 of Art. 107b of the Civil Servants Act are analogous to those of Art. 333, para. 5 of the Labour Code and were set out above.

**3) Please provide pertinent figures, statistics or any other relevant information, if appropriate.**

### **Matters of the European Committee of Social Rights**

**In its previous conclusions (Conclusions 2007), the Committee asked for confirmation whether workers on fixed term contracts have the same rights to protection against dismissal and whether there is a minimum period of employment required before the guarantees in the Labour Code concerning dismissal apply. It notes from the report that according to Section 68 para. 2 of the Labour Code as amended in 2006, employees working under a fixed term contract shall have the same rights and obligations as those working under employment contracts concluded for an indefinite period.**

**The Committee further notes from Section 70 of the Labour Code that the employer may make an employment contract subject to a probationary period of six months and that he/she may terminate the contract without notice prior to the expiration of the trial period. The Committee asks whether in the course of the six months probationary period the employee is excluded from any protection against unfair dismissal.**

Pursuant to art. 70, para. 1 of the Labour Code, when the work requires the suitability of worker or employee to perform it to be checked, the final admission to work may be preceded by a contract with a probation period of up to 6 months. Such a contract may also be concluded when the worker or employee wishes to check whether the work is suitable for him/her. The contract states in whose favor the trial period is agreed. If this is not specified in the contract, it is assumed that the trial period is agreed for the benefit of the both parties.

This employment contract is not separate grounds for concluding an employment contract due to which, the contract for the probation period contains the type of the final contract (fixed-term – under art. 68 of LC, or permanent – under art. 68 of LC) and its provisions.

Pursuant to art. 71, para. 1 of LC, until the end of the probation period, the party in whose favour it is fixed may terminate the contract without an advance notice. The employment contract shall be deemed finally concluded if it is not terminated under the previous paragraph before the end of the probation period (art. 71, para. 2 of LC).

Due to the above specified specific nature of the contract for probation, its termination by virtue of art. 71, para.1 of LC does not fall into the cases of preliminary protection at dismissal under art. 333 of LC, respectively, the employer is not obliged to explain the reasons for his lack of satisfaction by the suitability of the worker or employee to perform the work for which he/she is being tested.

### *Obligation to provide a valid reason for termination of employment*

The Committee refers to its assessment of the valid reasons for termination of employment in its previous conclusions (Conclusions 2003 and Conclusions 2007). In reply to the Committee's request for further information on the situation as regards termination of the employment relationship on the grounds that an employee has to serve a prison sentence, the report states that termination in these cases is at the discretion of the employer and that he may not dismiss the employee if he deems that the term of the sentence is short. However, it still appears from Section 330 of the Labour Code that the employer may immediately dismiss an employee sentenced to prison irrespective of the length of the sentence and irrespective of whether the sentence is based on grounds related to the employment and the Committee asks the next report for confirmation that this is actually the case. The Committee recalls in this context its case law that a prison sentence delivered by a court, can be a valid ground for termination if such sentence is delivered for employment-related offences. This is not the case with prison sentences for offences unrelated with the person's employment, which cannot be considered valid reasons unless the length of the custodial sentence prevents the person from carrying out their work (Conclusions 2005, Estonia).

The Bulgarian legislation stipulating the labour relations on the basis of the fact that a worker/employee has to serve a penalty of imprisonment has not been changed so far. The conclusions done by the Committee in reference to art. 330 of the Labour Code are correct.

The Committee had further noted in its previous conclusion that an employee may be dismissed on the grounds he/she has reached the retirement age (Section 328§10 of the Labour Code). It observes that termination in this event is subject to the employee having acquired a right to pension pursuant to Section 68 of the Social Security Code, i.e. the employee must have reached a certain age and in addition have worked for the period required for acquisition of the pension entitlement. The Committee understands that even though the Labour Code permits termination of an employment contract when these conditions are fulfilled cumulatively, termination is not compulsory but it is however possible, subject to the discretion of the employer.

The Committee recalls that dismissal on the grounds of age will not constitute a valid reason for termination of employment unless a termination is, within the context of national law, objectively and reasonably justified by a legitimate aim such as a legitimate employment policy, labour market objectives or the operational requirements of the undertaking, establishment or service and provided that the means of achieving that aim are appropriate and necessary. It asks the next report to provide information on whether and how the legal framework complies with this approach.

With the amendment of LC, prom. SG issue 7 of 2012, the legal ability of the employer to terminate the labour contract when the right of pension for social security length of service and age arises was eliminated. An employer may terminate an employment contract with notice upon reaching 65 years of age for professors, associate professors and doctors of science.

### *Prohibited dismissals*

In reply to the Committee's request for information on the protection of workers who are temporarily absent from work due to illness or disability, the report states that termination of a contract on the ground of disability is not related to the duration of the

incapacity. The Committee however notes from Section 325 of the Labour Code that dismissal of an employee is only permitted on the grounds that he is suffering from a (permanent) disability which prevents him/her from carrying out the job and where the employer can not offer alternative suitable employment. According to Section 314 of the Labour Code, an employee who after an illness or occupational accident is not able to continue with his former job, but who is able to perform another suitable job or the same job under alleviated conditions, shall be reassigned to another job or the same job with alleviated conditions upon prescription of the health authorities. Furthermore, Section 320 of the Labour Code stipulates that an employee who has lost at least 50 % of his working capacity and is reassigned to a post where he/she has a lower remuneration than in the previous one, shall be entitled to cash compensation for the difference. Furthermore, pursuant to Section 162 of the Labour Code, an employee is entitled to leave in case of temporary disability for the period of which he/she is entitled to cash compensation. The Committee understands that according to the above-mentioned provisions, there is no possibility to dismiss an employee on the ground of temporary disability, however it asks the next report to confirm that this is actually the case. As regards reprisal dismissals, the report points out that any dismissal of an employee that is not based on grounds permitted under the Labour Code shall be unlawful and the Committee reiterates its question whether there is any case law of the courts clearly demonstrating that reprisal dismissals are unlawful.

#### *Remedies and sanctions*

The Committee previously found that the situation was not in conformity with Article 24 of the Revised Charter on the grounds that the compensatory payment for unlawful termination of employment is subject to a maximum of six months' wages even though judicial proceedings in unfair dismissal cases lasted on average two years. The Committee notes from the report that following amendments made to the Civil Procedure Code in 2001, the law provides for accelerated procedures in relation with disputes on the termination of employment relationships and thus proceedings may be concluded in even less than six months. However, it appears from the comments made by the Confederation of Independent Trade Unions in Bulgaria in this respect that in the event such a dispute is complex, the competent court would treat it under the general rules of procedure which can still take up to two or three years.

The new information in this reference is that, in March 2008, a new Civil Procedure Code came into effect which stipulates in a new way a number of doctrines in Bulgarian civil law, including the claim lawsuit. The principles on which it is generally built on are related to early preclusion of the procedural terms, concentration of the filed claims and evidence at first instance, ex officio initiation, consisting of active participation of the court in the very trial and all these lead to a greater discipline of the parties and the court, a significant decrease of the terms of the judicial proceedings on civil cases and, respectively, the faster resolving of civil disputes.

As to labour disputes, besides the mentioned major concepts, the new Civil Procedure Code envisages their mandatory examination under the rules of the summary proceedings without the right for the parties or the court to select whether to apply it or not. The summary proceedings consists of, generally speaking, terms that are shorter than the ones of the main proceedings, for example, the Court performs a check of the regularity of the statement of claim and of the eligibility of the claim on the day of receiving the statement of claim; after the end of the term for the answer of the defendant /one month/, the court schedules the hearing of the case for not later than three weeks, gives directions to the parties who should take up a position on them and on the report on the case within one week. After the last court



session, the court is obliged to pronounce its decision and the motives to it within two weeks. The same rules are applied respectively to the proceedings before an appellate court. At the same time, the grounds for cassation appeal are no longer such that the cassation instance is to perform fully its function to supervise the exact and equal observance of the laws by the lower-instance courts and not to turn into a third instance on the essence of the dispute. For employment disputes, this means that, in practice, the proceedings are two-instance and only rare labour disputes will reach the third instance of cassation in exceptional cases as there is an established and constant judicial practice for them.

All these changes mean that a labour dispute should be resolved finally within 6 months provided the claimant is honest, observes the procedural terms and his/her procedural behavior is aimed at facilitating the activity of the court in view of achieving a justified solution in the terms provided for in the law.

As a result of these changes, an option for change of the criticized provision of the LC was opened.

In 2010, MLSP initiated a proposal for amendment of art. 225, para. 1 of LC which was not accepted by the Council of Ministers due to a received remark from the Ministry of Finance and the Ministry of Defence that they do not accept the elimination of the limit of 6 months. The motives of MF are that the elimination of the maximum 6-month period will lead to lack of motivation of the relevant employee/worker to search for a job. According to MD, the elimination of the term would also make the employer dependent on the efficiency of the judicial system.

See above.

## **ARTICLE 25 – THE RIGHT OF WORKERS TO THE PROTECTION OF THEIR CLAIMS IN THE EVENT OF THE INSOLVENCY OF THEIR EMPLOYER**

**“With a view to ensuring the effective exercise of the right of workers to the protection of their claims in the event of the insolvency of their employer, the Parties undertake to provide that workers’ claims arising from contracts of employment or employment relationships be guaranteed by a guarantee institution or by any other effective form of protection.”**

### *Appendix to Article 25*

- 1. It is understood that the competent national authority may, by way of exemption and after consulting organisations of employers and workers, exclude certain categories of workers from the protection provided in this provision by reason of the special nature of their employment relationship.**
- 2. It is understood that the definition of the term “insolvency” must be determined by national law and practice.**
- 3. The workers’ claims covered by this provision shall include at least:**
  - a. the workers’ claims for wages relating to a prescribed period, which shall not be less than three months under a privilege system and eight weeks under a guarantee system, prior to the insolvency or to the termination of employment;**
  - b. the workers’ claims for holiday pay due as a result of work performed during the year in which the insolvency or the termination of employment occurred;**
  - c. the workers’ claims for amounts due in respect of other types of paid absence relating to a prescribed period, which shall not be less than three months under a privilege system and eight weeks under a guarantee system, prior to the insolvency or the termination of the employment.**

**4. National laws or regulations may limit the protection of workers' claims to a prescribed amount, which shall be of a socially acceptable level.**

**Scope of the provision as interpreted by the ECSR**

*The claims arising from contracts of employment or employment relationships shall be guaranteed by a guarantee institution or by any other effective form of protection.*

*The protection afforded, whatever its form, must be adequate and effective, also in situations where the assets of an enterprise are insufficient to cover salaries owed to workers.*

**1) Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

**2) Please indicate the measures taken (administrative arrangements, programmes, action plans, projects, etc.) to implement the legal framework.**

**ACT ON FACTORY AND OFFICE WORKERS' CLAIMS GUARANTEED IN THE EVENT OF THEIR EMPLOYER'S BANKRUPTCY**

**Article 3.** According to this Act guaranteed claims of the factory and office workers are accrued and unpaid:

1. labour remuneration payable under individual and team employment contracts;
2. monetary indemnifications payable by the employer pursuant to a statutory instrument.

**Article 4.** (Amended, SG No. 34/2006) (1) (Amended, SG No. 48/2006) Entitled to guaranteed claims shall be workers and office employees who have a contract of employment with the employer pursuant to Article 2 regardless of the term of the contract and the length of working hours.

1. (amended, SG No. 34/2006, SG No. 18/2011) has not been terminated as by the date of registration of the decision referred to in Article 6 in the Commercial Register;
2. (amended, SG No. 18/2011) has been terminated in the last three months preceding the date of registration of the decision referred to in Article 6 in the Commercial Register.

(2) The persons under paragraph 1 may enjoy rights under this act, provided that the employer carried out his activities at least 6 months before the initial date of the insolvency, respectively over-indebtedness indicated in the decision under Article 6.

**Article 6.** (Amended, SG No. 34/2006, 48/2006, SG No. 18/2011) The right to guaranteed claims of workers and office employees under art. 4, para 1 shall arise on the date of registration in the Commercial Register of the court decision:

1. starting bankruptcy proceedings;
2. starting bankruptcy proceedings and declaring bankruptcy therewith;
3. (amended, SG No. 18/2011) starting bankruptcy proceedings, ruling that the company's business shall be terminated, declaring the debtor bankrupt and terminating the proceedings due to insufficient property value to be forfeited in compensation for production expenses.

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**Article 22.** (1) The guaranteed claims of the factory and office workers under Article 4, paragraph 1, item 1 shall be in an amount equal to:

1. (amended, SG No. 48/2006, SG No. 18/2011) the last three accrued but unpaid labour remunerations and financial indemnifications for the past six calendar months preceding the month in which the decision referred to in Article 6 is registered, but monthly not more than the maximal amount of the guaranteed claims determined for these cases, if the employee was in an employment relation with the same employer for a period of not less than three months;
2. (amended, SG No. 18/2011) the accrued but unpaid labour remuneration and financial indemnifications, but not more than one minimal salary established for the country as of the

date of registration of the decision referred to in Article 6, if by this date the factory or office worker has been in an employment relation with the same employer for a period of less than three months.

(2) (Amended, SG No. 18/2011) The maximal amount of the guaranteed claims under item 1 of paragraph 1 shall be determined each year by the Public Social Insurance Budget Act and it may not be less than two and a half minimum salaries established for the country as of the date of registration of the decision in the Commercial Register.

**Article 23.** (1) (Amended, SG No. 48/2006, SG No. 18/2011) The guaranteed claims of the workers and office employees under Article 4, paragraph 1, item 2 shall be in an amount equal to the labour remuneration and financial indemnifications, that were accrued but not paid during the past six calendar months before the month of termination of the employment relation, but monthly not more than the maximum size of the guaranteed claims determined for these cases, if they have been in an employment relation with the same employer for a period of not less than three months.

(2) (Amended, SG No. 18/2011) The maximal amount of the guaranteed claims under paragraph 1 shall be determined each year by the Public Social Insurance Budget Act and it may not be less than two and a half minimal salaries determined for the country as of the date of registration of the decision referred to in Article 6 in the Commercial Register.

(3) When the claims of the factory and office workers under Article 4, paragraph 1, item 2 are only for accrued but unpaid financial indemnification at the expense of the employer, owed by virtue of a statutory instrument or a team employment contract, the guaranteed claim shall be in an amount equal to of the unpaid indemnifications but not more than the four-fold size of the minimal salary established for the country as of the date of termination of the employment relation if they have been in an employment relation with the same employer for a period longer than three months.

(4) (Amended, SG No. 18/2011) When the factory or office worker under Article 4, paragraph 1, item 2 has been in an employment relation with the same employer for a period of less than three months, the guaranteed claim shall be in an amount equal to the accrued but unpaid labour remuneration and financial indemnifications but not more than one minimal salary established for the country as of the date of promulgation of the decision under Article 6.

Pursuant to the Law on Guaranteed Receivables of the Workers and Employees at Insolvency of the Employer, the liable persons are all physical and legal persons who employ people under employment and towards whom insolvency proceedings may be opened under the rules of the Commercial Law or under the rules of special laws. They are obliged to pay the mandatory monthly payments into the fund for the workers and employees employed by them under employment, with the exception of the persons who are:

- associates in commercial companies;
- members of the authorities of management and supervision of the merchant;
- spouses and relatives of direct line of descent of the merchant – physical person or the persons of the previous items.

The payments in the fund are not at the expense of the employers envisaged in § 1, item 1 of the Additional provisions of the Labour Code towards whom insolvency proceedings cannot be initiated because they are not “merchants” according to the meaning of the law. These are state institutions – ministries, executive agencies, municipalities, schools, higher schools, institutes, registered parties under the Law on Political Parties, registered religious denominations under the Law on Ecclesiastical Matters, etc. Persons under art. 2 of LGRWEIE, unincorporated companies, trade representative offices, community centers, trade union organizations, notaries and lawyers are not liable persons.

Pursuant to the provision of art. 612 of Commercial Law, no insolvency proceedings may be initiated for a merchant – public enterprise which performs state

monopoly or was created under a special law. Therefore – the merchants – monopolists do not fall into the circle of persons liable under LGRWEIE, either.

The payments into the fund shall be owed on the received, including the calculated and unpaid gross remunerations, or the uncalculated monthly remunerations but on not more than the maximum amount of the social security income fixed in the Law on the Budget of SSS, and are fully at the expense of the employers.

When a person works simultaneously under two or more employment contracts, each of the employers shall owe social security payment into the fund on the amount of the gross remuneration limited to the maximum amount of the social security income with each of them.

When a person works under a main and additional employment contract with an employer, the payments for the fund shall be owed on the remuneration under each of the contracts, but to a total of not more than the maximum monthly amount of the social security income.

The payment to the fund shall be fixed annually with the Law on the Budget of SSS but cannot exceed 0,5% of the remuneration.

The amount of the payment is not related to the monthly amount of the social security income by activities and groups of professions pursuant to art. 6, para. 2, item 3 of SSC and for the reference period by years, it is as follows:

2006	2007	2008	2009	2010
0.5%	0.5%	0.5%	0.1%	0.1%

No payments are due on the contributions of the workers and employees from the funds for social security payments, the money for work, uniform and representative clothes as well as the financial compensations due by the employer under a legal act. These are the financial compensations under articles from 213 to 221 including, art. 222, para. 2 and 3, art. 224, 225, 331 of LC. As of 01.01.2007, the payments to GRWE fund shall be due also on the remuneration which the employer pays at his expense to the workers and employees for the first work day of the temporary disability, and as of 01.07.2010 - for the first three days of the temporary disability.

With the start of the activity of the National Revenue Agency (NRA) in the beginning of 2006 and on the basis of the legislative changes in effect as of 01.01.2006, the control of the payments into GRWE fund is performed by the authorities of NRA, and the control of the payment of the guaranteed receivables is done by the supervisory authorities of the National Social Security Institute.

The due but unpaid payments shall be collected under the rules of the Tax and Social Security Procedure Code applying the rules for ascertaining and collection of the mandatory social security payments (art. 21, para. 2 of LGRWEIE).

The right of guaranteed receivables is given to the workers or employees who are or were employed by the employer irrespective of the term of the employment or the duration of the working time and whose employment had not been terminated by the date of registering the court decision of initiating insolvency proceeding in the Commercial Register, or was terminated in the last three months before the date of registering the decision.

The right of guaranteed receivables of the workers and employees arises if their employer has performed activity at least 6 months before the initial date of insolvency, respectively the overindebtedness, specified in the court decision for initiating insolvency proceedings.

The failure to pay the due payments under this law does not deprive the entitled workers and employees from the guaranteed receivables.

The right of guaranteed receivable arises as of the date of registering in the Commercial Register the court decision for:

- 1) initiating insolvency proceedings;
- 2) initiating insolvency proceedings with simultaneous declaring insolvent;
- 3) initiating insolvency proceedings, ruling out termination of the activity of the company, declaring the debtor insolvent and suspension of the proceedings due to lack of property to cover the expenses of the proceedings.

The guaranteed receivables of the workers and employees are the calculated and unpaid:

1. employment remunerations due to the worker under individual or collective employment contracts;
  2. financial compensations due by the employer under a legal act.
- Compensations for paid leave;
  - Compensations for other leaves for which payment is due.
  - Compensations when the employment is terminated.

The provisions of art. 22 and art. 23 of the Law on Guaranteed Receivables of Workers and Employees at Insolvency of the Employer stipulates the manner in which the amount of the guaranteed receivable is fixed. The legislator set the period for which the guaranteed receivable is paid and its amount depending of the duration of the employment and the condition whether it was terminated and when.

1. The guaranteed receivables of the workers and employees with terminated employment on the date of registering the court decision are to the amount of:

> The last three calculated but unpaid remunerations and financial compensations for the last 6 calendar months, preceding the month in which the decision for initiating insolvency proceedings was registered but, monthly, not more than the maximum amount fixed for those cases if the worker or employee was in employment with the same employer for at least three months;

> The calculated but unpaid remunerations and financial compensations but not more than one minimal salary, fixed for the country on the date of registration of the decision if on this date the worker or employee was in employment with the same employer for less than three months;

2. The guaranteed receivable of the workers and employees with terminated employment in the last three months before the date of registration of the initiation of the insolvency proceedings are to the amount of:

> The last three calculated but unpaid remunerations and financial compensations in the last 6 calendar months before the month of termination of the employment, but not more than the fixed for these cases maximum amount of the guaranteed receivables if they were employed by the same employer at least three months.

> The calculated but unpaid remunerations and financial compensations for the whole period of the existed employment but not more than one minimal salary fixed for the country by the date of registration of the decision if the worker or employee was employed by the same employer less than three months.

> The calculated but unpaid financial compensations at the expense of the employer due under a legal act or collective employment contract but not more than the fourfold amount of the minimal salary fixed for the country by the date of termination of the employment if they were employed by the same employer

for more than three months and if their receivables consist of only unpaid financial compensations.

According to the text of the additional provision of LGRWEIE, in effect as of 01.01.2007, the right of guaranteed receivables under the conditions, rules and to the amounts specified in LGRWEIE, is vested to workers and employees hired under employment in a company – Bulgarian employer that performs economic activity in the territory of the Republic of Bulgaria and is a differentiated part of another company performing economic activity in the territory of another EU member state or a country of the European Economic Area when, under the rules of the legislation of this country, the company is in insolvency and this refers also to the differentiated part of it in Bulgaria.

Together with the payment of the guaranteed receivables, the due social security payments for the state social security, the additional mandatory pension insurance and the health insurance are paid.

The right of guaranteed receivable arises as of the date of registering in the Commercial Register the court decision for:

- initiating insolvency proceedings;
- initiating insolvency proceedings with simultaneous declaring insolvent;
- initiating insolvency proceedings, ruling out termination of the activity of the company, declaring the debtor insolvent and suspension of the proceedings due to lack of property to cover the expenses of the proceedings.

The right to use guaranteed receivable arises when the employment:

- was not terminated on the date of promulgation of the decision for declaring insolvency;
- was terminated in the last three months before the date of declaring the insolvency.

The employers are obliged to declare once before the relevant competent territorial directorate of NRA the names of the workers and employees who have the listed the names of the workers or employees with the specified characteristics at concluding employment contract with them or at the time of arising or a change in the relevant characteristic.

Type and amount of the payment:

The employers are obliged to pay the monthly payments in the fund for the worked and employees employed by them, with the exception of the above mentioned persons until they have the relevant characteristic.

#### Terms for payment

The payments in Guaranteed Receivables of Workers and Employees Fund are paid together with the payment of the due remuneration or part of it. If the remuneration is calculated but not paid, the payments are paid by the end of the month in which their calculation is done.

#### Supervision

The supervision of the payment of the payments in the fund is done by the authorities of the National Revenue Agency.

The control of the payment of the guaranteed receivables is performed by the control authorities of the National Revenue Agency.

The due but unpaid payments are collected under the rules of the Tax and Social Security Procedure Code by applying the rules for ascertaining and collection of the mandatory social security payments.

#### Administrative-penal responsibility:

The employer or the official who does not execute his obligations under the law or the legal acts of its implementation shall be punished with a fine from 20 to 250 levs.

The violations under art. 31 shall be ascertained by statements prepared by the supervising authorities of the National Social Security Institute or the revenue authorities of the National Revenue Agency depending on their powers.

The penal decrees shall be issued by the head of the territorial unit of the National Social Security Institute or an official authorized by him, or by the revenue authorities of National Revenue Agency depending on their powers.

The ascertaining of the violations, the issuing, appeal and execution of the penal decrees shall be done under the rules of the Law on Administrative Offences and Penalties.

The guaranteed receivable shall be granted on the grounds of an application-declaration from the worker filled in in a template, submitted by the worker to the territorial unit of NSSI by the registered address of the employer within 30 days of promulgation of the court decision for initiating insolvency proceedings in Official Gazette. The receivable shall be paid on the grounds of the issued order by the director of the fund. It is sent to the territorial unit of NSSI and to the entitled worker. The territorial unit of NSSI sends the guaranteed receivables within 7 days of receiving the orders from the director of the fund and transferring the sums from the fund.

The part of the calculated but unpaid remuneration which is not guaranteed by the fund remains to be paid to the worker and can be claimed in the insolvency proceedings..

The Guaranteed Receivables of Workers and Employees Fund does not guarantee receivables arisen 01.01.2005.

The employer of the official who did not execute his obligations under the law shall be punished with a fine from 100 to 1000 levs. So far, the minimal threshold of the sanction was 20 levs and the maximum – up to 250 levs. An amendment of the Commercial Law was approved in the transitional and conclusive provisions. According to it, one month after the registration of the decision for initiation of insolvency proceedings in the Commercial Register, the employer-debtor has to terminate the employment of the workers, to send notices to this effect to the relevant territorial directorate of the National Revenue Agency. He also has to issue the necessary documents of social security length of payment and social security income.

According to the existing law, the right of guaranteed receivable arises on the date of promulgation in Official Gazette of the court decision for initiating insolvency proceedings due to lack of property to cover the expenses of the proceedings. The change aims to expedite the procedure of granting the guaranteed receivables.

**3) Please supply any relevant statistics or other information where possible on the amount of such claims, whether there is a ceiling on payments, the time taken between presentation of claims and payment of the amounts due and the overall percentage of employees' claims that are honoured by a guarantee institution and/or because those concerned are privileged creditors.**

The maximum amount of the guaranteed receivables shall be fixed annually with the Law on the Budget of the State Social Security and cannot be less than two and a half minimal salaries fixed for the country at the date of registering the decision in the Commercial Register. The table shows the maximum monthly amount of the guaranteed receivables by years,

2006	2007	2008	2009	01.01.2010 30.06.2010	-	01.07.2010 31.12.2010	-
450levs	450levs	660levs	660levs	720levs		1000levs	

## Matters of the European Committee of Social Rights

**The Committee notes that under the Commerce Act undertakings are deemed to be insolvent when they cannot meet their financial obligations (section 608) and debtors who are insolvent are required to request the initiation of insolvency proceedings within 30 days (section 626). Formal declarations of insolvency and the opening of insolvency proceedings are judicial decisions.**

**Under section 6 of the new legislation, claims are only protected once insolvency proceedings have been formally opened and the court's decision has been published in the official state gazette. The Committee asks whether protection extends to cases where there has been no formal declaration of insolvency and the enterprise has not been placed in receivership. It recalls that the protection of employees' claims must include situations where the employer's assets are insufficient to justify the opening of formal insolvency proceedings (Conclusions 2003, France).**

The right of guaranteed receivables is a subjective material right which arises with the cumulative existence of the following legal facts: a) accrued but not paid labour remunerations due under the individual and collective labour contracts and/or financial compensations payable by the employer by virtue of a legal act (art. 3 LGRWE ); b) a court decision which came into legal effect and was registered in the Commercial Register which initiated insolvency proceedings for the employer (art. 4 LGRWE ). The subjects of this right are the workers and employees whose employment was not terminated by the date of registering the court decision of initiating the insolvency proceedings and those whose employment was terminated in the last three months before this date (art. 4 LGRWE ). In other words: as of the date on which the court decision for initiating the insolvency proceedings of the employer, the employers and workers whose employment was not terminated and those whose employment was terminated in the last three months before the specified date, become entitled to guaranteed receivable within the amounts under art. 22 and art. 23 of LGRWE. Therefore, the requisite and sufficient condition for the rights under art. 4 to arise and be exercised is a court decision which came into legal effect and was registered in the Commercial Register with which the insolvency proceedings of the employer were initiated.

**The Committee notes that according to the appendix to the Revised Charter, workers' claims in respect of amounts owed for paid absences other than leave must be covered for a stipulated period, which shall be not less than three months under a privilege system and eight weeks under a guarantee system, prior to the insolvency or to the termination of employment. It asks for the next report to state whether the guarantee fund covers paid absences other than leave and, if so, the relevant period of protection.**

The guaranteed receivable of the workers and employees are the accrued and unpaid:

1. employment remunerations payable by the employer under individual and collective employment contracts;

2. the financial compensation payable by the employer pursuant to a legal act.

Financial compensations due by the employer pursuant to a legal act are:

- compensations for paid leaves.

The types of paid vacations are envisaged in Chapter One Section of the Labour Code:

Main and extended paid annual leave – art. 155, the additional annual leave – art. 156, leave for performing civil, public and other duties – art. 157, leave during training mobilization activity – art. 158, leave for trade union activists –art. 159, leave for temporary disability- art. 162, leave due to pregnancy, delivery and adoption – art. 163, leave for raising



a child by the age of 2 – art. 164, leave for breastfeeding and feeding a small infant – art. 166, leave for death or serious disease of parent – art. 167 etc are covered here.

These are the paid leaves, i. e., for the time in which they are used, the worker/employee is paid compensation.

The following are included here: compensation for denied access to work, compensation for temporary dismissal from work, compensation for business trip, compensation for transfer, compensation after labour readjustment, compensation for disaster, etc. – art. 213 – 219 of the Labour Code, Section Three, Chapter Nine “Other Types of Compensations”.

- Compensations at termination of the employment.

The compensations at termination of the employment are also envisaged in Section Three, Chapter Nine of LC: compensation for termination of the employment without advance notice - art. 221 LC; compensation for dismissal on other grounds– art. 222; compensation for illegal dismissal and for denied access to work of a reinstated worker or employee – art. 225.

The period of protection of the above specified compensations coincides with the one under art. 22 and art. 23 of LGRWE.

**The Committee notes that the new legislation only applies to undertakings that can be the subject of insolvency proceedings, which excludes state institutions, public enterprises, trade unions, law and notary offices and housing construction co-operatives. Nor does it apply to persons working for individual employers, public officials and judicial and military personnel. The Committee asks whether there is another form of protection for these categories of employees. It also notes that partners and board members of insolvent undertakings, and their spouses and close families, are also ineligible for protection.**

The Bulgarian legislation does not envisage other form of protection of the receivables of the workers and employees in cases of insolvency of their employers.

**The report indicates that there is a legal maximum period of two months and 24 days between presentation of claims and payment of sums due. The Committee considers that this is a reasonable period. It asks for an estimate of the overall percentage of workers’ claims that are satisfied through the guarantee system.**

**Summarized reference of the companies with initiated insolvency proceedings and the amount of the granted guaranteed receivables for 2006**

№	Name and address of the company	Number of persons who submitted applications		Sums of the guaranteed receivables (GR), including social security payments at the expense of the person	Axes for social security payments at the expense of the employer	Total sum paid by Guaranteed receivables of workers and employees fund	Reimbursed /total/	Amount remaining to be paid
		With the right to GR	Without the right of GR					
1	Climatex-99 JSC, the city of Vratsa	4	0	2 466.15	596.16	3 062.31	0.00	3 062.31
2	SAM Group Ltd., the city of Plovdiv	29	1	18 624.71	4 446.31	23 071.02	23 071.02	0.00
3	Kasida Ltd., the city of Dobrich	5	0	825.00	193.70	1 018.70	1 018.70	0.00
4	Bryast – 1 Ltd., the city of Plovdiv	10	1	3 112.33	752.40	3 864.73	0.00	3 864.73
<b>TOTAL:</b>		<b>48</b>	<b>2</b>	<b>25 028.19</b>	<b>5 988.57</b>	<b>31 016.76</b>	<b>24 089.72</b>	<b>6 927.04</b>

**Summarized reference of the companies with initiated insolvency proceedings and the amount of the granted guaranteed receivables for 2007**

№ no	Name and address of the company	Number of persons who submitted applications	Name Sums of the guaranteed receivables (GR),	Axes for social security payments	Total sum paid by Guaranteed	Reimbursed /total/	Amount remaining to be paid
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№	Name and address of the company	With the right to GR	Without the right of GR	including axes at the expense of the person	at the expense of the employer	receivables of workers and employees fund		
1	Prima-Lacta Ltd., the city of Vratsa	6	0	6 550.36	1 557.39	8 107.75	0.00	8 107.75
2	ASP Pressclub Ltd., the city of Sofia	1	0	894.00	210.75	1 104.75	0.00	1 104.75
3	Italy Stil JSC, the city of Dupnitsa	7	2	1 424.49	146.65	1 571.14	0.00	1 571.14
4	Italy Stil Consult Ltd, the city of Dupnitsa	26	0	7 901.03	1 700.54	9 601.57	0.00	9 601.57
5	New Press JSC, the city of Sofia	2	0	2 700.00	636.54	3 336.54	0.00	3 336.54
6	Yuper Canning Factory, the city of Ruse	3	0	3 375.96	802.65	4 178.61	0.00	4 178.61
<b>TOTAL:</b>		<b>45</b>	<b>2</b>	<b>22 845.84</b>	<b>5 054.52</b>	<b>27 900.36</b>	<b>0.00</b>	<b>27 900.36</b>

### Summarized reference of the companies with initiated insolvency proceedings and the amount of the granted guaranteed receivables for 2008

№	Name and address of the company	Number of persons who submitted applications		Name Sums of the guaranteed receivables (GR), including axes at the expense of the	Axes for social security payments at the expense of the employer	Total sum paid by Guaranteed receivables of workers	Reimbursed /total/	Amount remaining to be paid
		With the right to GR	Without the right of GR					
1	Stefan Karadzha Ltd, the city of Dobrich	16	0	7 113.14	1 593.94	8 707.08	8 707.08	0.00
2	Novatino Ltd., the city of Ruse	4	0	1 082.24	215.38	1 297.62	1 297.62	0.00
3	Agrobusiness Ltd., the city of Vratsa	0	9	0.00	0.00	0.00	0.00	0.00
<b>TOTAL :</b>		<b>20</b>	<b>9</b>	<b>8195.38</b>	<b>1 809.32</b>	<b>10 004.70</b>	<b>10 004.70</b>	<b>0.00</b>

### Summarized reference of the companies with initiated insolvency proceedings and the amount of the granted guaranteed receivables for 2009

№	Name and address of the company	Number of persons who submitted applications		Name Sums of the guaranteed receivables (GR), including axes at	Axes for social security payments at the expense of	Total sum paid by Guaranteed receivables	Reimbursed /total/	Amount remaining to be paid
		With the right to GR	Without the right of GR					
1	Italy Stil Consult Ltd, - writ of execution of 2007	1	0	450.00		450.00	0.00	450.00
2	Hemus JSC, the city of Troyan	342	1	307 580.88	55 632.72	363 213.60	0.00	363 213.60
3	Stambi Ltd., the city of Kyustendil	6	0	4 097.94	1 237.59	5 335.53	0.00	5 335.53
4	MBS JSC, the city of Sofia	68	0	61 149.89	11 692.84	72 842.73	72 842.73	0.00
5	ET Ivrum – Ivo Petrov, the city of Vratsa	6	0	1 822.62	330.23	2 152.85	0.00	2 152.85
6	Kremikovsti Trans, the city of Sofia	6	0	5 497.32	1 493.24	6 990.56	0.00	6 990.56
7	Aleksandriya Ltd., the city of Vratsa	4	0	2 368.00	435.73	2 803.73	0.00	2 803.73
8	Kremikovsti, the city of Sofia	0	1					
9	Kremikovsti, the city of Sofia	0	1					
<b>TOTAL:</b>		<b>433</b>	<b>3</b>	<b>382 966.65</b>	<b>70 822.35</b>	<b>453 789.00</b>	<b>72 842.73</b>	<b>380 946.27</b>

### Summarized reference of the companies with initiated insolvency proceedings and the amount of the granted guaranteed receivables by 31.12.2010

№	Name and address of the company	Number of persons who submitted applications		Name Sums of the guaranteed receivables (GR), including axes at the expense of the person	Axes for social security payments at the expense of the employer	Total sum paid by Guaranteed receivables of workers and employees	Reimbursed /total/	Amount remaining to be paid
		With the right to GR	Without the right of GR					
1	Kremikovsti Trade, the city of Sofia	4	0	7 827.00	1 455.82	9 282.82	0.00	9 282.82
2	Kremikovsti JSC, the city of Sofia	0	18	0.00	0.00	0.00	0.00	0.00
3	Rilamat, the city of Ihtiman, Sofia Regional Social Security Office	0	8	0.00	0.00	0.00	0.00	0.00
4	Razgrad Meat Factory, the city of Razgrad	40	1	50 213.79	7988.17	58 201.96	0.00	58 201.96
5	Eliya-94 Ltd. – Nikopol, Pleven Regional Social Security Office	1	0	1 672.95	299.46	1 972.41	0.00	1 972.41
6	Zlatna Trakiya JSC, the city of Kardzhali	4	0	1 880.77	0.00	1 880.77	0.00	1 880.77
7	SD Build Ltd., Pazardzhik Regional Social Security Office	25	0	19 256.77	3 581.75	22 838.52	0.00	22 838.52
8	Studenets 2001 JSC, the city of Sofia	0	6	0.00	0.00	0.00	0.00	0.00
9	Orfey-Kardzhali Ltd., the city of Kardzhali	0	1	0.00	0.00	0.00	0.00	0.00
10	Alu-Plast JSC, the city of Sofia	70	5	70 785.84	12 702.94	83 488.78	0.00	83 488.78
11	Belotintsi Farm, Sofia	8	0	8 763.51	1 498.53	10 262.04	0.00	10 262.04
12	Prestige Socks, Ruse	101	8	71 913.82	11 905.63	83 819.45	0.00	83 819.45
13	Immo Tasi Bulgaria, Varna	0	7	0.00	0.00	0.00	0.00	0.00
14	Golemi Balgarski Melnitsi, the city of Burgas	0	1	0.00	0.00	0.00	0.00	0.00
15	Tiara Industry, the city of Vratsa	0	232	0.00	0.00	0.00	0.00	0.00
16	Milkiex, the city of Gabrovo	56	2	74 619.64	12 801.69	87 421.33	0.00	87 421.33
17	ET Ivan Parvanov, the city of Vratsa	1	0	798.72	138.18	936.90	0.00	936.90
18	Limex Ltd., the city of Sofia	1	0	984.64	177.20	1 161.84	0.00	1 161.84
19	Teda Commerce CO JSC, the city of Stara Zagora	10	0	13 952.46	2 344.01	16 296.47	0.00	16 296.47
20	Bulktrans Ltd., the city of Vratsa	102	0	149 433.57	25 852.05	175 285.62	0.00	175 285.62
21	EMAX-M LTD., the city of Vratsa	16	0	7 650.15	1 323.14	8 973.29	0.00	8 973.29
22	Vitta Foods, the city of Svilengrad	42	0	47 905.99	8 191.87	56 097.86	0.00	56 097.86
23	Spreeder Courier Ltd., the city of Sofia	3	1	1 760.49	119.48	1 879.97	0.00	1 879.97
24	Fenix Group, the city of Vratsa	13	0	16 241.36	2 427.31	18 668.67	0.00	18 668.67
25	Ongal JSC, the city of Plovdiv	4	0	4 833.43	836.14	5 669.57	0.00	5 669.57
26	Bulches Ltd., the city of Harmanli	2	0	824.58	141.00	965.58	0.00	965.58
27	Hrancommerce, the city of Harmanli	11	1	7 093.84	1 191.80	8 285.64	0.00	8 285.64
<b>TOTAL :</b>		<b>514</b>	<b>291</b>	<b>558 413.32</b>	<b>94 976.17</b>	<b>653 389.49</b>	<b>0.00</b>	<b>653 389.49</b>

A copy of the report has been sent to the nationally representative organizations of workers and employers:

- 1) The Confederation of the Independent Trade Unions in Bulgaria;
- 2) The Confederation of Labour - Podkrepa;
- 3) The Bulgarian Industrial Capital Association
- 4) Bulgarian Industrial Association - Union of Bulgarian Business
- 5) Bulgarian Union of Private Entrepreneurs - Vazrazdane
- 6) The Bulgarian Chamber of Commerce and Industry;
- 7) Confederation of the Employers and Industrialists in Bulgaria.
- 8) The Union for Private Enterprise

Remarks have been received from the CITUB and BCCI in accordance to which the report was prepared, adequately reflects the extensive legislative framework and the implemented policies and programs. Both organizations have expressed some specific comments. The relevant recommendations for provision of additional information have been reflected in the report. The comments on current laws and policies are included in appendix to the report.