

TRAINING NEEDS ANALYSIS OF LOCAL GOVERNMENT IN BULGARIA

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Table of contents

TABLES	4
FIGURES	5
INTRODUCTION	7
EXECUTIVE SUMMARY	9
METHODOLOGY	13
LOCAL GOVERNMENT SYSTEM IN BULGARIA	15
Legislative and Institutional framework for local self-government	15
Local elections	17
Regional authorities in Bulgaria	17
Size of municipalities in Bulgaria	18
Local finances	18
Local self-government bodies	20
Local administration	20
Spheres of local self-government	21
Intermunicipal cooperation	21
Citizens participation in local self-government	22
General assessment of the state of local government - what is not working?	23
ASSESSMENT OF THE LOCAL GOVERNMENT SYSTEM	25
Assessment of quality of life	25
State of local self-government in Bulgaria	26
Strategic planning and assessment of the quality of the administration	29
General assessment of local administration	31
Attractiveness of employment in local government	35
Motivation of employees in local administration	37
Training – premises and realities	40
Trainings - current status and opportunity for improvement	41
More opinions from the interviews	57
RECOMMENDATIONS	61
REFERENCES	63

TABLES

Table 1	Number of municipalities by population as of 31.12.2022	18
Table 2	Prioritization of municipal functions	26
Table 3	Obstacles creating difficulties for municipalities	28
Table 4	Degree of difficulty in performing the tasks in the different areas of competence	33
Table 5	Overall assessment of local government office by areas	34
Table 6	Factors that make working in the municipality attractive	36
Table 7	Motivation of employees in the municipal administration	38
Table 8	Types of methods for motivating and rewarding employees	39
Table 9	Priorities of training needs	44
Table 10	Training for greater personal effectiveness	45
Table 11	In which areas were employees trained in 2023?	50
Table 12	Participants in the trainings?	51
Table 13	Factors influencing the employee's choice to participate in a training	52

FIGURES

Figure 1	Structure of local revenues, 2021	19
Figure 2	Assessment of the municipality as a place to live	25
Figure 3	Main priorities of the municipality	27
Figure 4	Municipalities with quality management systems	30
Figure 5	Self-assessment period	31
Figure 6	Evaluation of the efficiency of the municipal administration	31
Figure 7	How to improve the efficiency of municipal administration	32
Figure 8	Evaluation of the attractiveness of the municipal administration	35
Figure 9	Evaluation of the personal position on the attractiveness of the municipality	37
Figure 10	How to analyse the satisfaction of municipal employees	39
Figure 11	Problems caused by insufficient employee training	42
Figure 12	Are employees obliged to improve their qualifications?	42
Figure 13	How the training obligation is formulated?	43
Figure 14	Assessment of training needs	43
Figure 15	How often do staff members of your office take part in external training?	46
Figure 16	Participation of employees in training in the previous year	46
Figure 17	Types of trainings	47
Figure 18	Organisers of the trainings	47
Figure 19	Institutions organising the trainings	48
Figure 20	General evaluation of the NAMRB trainings	49
Figure 21	Factors influencing the employee's choice to participate in a training – most important	52
Figure 22	Amount of training funds	53
Figure 23	Organisation of internal trainings	54
Figure 24	Who supports internal trainings?	55
Figure 25	Participation in other forms of training	56
Figure 26	How training needs are analysed?	57

List of abbreviations

CEGG	Centre of Expertise for Good governance
CoE	Council of Europe
CSL	Civil servant law
EU	European Union
FLGR	Foundation for Local Government Reform
GDPR	General Data Protection Regulation (Общ регламент за защитата на данните)
GRAO	Civil registration and administrative service
ICT	Information and communication technologies
IPA	Institute of Public Administration
LATORB	Law on the administrative-territorial organisation of the Republic of Bulgaria
LLE	Law on Local Elections
LLSGLA	Law on Local Self-Government and Local Administration
LLTF	Law on Local Taxes and Fees
LRD	Law on Regional Development
LTDCMBC	Law on the territorial division of the Capital Municipality and large cities
LTP	Law on territorial planning
MPA	Municipal Property Act
NAMRB	National Association of Municipalities in the Republic of Bulgaria
NGO	Non-governmental organisation
PIRO	Plan for integrated development of the municipality

INTRODUCTION

The regulation of the public administration in Bulgaria is on vacation. The civil service is left to fend for itself, there is no institution to monitor its condition. This is even more true for local authorities. The competitive system of appointments works mainly for the low positions, salaries are low, funds for training are relied on projects. And this is one of the paradoxes of our country - in periods of political struggles and lack of regular governments, local authorities continue to work, proving that *"municipalities are the backbone and circulatory system, and everything in the body of the state. With the political upheavals, all kinds of terms and terminologies were exhausted, but without local government, the state would definitely be in an even more violent decline..."*¹.

At the same time, "... citizens expect everything from the local government, because it is the only authority to which citizens have direct access. They expect from us everything that is within the authority of the local government, together with everything that is within the authority of the state, of the electricity distribution companies, of the water supply companies. This is completely understandable because they do not have access to other structures of power."
(Mayor of a small municipality)

In this situation, it is necessary to start systematic work in support of local authorities. And perhaps this process will also be the beginning of the long overdue reform to improve the legal and institutional framework for the public administration in Bulgaria as a whole.

This Training Needs Analysis was carried out in the framework of the project *"Developing fiscal decentralisation and improving local financial management in Bulgaria"*, a joint project financed by the European Union through the Technical Support Instrument (DG Reform) and the Council of Europe, and implemented by the Centre of Expertise for Good Governance of the Council of Europe.

The purpose of the current Training Needs Analysis is to be the basis for the preparation of a National Strategy for Training and Capacity Building of Local Self-Government in Bulgaria.

The report brings together the results of qualitative and quantitative research conducted by the National Association of Municipalities in the Republic of Bulgaria and the Foundation for Local Government Reform.

1. Here and further in the document, the text in italics is a quote from the interviews conducted by the FLGR with the mayors of municipalities.

This report offers a synthesis of three types of data (perspectives) on training needs:

- ▶ the position regarding the existing system of training, the training needs of the elected and appointed officials at the local level in Bulgaria. The information largely expresses the point of view of local administration officials, municipal councillors and mayors;
- ▶ assessments of problems in the functioning of local authorities in the process of providing services to citizens and businesses and the performance of their competences;
- ▶ the vision of a successful municipality, which is shared by local government officials and the steps for its construction and development.

The report also analyses the system of local self-government in Bulgaria, both as a state and in the process of development. Completion of the necessary reforms to integrate local self-government into the system of overall state administration based on the

principle of subsidiarity will create conditions for effective functioning, in which the training of employees will have clear goals, both in terms of the level of knowledge and competences and skills. This is necessary because the training system providing high levels of competences and skills to local government employees cannot compensate for systemic disparities. For example, even the most qualified financiers of local authorities cannot contribute to the effective financial policy of the municipality, if the problems with local revenues, subsidies and the correspondence between the functions of the municipality and the funds provided for these purposes are not solved. That is why this report also explores and presents the systemic constraints that prevent local authorities from carrying out their tasks effectively.

The report presents recommendations generated on the basis of the analysis in two directions - to improve the system of local self-government and to improve the skills and competencies of local administration employees.

EXECUTIVE SUMMARY

This analysis was prepared with the support of the Council of Europe as a first step in this direction. The analysis focuses on the capacity and training needs of local authorities in the Republic of Bulgaria. A study of institutional and non-institutional obstacles and barriers in the provision of services and the implementation of local government competencies, training needs and possible actions to improve the system of local self-government is included.

The main goal of the analysis is to identify the training needs of municipal employees in Bulgaria based on the assessment of the current trends, as well as suggesting opportunities for improvement.

The methodology of the study includes the use of quantitative and qualitative research methods - conducting a survey, structured interviews, as well as focus groups. The research methodology was developed by experts from the Council of Europe and has been previously tested in many countries. It includes research tools as well as the research implementation framework and the analysis of its results.

The analysis is based on a survey prepared by the National Association of Municipalities in the Republic of Bulgaria (158 municipalities out of a total of 265 municipalities) and a series of structured face-to-face interviews conducted by the Foundation for Local Self-Government Reform (25 structured interviews with mayors and deputy mayors of municipalities).

The target group in developing the analysis is based mainly on the meetings and opinions of the following stakeholder groups: mayors and deputy mayors; municipal councillors and employees in local administrations. In order to achieve the set goals, the analysis examines from different angles the following areas of functioning of local authorities in Bulgaria:

- ▶ legal and institutional context of work of the local administration;
- ▶ study of institutional and non-institutional obstacles and barriers in the provision of services and implementation of the competences of the local government;
- ▶ scope and nature of the necessary administrative, political and financial decentralisation;
- ▶ training needs among key stakeholders in the local government sector.

A complete review of the system of local self-government in Bulgaria based on the expert desk-research was made. The main elements of the legislative framework of local self-government, the content of the main laws, as well as their interaction, were examined. The system of local elections and the role of regional authorities are also well observed. A special emphasis is placed on the size of municipalities in Bulgaria, which is one of the factors reducing the efficiency of work in more than 140 (of 265) municipalities. As the demographic crisis develops, this problem will continue to have a negative impact and specific measures are needed.

A brief review of the system of local finances in Bulgaria shows the high degree of dependence of local authorities on the central budget as a whole, as well as the problems in the system of distribution of funds for municipalities.

An analysis of the functions of the mayors and municipal councils as local self-government bodies is briefly presented, the structure and functions of local administration, as well as the spheres of work of local self-government. In addition, the system of inter-municipal cooperation and civil participation in local self-government was reviewed.

In general, the overall assessment of the state of local self-government is not positive, reforms have been delayed for years and actions are needed to improve the situation.

The second part of the analysis represents the evaluation of the system of local self-government in Bulgaria. The results of the analysis in brief are as follows:

- ▶ Quality of life - the overall assessment of the respondents in the survey about the living conditions in the municipalities is positive - assessment 4.9 out of a possible 7. Representatives of smaller municipalities tend to report a lower quality of life satisfaction score compared to larger municipalities.

- ▶ Areas of work of local self-government - the main conclusion is that, to a large extent, all areas of municipal government functions are rated highly, and those related to capital investment having the greatest importance.
- ▶ Use of strategic planning tools - all municipalities have 7-year development plans, and local administration are regularly updating and implementing these strategic documents.
- ▶ Quality management systems - more than 35% of the municipalities have functioning quality management systems compatible with ISO.

To obtain the overall assessment of the administration, the analysis seeks to find the answers to a series of questions related to the assessment of the effectiveness of the municipal administration. The overall score derived from the analysis is 6.1 on a scale of 1-minimum to 9-maximum. This is a rather conservative minimum estimate, which we believe reflects the real situation.

The assessment of the attractiveness of employment in local government measured on a scale from 1 - unattractive to 9 - most attractive. The overall answer of the respondents is 5.5 out of 9 possible, which is again an average good score. The distribution of answers shows that for most of the respondents the work in their municipal administrations is attractive, and this is especially true for small municipalities, where the opportunities to find a job are very limited due to the underdevelopment of business.

A special emphasis was made to examine and evaluate the motivation of employees in local administration, as well as the factors that determine it. In the first place, the level of remuneration is indicated as a main motivating factor - 83%, and here we can also note *"Financial and material rewards"* with 56%. The factors *"Being appreciated by the manage-*

ment”, “Good atmosphere in the administration” and “Possibilities for promotion” were rated with more than 50%. Significant motivating factors are those related to the importance of work for the local community, independence in the work process, as well as opportunities for personal growth.

The most important topic, the core of the analysis, is related to the training of municipal employees. The analysis of the responses showed that, according to administrative managers, the most important training needs of the staff of local administrations are related to areas such as: implementation of e-government; organisation of work in the administration; human-resources management; strategic planning; management of local finances, local taxes and fees; planning and implementation of infrastructure investments; environmental protection; social policy, social integration, activity of social institutions; urban planning.

The results of the analysis show that employees fully understand and support the need for continuous learning. At the same time, the study displays the lack of systematicity in the organisation of trainings at municipal level.

The distribution by types of training is interesting. Along with the free trainings accompanying the implementation of various types of projects, 58% of the respondents answered that the employees in their municipalities participated in trainings paid by the municipality.

An important element of the analysis is related to the identification of the institutions that most often provide training. Quite naturally, the two main institutions that deal with the organisation of training for local authorities are NAMRB and the Institute of Public Administration.

The analysis shows that the factor “Relevance of training topics to the current needs of the administration” has the greatest importance for inclusion in training – 46% put it on the

first and second place. Other factors are “Trust to the organiser of the training” – 42%, “Belief that the training facilitator(s) is/are competent” – 34%. The least important factors are “Distance between the place of study and your municipality” and “Duration of the training” with 9%.

According to the analysis, the attractive forms of training are meetings for the exchange of professional experience, conferences and forums on local self-government issues, as well as study visits. Unfortunately, practice shows the opposite - the organisation of exploratory visits to municipalities with the participation of officials from other local authorities is rare, only about 6% of municipalities hosted such a practice.

The document “Training need analysis of local government in Bulgaria” is accompanied by a rich set of tables and diagrams, supported by the opinions of the interviewed municipal mayors.

As a result of the analysis, recommendations were identified in the following two directions:

Addressing training needs

- ▶ This group of recommendations emphasizes the need for adoption of a National Training Strategy. The objectives of the strategy are to follow good standards of training, but the most important objective is to provide funds for the training.
- ▶ Also, it is necessary to establish a national Agency that is responsible for all elements of the civil service. It is necessary to build a system for certification of the training as well as the trainers who will carry out these trainings.
- ▶ Local authorities need methodological support, such as sharing examples of good practices or manuals for the joint implementation of individual competences.

- ▶ It is necessary to plan and implement forms of training such as exchange visits (exchange of experience), which is applicable when large municipalities with higher capacity (in the form of a resource centre) share their experience with smaller municipalities where professional specialization is at a lower level. Also, it is good to emphasise mentoring in workplace training.
- ▶ Special attention should be paid to the training of elected municipal officials (municipal councillors). This is especially important in the initial period after their election, when they need to become more familiar with the legal framework, the basis of local finances, municipal ownership and the rules of work in local authorities.
- ▶ It is necessary to improve the relationship with the universities, involving them in the training of municipal employees, both through the development of standard bachelor's and master's programs necessary for local self-government, but also with the certification of special courses, master classes and conducting various studies.
- ▶ Providing platforms for online training and opportunities to share good practices is a must. These electronic tools can very well complement traditional forms of learning.

Local government reform

This group of recommendations requires significant improvement of the legislative and institutional framework of local self-government by:

- ▶ Adoption of a new law on local self-government and local administration, which corresponds to the current stage of development and, in particular, optimises relations between local self-government bodies.
- ▶ Simplification of the legislation related to the spatial planning and zoning of the territory in order to combat the overbuilding and to improve the living conditions in the big cities.
- ▶ Changes to the Civil Servant Law to make the Law effective and improve opportunities for effective local administration. At the same time, to create an Agency responsible for the civil service and the functioning of the administration.
- ▶ The Law on Administration should define the structure and functions of the Council for Decentralisation of the State Administration, as an advisory and coordinating body. This will allow the continuation of the reform process and ensure the efficient work of the administration and improve the opportunities for regional and local economic development.
- ▶ Increase of the opportunities for citizen participation in local self-government by creating uniform standards for information, consultation and joint decision-making with citizens, as well as the development of Internet-based technologies to improve the functioning of local democracy.

METHODOLOGY

The current analysis focuses on the capacity and training needs of local authorities in the Republic of Bulgaria. The main goal of the study is to identify the factors that determine the effectiveness and efficiency of local authorities in Bulgaria. The analysis includes the following elements:

- ▶ legal and institutional context of work of the local administration;
- ▶ study of institutional and non-institutional obstacles and barriers in the provision of services and implementation of the competences of the local government;
- ▶ scope and nature of the necessary administrative, political and financial decentralisation;
- ▶ training needs among key stakeholders in the local government sector.

The target group in developing the analysis is based on the meetings and opinions of the following stakeholder groups:

- ▶ mayors and deputy mayors;
- ▶ municipal councillors;
- ▶ employees in local administrations;
- ▶ representatives of NAMRB and regional associations of municipalities;
- ▶ representatives of the central government;
- ▶ local government experts.

The main methodology of the study includes the use of quantitative and qualitative research methods - conducting a survey, structured interviews, as well as focus groups. The Training Needs Analysis research methodology was developed by experts from the Council of Europe and has been previously tested in many countries. It includes research tools as well as the research implementation framework and the analysis of its results².

2. For more information see: <https://rm.coe.int/tna-and-nts-training-needs-analysis-and-national-training-strategies-h/1680746e54>

The survey was conducted by the National Association of Municipalities in the Republic of Bulgaria in the period April-June 2023. 158 municipalities (out of a total of 265 municipalities in Bulgaria) took part in the survey through their representatives. The structure of the municipalities included in the survey corresponds to the overall structure of the municipalities in Bulgaria, which makes the survey representative. The total number of questions asked in the survey is 77. The answers to the questions are generally closed, although some of them suggest additional answers in free text. The main topics covered by the survey are related to the development priorities of the municipalities, assessment of the quality of life, strategic documents, the efficiency of the municipal administration, the satisfaction and motivation of the employees in the municipal administration, the system and elements of training of the

municipal employees, as well as evaluation of the work of NAMRB.

In the same period, the Local Government Reform Foundation conducted a total of 25 structured interviews with mayors and deputy mayors of municipalities. The municipalities that participated in the interviewing process are also of the nature of a representative sample and reflect the general structure of the municipalities in Bulgaria. To verify the results of the interviews, a focus group with employees in municipal administrations was held in July 2023.

For the completeness of the analysis, expert work was also carried out, consisting in the study of documents - laws, regulations, strategic documents at the national and regional level, as well as of the expert research on the subject.



LOCAL GOVERNMENT SYSTEM IN BULGARIA

With the beginning of the political changes in Bulgaria after 1989, the gradual formation of independence on the basis of their own field of competences of the local authorities (municipalities) began. This process started with the adoption of the Constitution in 1991 and continued until the beginning of the 21st century with the adoption of a number of basic laws that laid the foundations for reforms in the various spheres of the country's socio-political life.

Legislative and Institutional framework for local self-government

The main laws in the field of local self-government are: Law on Local Self-Government and Local Administration (1991), Law on Local Elections (1995), Law on the Administrative-Territorial Structure of the Republic of Bulgaria (1995), Law on Territorial Division of Capital Municipality and Major Cities (1995), Municipal Property Act, (1996), Local Taxes and Fees Act (1997) and Public Finance Act.

The Constitution defines Bulgaria as a unitary state with local self-government. Local self-government is exercised within the municipality as the main administrative-territorial unit. The state government system includes three levels: central, regional and municipal. The main principles of the Constitution of the Republic of Bulgaria from 1991 provide key provisions for the structure and functioning of local and regional authorities: separation of powers, supremacy of the sovereignty of the people, right to direct universal suffrage by secret ballot, political pluralism, guarantee of the basic rights and freedoms of citizens.

The Law on Local Self-Government and Local Administration essentially defines:

- ▶ the sphere of action of the municipal self-government;
- ▶ the composition and powers of the municipal councils and the organisation of their activities;
- ▶ the powers and status of municipal councillors;
- ▶ the powers and duties of the mayors of municipalities, districts and mayoralties and the secretary of the municipality;

- ▶ the status of the municipal administration;
- ▶ the property and finances of the municipality;
- ▶ the main sources of income and expenses under the municipal budgets;
- ▶ the right of local and regional authorities to associate;
- ▶ the powers of the National Association of Municipalities.

In 1995, LATORB and LTDCMBC were adopted. In LATORB, municipalities and regions are defined as basic administrative-territorial units, and mayoralties and districts in cities with a population of more than 300,000 are defined as constituent administrative-territorial units. All administrative-territorial units are characterized by territory, borders, population and name. LATORB defines three main structural units on the territory of the country:

- ▶ administrative-territorial units - regions and municipalities;
- ▶ constituent administrative-territorial units in municipalities - mayoralties and districts;
- ▶ territorial units. Settlements are defined as territorial units.

The region may consist of one or more neighbouring municipalities, the territory of which constitutes the territory of the region. The name of the region is determined by the name of the settlement, which is its administrative centre.

The municipality is also defined in the law by its territory, borders, name and administrative centre. A municipality consists of one or more neighbouring settlements. The territory of the municipality is defined by the territory of the settlements included in it.

The conditions for establishing a municipality are a set of objective and easily ascertainable circumstances. In the first place is the requirement for a certain number of population in the settlements that will be included in the newly established municipality. The total population in them must be over 6,000 people. The second condition for the creation of a new municipality is the presence of a populated place, a traditional unifying centre with built infrastructure providing services to the population. In order to function normally and in the interest of its residents, the new municipality must have at least one large settlement with a health facility, school, children's facilities, cultural centre, administrative buildings and many other elements of the infrastructure, through which the service of the population. The third requirement is aimed at determining the territorial scope of the new municipality. All neighbouring settlements must be included in it. The legislator set as the fourth condition the requirement for the maximum distance of the settlements from the administrative centre of the municipality no more than 40 km in order to facilitate the service of the population. In addition, there must be a proven possibility of financing the costs of the newly established municipality with own revenues, in an amount not less than half of the average for municipalities, provided for in the approved national budget for the relevant year.

The main administrative-territorial units within which local self-government is carried out are the municipalities. They have municipal councils and elected mayors. Within the municipalities, administrative-territorial subdivisions are created - districts and mayoralties performing functions and powers assigned to them by statute or by the municipal council. According to the Law on Territorial Division of

3. <https://www.coe.int/en/web/impact-convention-human-rights/european-charter-of-local-self-government#/>

Capital Municipality and Major Cities, regions were created in Sofia and cities with a population of over 300,000 inhabitants - Plovdiv and Varna.

In 1995, the National Assembly ratified the European Charter of Local Self-Government³, which made it part of domestic legislation and

takes precedence over it. The Charter obliges all countries that have ratified it to ensure and protect the political, administrative and financial autonomy of territorial communities. In order to ensure the implementation of the provisions of the charter, a number of changes have been made regarding the structure and functioning of local self-government.

Local elections

The Local Elections Act of 1995 defines the conditions and procedure for electing municipal councillors, mayors of municipalities, mayors of districts and mayors of mayoralities. An important element of the electoral system is the size of the electoral district. The procedure applied in Bulgaria for determining the boundaries of the electoral district provides for a complete coincidence between the administrative-territorial structure of the country and the electoral districts. Thus, each municipality represents a multi-mandate electoral district for the election of municipal councillors and

a single-mandate district for the election of a mayor. This circumstance makes it possible for the electoral system in different types of municipalities to create a different disproportion in the presentation of group political interests in the local authorities. The implementation of a proportional system in local elections ensures the preservation of the proportion in available public and political interests, giving chances to all political forces to send their representatives and thus participate in politics at the local level.

Regional authorities in Bulgaria

The 28 regions are decentralised units of state administration. They are responsible for the legal-administrative control and monitoring of the decisions of the municipalities. The functions of the regional governor have an integrative significance in terms of national politics. The regional governor controls the legality of the acts of the mayors of municipalities and the municipal councils. Its importance for the integrity of the state is also reinforced by its responsibility for the alignment between national and local interests and the development of regional development programs. The district has coordinating

functions vis-à-vis the municipalities, as well as responsibilities for strategy development. A typical regional administration controls 9 municipalities. The regional development council is a corporate body consisting of representatives of municipalities and labour organisations. The regional governor issues orders within the limits of the powers granted to him. He can stop the implementation of illegal acts of the municipal councils and refer them to the relevant district court, as well as annul illegal acts of the municipal mayors. The orders of the regional governor can be appealed to the relevant court.

The Law on Regional Development in the Republic of Bulgaria creates conditions for the relationship between local authorities and regional authorities. This is done both

along the lines of the system of planning documents, which are interconnected, and through the creation of the Regional Development Councils as an advisory body.

Size of municipalities in Bulgaria

The local level includes 265 municipalities, which is the only decentralised level of elected governance. Bulgaria belongs to the group of medium-sized countries with relatively large municipalities (average population is 25.8 thousand people). On average, a municipality covers 21.1 settlements. The number of small municipalities is large. 11% of the country's population lives in 142 municipalities with a population of less than ten thousand, and 14.4% of the total budgets are spent by them.

Due to negative demographic processes associated with a decrease in natural population growth, internal and external migration, significant changes occur in the distribution of

municipalities, according to the number of their population. The table shows the municipalities in Bulgaria according to their population in 2022.

In Bulgaria, more than half of the municipalities are with a population of up to 10,000 inhabitants. There are 8 large municipalities with a population of over 100,000 people, including Sofia Municipality. The latter drastically differs from all the others not only in terms of population, but also because of its complex administrative system and the inclusion of the territory of the municipality of 4 cities (Sofia, Bankya, Buhovo and Novi Iskar) and 34 villages.

Local finances

Bulgaria is a moderately decentralised country: local spending represents 8% of GDP and 18% of total government spending. Among the local tasks, the largest is public education as a delegated service (40% of total expenditure). Municipal services are categorized into two separate groups: delegated and own-municipal functions. The Law on Local Self-Government and Local Administration specifies the list of all delegated and municipal functions, but statutory practice often overrides this division. Funding sources are also divided by these two groups of local services. The concrete transfers of delegated services place strict limits on municipal decisions and lead to a reduction of local autonomy. Municipal services are planned to be financed from municipal own revenues. In practice, these, together with the small general compensatory grant, are also partially spent on delegated services.

Population	Number of municipalities
Up to 5000	70
from 5000 to 10000	72
from 10000 to 20000	60
from 20000 to 30000	22
from 30000 to 50000	20
from 50000 to 75000	8
from 75000 to 100000	5
More than 100000	7
Sofia municipality	1
Total	265

Table 1 Number of municipalities by population as of 31.12.2022.

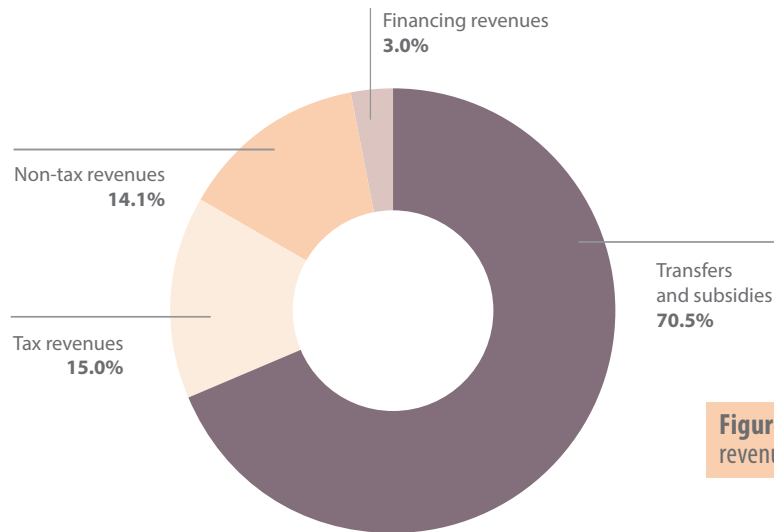


Figure 1 Structure of local revenues, 2021

Municipalities in Bulgaria are mainly financed by grants from the republican budget (71%), local taxes (15%) and fees, rents, fines, as non-tax revenues (14%). Transfers from the national budget dominate the delegated services, mainly public education (94% of local education expenditure) and social services (85%). The comparison of the delegated functions with the corresponding state budget leads to a low ratio of state transfers for public works and communal services, while more than half of the expenses of the municipal administration are financed from the state budget.

The majority of municipal aid, transfers and subsidies distributed from national to local level are targeted, specific aids. A wholly discretionary subsidy, the total equalisation subsidy represents only 6.1% of total inter-governmental transfers. State aid to the current budget of the municipality is distributed according to detailed indicators for the performance of services. These allocation criteria

are considered at the municipal level as expenditure standards. The general equalisation grant is distributed using a very complex method and some of the distribution criteria create the wrong incentives for municipalities.

Among own revenues, local taxes are dominated by property-related revenues: property tax (38% of all municipal taxes), vehicle tax (31%) and real estate tax (29%). In the case of real estate tax, the unit value and coefficients have remained almost unchanged since their inception in 1997.

Municipalities are moderately active in imposing local taxes. Collectability of basic municipal taxes is higher in wealthier regions and in larger municipalities. Tax revenues have doubled in nominal terms over the past period, although non-tax revenues always exceed total municipal tax revenues. Local taxes and fees are regulated in great detail.

Local self-government bodies

The body of legislative power is the municipal council. This body has the widest decision-making powers in the municipality. It is elected directly by the population of the municipality for a period of 4 years. The number of councilors depends on the number of the municipal population and varies from 11 for a municipality population of up to 5,000 people to 61 for the Sofia Municipality. The municipal council independently determines its internal organisational structure - number, composition and name of standing committees, organisation of work, etc. These issues, as well as a number of others, are regulated in the Regulations for the organisation and activity of the municipal council.

Acts adopted by the municipal council are rules, regulations, decisions and instructions, declarations and appeals. The municipal council is headed by a chairman elected by it. The municipal council carries out its activities primarily by holding meetings - common for the whole council and separately for its committees. A large part of the work on the preparation of decisions is carried out in the permanent committees of the municipal council. The predominant part of the specific activity on the preparation of the discussed materials is carried out by the municipal administration.

The executive authority in the municipality is the mayor of the municipality. He/she is elected by the population for a term of four years. The Mayor is responsible for implementing the decisions of the municipal council. This means that he, together with his assistants - deputy mayor, secretary of the municipality and the municipal administration - must organise the implementation of these decisions. The mayor is responsible for his activities both before the voters and before the law and the municipal council. The mayor also acts as a representative of the state authority in the municipality. As a state administrative body, it organises the implementation of the tasks arising from the laws, from the acts of the President and the Council of Ministers. In addition, in cases determined by law, the mayor may perform functions assigned to him by the central state authorities.

The relations between the municipal council and the mayor are expressed in the possibility of the collective body to cancel acts of the mayor, carried out in violation of decisions. The mayor of the municipality can dispute the decision of the municipal council when he believes that it contradicts the interests of the municipality or violates the laws.

Local administration

The administrative reform that is being carried out in our country places serious demands on our public administration, including the municipal one. In Bulgaria, by tradition, emphasis has always been placed on commonality and unity in the approach to building the central and local administration. This is expressed in the adopted Law on Administration and Law on Civil Servants. The adoption of these two laws are important and positive steps in the development of Bulgarian legislation in the process of its harmonisation and accession of

our country to European structures. The Law on Administration lays the foundation for the principles on which the administrative units of state and local government bodies should be created, and the Law on Civil Servants defines the basic principles for the creation, implementation, amendment and termination of the employment relationship, status and powers of the civil servant (at the central and local level) and its role in performing the functions assigned to it by the normative acts and the appointing authorities.

Spheres of local self-government

The main functions of the municipalities in Bulgaria are expressed in the local resolution of issues related to the following spheres:

- ▶ Municipal property, municipal enterprises, municipal finances, taxes and fees, municipal administration.
- ▶ The structure and development of the territory of the municipality and its settlements.
- ▶ Education: pre-school education, primary, primary and secondary.
- ▶ Healthcare: ambulatory polyclinic and hospital services, health prevention, medical and social care and sanitary and hygiene activities.
- ▶ Culture: community centres, theatres, orchestras, libraries, museums and museum collections, rituals, local traditions and customs.
- ▶ Improvement and communal activities: water supply, sewerage, electrification, heating, telephone, streets and squares, parks, gardens, street lighting, landscaping, correction of rivers and ravines, household waste treatment, municipal baths, laundries, garages, cemeteries.
- ▶ Social support: Social care and social assistance, social housing satisfaction and other social activities of municipal importance.
- ▶ Protection of the environment and rational use of natural resources of municipal importance.
- ▶ Maintenance and preservation of cultural, historical and architectural monuments of municipal importance.
- ▶ Development of sports, tourism and recreation of municipal importance.

Intermunicipal cooperation

Municipalities can establish three legal forms of inter-municipal cooperation for specific projects, as a non-profit association, a business or as a non-profit legal entity. The two mandatory forms of cooperation are for household waste management and the Water and Sewer Associations.

In the analysed period, the construction and sustainable development of municipal associations and their important role in the development of the decentralisation process can be noted. In 1991, the law regulated the possibility of associations of municipalities to solve problems and tasks of common interest. During the analysed period, various forms of regional associations of municipalities emerged. In most cases, they are separated on a geographical basis and set themselves the task of assisting the municipalities in solving problems specific to the region. Before the creation of NAMRB, they represent and protect the interests of the participating municipalities before the state and other authorities.

Subsequently, these functions were largely taken over by NAMRB, and the associations were directed towards solving specific projects and tasks.

NAMRB was established in 1996 on the principles of voluntariness and equality of its members. It is registered as a legal entity and its main purpose is to protect the common interests of its members and the development of local self-government.

The main purpose of municipal associations - national, regional and professional is to support, affirm and develop local self-government as the main form of local democracy and to protect the interests of local communities, elected and appointed municipal officials. In many ways, associations of municipalities have been transformed as a bridge that allows the different perspectives of central and local government to come together in an effective and functioning partnership for governance in a democratic society.

Citizens participation in local self-government

The right of citizens to participate in the process of policy formation and implementation is established both in international documents and in national law. According to the Code of Good Practices of Citizen Participation in the Decision-Making Process, approved by the Council of Europe, participation in public consultations is one of the forms of citizen participation. In this way, citizens and civil organisations can declare an active position, propose alternative solutions, make recommendations to the institutions.

At the local level, citizens can participate in the meetings of the municipal council and its committees. According to the provisions of the Law on Local Self-Government and Local Administration, the meetings of the municipal council and its committees are open. Citizens have the right to speak, to submit questions, opinions and proposals within the competence of the municipal council, the mayor or the municipal administration, representing public interest.

Citizens and the local community can get involved in the preparation of the draft budget of the municipality. They can make proposals to include individual items in the draft budget. This is done by organising consultations, meetings and public discussions with citizens and the local community.

Public councils are consultative bodies for civic participation and public control at the local level, which assist the local government in formulating and implementing municipal policy on issues important to the local community. Public councils can be formally established as an independent legal entity (non-profit association) or exist as a public advisory body to the municipality, the region, the town hall.

They can be created both at the initiative of citizens and NGOs, and at the initiative of the local government.

Access to public information is also a key prerequisite for civic participation. An important approach is the organisation of public consultations on normative and strategic documents at the local level. Public consultation can take the form of a written or online consultation, discussion, round table, joint working groups, etc.

The protection of the rights and legitimate interests of citizens can also be carried out through the institute of the public mediator. He is elected by a majority of 2/3 of the total number of municipal councillors and assists in observing the rights and legitimate interests of citizens before the bodies of local self-government and local administration. Its organisation and activities are governed by regulations adopted by the municipal council.

The Law on Direct Participation of Citizens in State Power and Local Self-Government regulates the conditions, organisation and procedure for direct participation of Bulgarian citizens in the implementation of state and local government. Direct participation takes place through the following forms:

- ▶ Referendum - it can be produced at the national and local level.
- ▶ Civil initiative - it can be held at the national, European and local level. Through a local citizens' initiative, citizens make proposals to the municipal council, the mayor of the municipality, the region or the town hall, or to regional or regional bodies of the executive power to solve issues of local importance.

- ▶ European citizens' initiative - it is carried out by signing in compliance with the requirements of Regulation (EU) No. 211/2011 of the European Parliament and of the Council of February 16, 2011 regarding the citizens' initiative;
- ▶ a general meeting of the population - it is held to resolve issues of local importance, the competence for the resolution

of which, as appropriate, is granted to the relevant municipal council or mayor.

Control over local politics is established through the mandatory public nature of the activities of local bodies. In practice, new approaches and information technologies are introduced in the work with citizens - the local and central media are increasingly used as mediators.

General assessment of the state of local government - what is not working?

After all, over the past 30 years, a tremendous amount of work has been done in all possible areas of local government. All legal possibilities have been reviewed and wherever possible, successes have been achieved in regaining the rights of the municipalities. Numerous battles have been won to change every paragraph of the laws that regulate the responsibilities of central government and municipalities. Bulgaria is at the forefront of the adoption and promotion of the Strategy for Innovation and Good Governance at the local level of the Council of Europe. What are the main system problems?

Regarding legislation

The existing legislative framework for local self-government is already largely outdated. In recent years, on several occasions the NAMRB has proposed to adopt an entirely new law on local self-government. The national decentralisation strategy again raises the idea of creating a second level of self-government at the district level. There are discussions on legal changes to consolidate municipalities, almost a third of which do not meet the legal requirements and do not allow for effective management. Changes are also necessary regarding the so-called shared functions, regarding property management, spatial

planning and construction zones, etc. Unfortunately, the unbalanced system of transferred responsibilities for the provision of services has been preserved, without the necessary decision-making powers for their provision and resources for their financing. This situation does not allow local authorities to conduct independent local policy, taking responsibility for its consequences to the local community.

Regarding the implementation of local democracy

A number of unresolved issues exist, both in the electoral process of the two bodies of local self-government – the mayor and the municipal council, and in the way in which the two bodies work together and control each other.

Regarding municipal finances

For years it has been discussed how municipalities should receive a share of the nationally determined and collected income and property taxes, the freedom to impose local taxes and fees, as well as to receive subsidies outside the so-called cost standards, the update of which has not yet been objectified.

Regarding capital investments

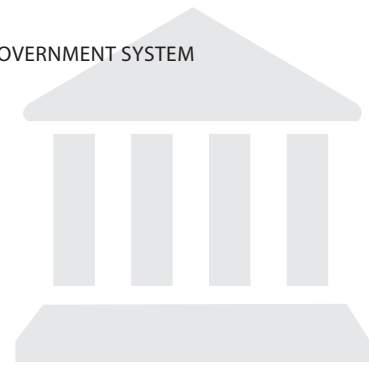
In practice, there is still confusion and misunderstanding of the specifics of capital investments and their difference from infrastructure investments. The process of planning and implementing these resource-intensive activities needs the application of new approaches.

Regarding employees in the local administration

The problems have not been solved at the national level, but at the local level they are manifested in the lack of integrity in the implementation of the civil service, the lack of regulations, as in appointments, professional training, career development, guarantees for the civil servants, i.e. for the entire cycle of civil service relationships.

The main problems that limit citizens' participation in local self-government are:

- ▶ insufficient publicity and transparency in the process of determining the objectives and policy of the municipality and the mechanisms for their realization;
- ▶ the partisanship of local politics as a consequence of the proportional electoral system, according to which municipal councillors are elected, limits to a significant extent the possibilities for including alternative proposals and solutions and limits the real influence of citizens;
- ▶ there are no uniform minimum standards for information, consultation and joint decision-making with citizens, which must be observed by the administration at the central and local level;
- ▶ the electronic consultation process is poorly represented in the work of the institutions at the local level.



ASSESSMENT OF THE LOCAL GOVERNMENT SYSTEM

Assessment of quality of life

Quality of life is closely related to local government because it includes the degree of development of the housing environment, satisfaction with it and policies affecting aspects of education, health and social care at the local level. The local authorities are responsible for the state of all the listed elements. Therefore, this is the first question that is important because it characterizes local self-government through the results of its functioning. The overall assessment of the respondents in the survey about the living conditions in the municipalities is positive - assessment 4.9 out of a possible 7.

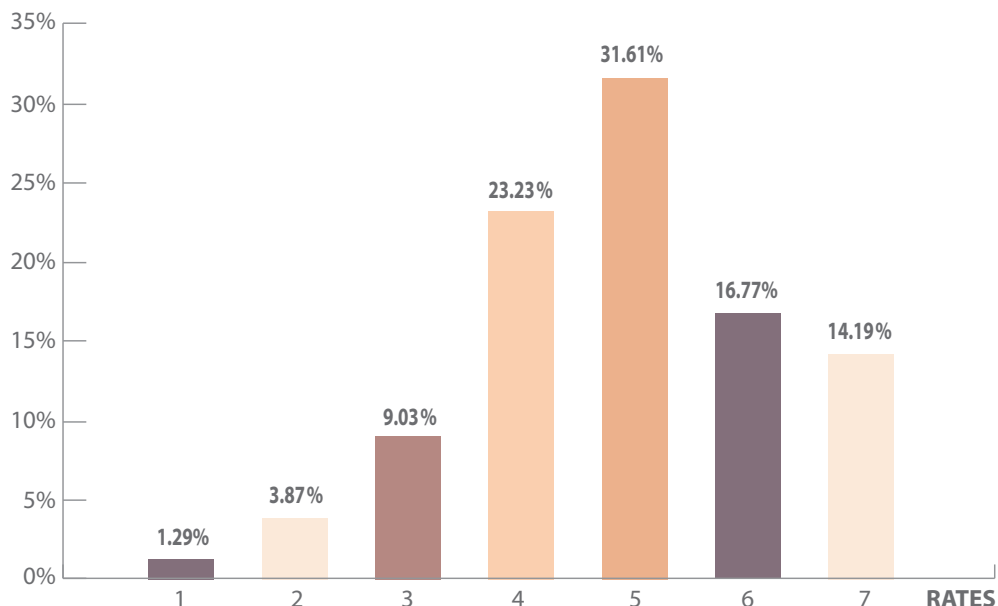


Figure 2 Assessment of the municipality as a place to live

Low ratings (1, 2 and 3) were given by about 14% of the respondents. This corresponds to 14% maximum estimates, making the estimate a complete illustration of the picture of a normal distribution. Also, the cost of quality of life varies depending on the size of the municipality. Representatives of smaller municipalities tend to report a lower quality of life satisfaction score compared to larger municipalities. Also, the fact that the respondents are part of the municipal administration should be taken into account, which makes their assessment somewhat biased.

How do mayors assess change?

“Over time, we have done a lot of things, with all kinds of means, and in some way we have satisfied people’s expectations. The good thing is that people have higher and higher expectations. If I snap my fingers and take people back 10-20-30 years to see the change, then surely they will appreciate it much more. Everyone wants to live better, like in European countries. Unfortunately, we lack many things from the mentality, from the behaviour of these same people, for which we, the family, the teachers are all to blame. We burden ourselves to live with the same expectations as them, only to work like us, which cannot be done. People in Europe work.” (Mayor of mid-size municipality).

State of local self-government in Bulgaria

As already noted, Bulgarian municipalities (by definition) are medium-sized and perform many functions - their own and delegated. How do the respondents assess the importance of

municipal functions, how do they prioritize them? Each of the respondents answers for his municipality, but the summarized opinions are presented in the table below.

Functions	Answers
Road infrastructure	65.19%
Water supply and sewerage network	52.53%
Social services and municipal housing	31.65%
Cleanliness in the streets and public places	29.75%
School/pre-school education and care	24.05%
Health care and prevention	22.15%
Public safety	21.52%
Landscaping and urban environment	20.89%
Extracurricular activities for children	6.33%
Sports and recreation	5.06%
Activity of cultural institutions	3.80%
Support from non-governmental organisations and civil initiatives	3.80%
Another area	3.80%

Table 2 Prioritization of municipal functions

First of all, the areas that should be supported are "Road infrastructure" - 65.19%, "Water supply and sewerage network" - 52.53%. Both areas involve capital investment and have long-term returns. Of course, they are the basis of the municipal engineering infrastructure and should be well developed. The issue here is who runs this infrastructure and who pays for it. The rankings are followed by the areas "Social services and municipal housing" - 31.65%, "Cleanliness of streets and public places" - 29.75%, "School/preschool education and care" - 24.05%, "Health care and prevention" - 22.15%, "Public safety" - 21.52%. The main conclusion is that, to a large extent, all areas of municipal government important for the citizens are represented.

At the same time, citizens' expectations are:

"They perceive the municipality as everything. The municipality is responsible for everything. Regardless of the fact that different state institutions are responsible for certain areas, they expect everything from the municipality. Republic road - the municipality must take care, rivers, cleaning outside the urbanized territories - the municipality must take care. They perceive the municipality as everything."
(Mayor of small mountain municipality)

How are these expectations perceived?

"On the one hand, the local government does not have the opportunity to directly decide and meet the expectations, and on the other hand, the local government must be a bridge, an intermediary between the expectations of the people and the state institutions. Another issue is that there is not always the appropriate understanding on the part of state institutions, and our efforts run into a wall. This, in fact, disappoints the citizens and reflects back on us."
(Mayor of small mountain municipality)

"What I can say is that in the last two years it has been proven that the only administrations that have remained and provide some security to the citizens are the municipalities. What needs to be done is to give a little more freedom to the municipalities and give them more opportunities to realize their projects that they consider important. That would make people's lives better, I think."
(Mayor of municipality – regional centre)

The next question from the survey is related to the priorities adopted and implemented in the surveyed municipalities.

What are the main priorities of your municipality during the current mandate?

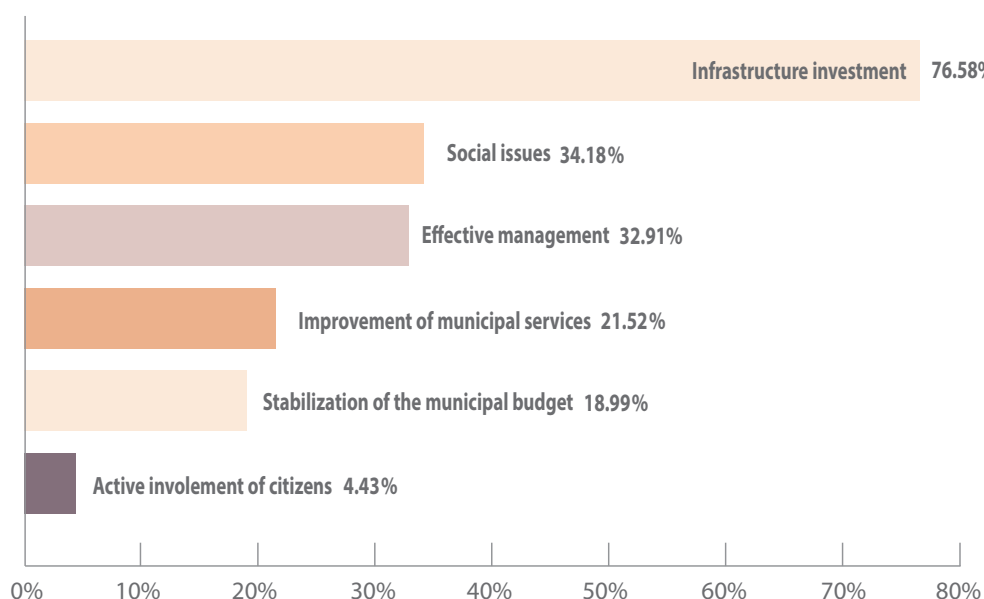


Figure 3 Main priorities of the municipality

As can be seen, the focus is again on improving the infrastructure – 76.58%. Emphasis is also placed on solving social issues - 34.18%, effective management - 32.91% and improving the quality of municipal services - 21.52%. In parallel, the municipalities are looking for stabilization of the municipal budget - 18.99%, i.e. finding ways to optimise income and expenses. Only a small part of the municipalities - 4.43% rely on the active inclusion and social commitment of the population.

“The main problems are related to the infrastructure, that’s it. We are a very large municipality and we are one of the least populated. We border the poorest border areas and that always exacerbates the problems.”
(Mayor of large municipality)

After clarifying the areas of work for local self-government and the current priorities, the next question is about the factors creating the greatest difficulties in the management of municipalities.

Obstacles	Estimation
Lack of personnel in the municipal administration	47.47%
Insufficient own income	45.57%
Legal restrictions on local authority decision-making in some areas	34.18%
There is no adequate funding of the assigned tasks	33.54%
Frequent changes in legislation	26.58%
Insufficient competencies among some employees	22.78%
Excessive burdens related to spending EU funds (financial corrections, administrative burden, etc.)	22.78%
Adverse macroeconomic or other crisis conditions	17.72%
Passive citizens, their lack of interest in public affairs	9.49%
Incorrect interpretation of the law by regulatory/supervisory authorities	6.96%
Conflicts between the executive power in the municipality and the municipal council/municipal councilors	4.43%
Political pressure, influence of political parties on the work of local government	4.43%

Table 3 Obstacles creating difficulties for municipalities

The picture that the table reveals is an accurate reflection of a large part of the problems of local self-government. The main obstacle is related to the shortage of personnel in the municipal administration – 47.47%. Regardless of the attractiveness of working in local administrations, especially in small municipalities, the civil service system in Bulgaria at the local level continues to be underdeveloped both in terms of pay and scope. The second obstacle is related to the lack of own funds (45.57%)

is one of the problems that will continue to weigh on local authorities. This shortfall is due to the adopted tax structure in Bulgaria, where indirect taxes predominate, and the amount of taxes related to property is negligibly small. As more significant, follow “*Legal restrictions on decision-making by local authorities in some areas*” - 34.18%, “*Frequent changes in legislation*” - 26.58% and “*Excessive burdens related to spending EU funds (financial corrections, administrative burden etc.)*” - 22.78%.

“An old pain of the municipalities is the condition of the infrastructure I mean the asphalt. And asphalt is a function of income from local activities. Yes, we have used the opportunities of the “Regions in Growth” programs - the funding from the first, the second program period, now the third of the programs with this funding, but the problems have been accumulating for decades.” (Mayor of mid-size municipality)

“Obviously, it is not possible only with local revenues, as they are currently regulated by type and amount of local revenues, there is no way to finance and solve the issue.”

“We have appealed to the central government for assistance regarding these problems and the state of the sports infrastructure. Obviously,

it is a question of state investments, in the amount of several millions, which the local budget in the current state and sources of financing and sizes, as regulated in the Law on Local Taxes and Fees, we cannot achieve.” (Mayor of small mountain municipality)

As can be seen, all these obstacles come from the poor legal and institutional framework of local self-government in Bulgaria, which need to supplement knowledge. Without the implementation of the necessary reforms, the state of local self-government will deteriorate, even more so with the strengthening of adverse demographic and macroeconomic problems.

Strategic planning and assessment of the quality of the administration

One of the indisputable achievements of the local authorities in Bulgaria is in the adopted approach of strategic planning. Municipalities prepare a set of strategic documents that serve both the goals of regional and local economic development and as a marketing profile of the municipality, which contains the basic information about the municipality.

All municipalities have 7-year development plans, which are currently called the Municipal Integrated Development Plan (PIRO). The plans contain an analysis of the economic, social and ecological situation, needs and potentials for development of the respective municipality; the goals and priorities for development of the municipality; the areas for implementing an integrated approach to meet the identified needs and to support the development potentials and the opportunities for cooperation with other municipalities; measures to limit climate change and

measures to adapt to climate change and to reduce the risk of disasters; the partners and interested parties and the forms of participation in the preparation and implementation of the plan; indicative list of project ideas important to the municipality; as well as a general assessment of the necessary resources for the implementation of the plan.

When asked about current actions related to the development and updating of strategic documents for the development of the municipality, the respondents answered that they are actively working on updating the document. The Law on Regional Development requires that the PIRO be drawn up and adopted with the active participation of the citizens of the municipality. In most cases, this process has a place. The main problems in planning at the local level are related to the fact that the funds of the municipalities are not sufficient, therefore almost the entire

plan is based on external sources of funding - mainly on EU programs. In the process of implementing the plan, municipalities usually implement projects for which funds are provided at the national level, and less often those that are included in the PIRO.

To what extent do Bulgarian municipalities use quality management systems? The law does not oblige local authorities to adopt and use such systems, but the presence of a commitment to use quality systems provides an opportunity not only for better organisation

Does the quality management system (ISO compliant) in your municipality have a valid certificate?

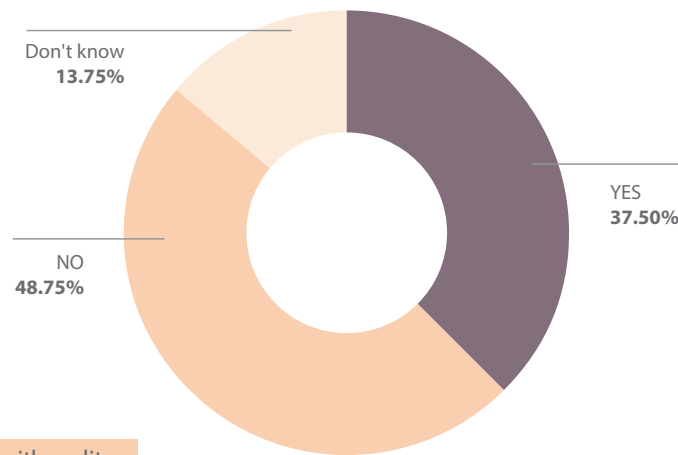


Figure 4 Municipalities with quality management systems

of work and higher efficiency, but also for the possibility of constant evaluation of a number of processes in the administration.

From the answers given by the respondents, it is clear that 37.50% of the municipalities have functioning quality management systems that are compatible with ISO.

At the same time, only 26.25% of administrations have supplemented the ISO:9001 quality management system with the so-called corruption prevention scheme. This clarification is important, insofar as the development of the quality management system allows the expansion of the scope of the employees in the administration included in it, which in turn leads to greater work efficiency and increasing the accountability of local authorities.

The survey also asks about the municipalities' use of self-assessment in accordance with the CAF (Common Assessment Framework) model. Such an assessment is carried out in 21.94% of the municipalities included in the survey, which shows a good degree of use of this method to improve the functionality and management structure. The following chart shows the periods in which local authorities did their last CAF self-assessment.

Unfortunately, self-assessment systems (CAFs) are not used to their full extent, which is illustrated by the fact that respondents cannot indicate what the results of the last self-assessment were.

When was the last self-assessment (CAF) carried out

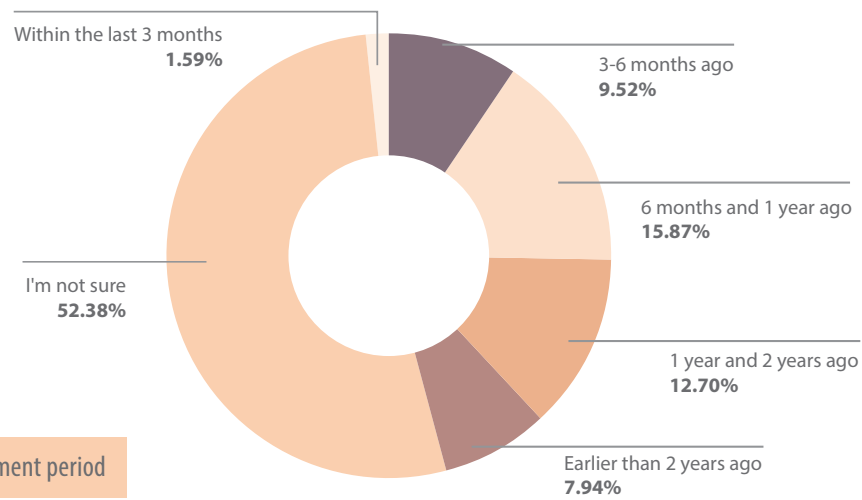


Figure 5 Self-assessment period

General assessment of local administration

The main question that the survey proposes is *"How do you assess the effectiveness of the municipal administration in your municipality?"*.

The overall rating is 6.1 on a scale of 1-minimum to 9-maximum. The distribution of marks is given in the chart

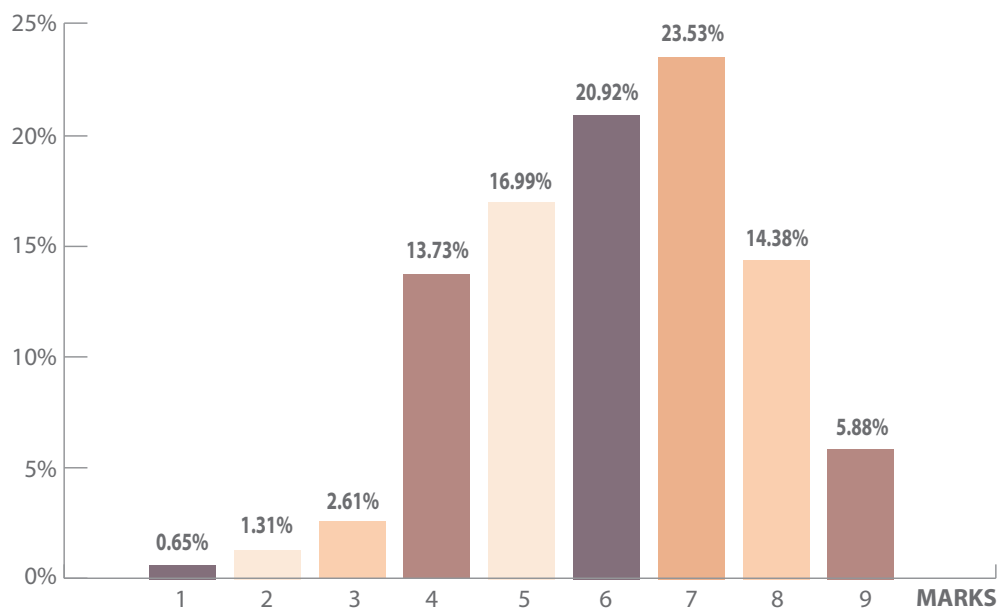


Figure 6 Evaluation of the efficiency of the municipal administration

The resulting rating of 6.1 out of 9 is more a sign of a “good” rating than “very good” and even more of an “excellent” rating. This is a rather conservative minimum estimate, which we believe reflects the real situation. This rating also indicates that survey respondents see opportunities to improve performance. The next survey question provides possible answers on how to make this improvement happen. The main approaches are related to improving the competencies (functional characteristics) of employees - 63%, which is related to improving the management of personnel (related to the formation of the management team and its management) – 21%, as well as increasing salaries – 53% and the related with this – Changing the staff remuneration rules – 11%. Significant answers are “Reorganising the work of the municipality” - 21%, and “Improving relations between employees” - 9%.

“A large number of employees have accumulated administrative experience, which allows them to quickly and accurately perform their official tasks. The low standard of living of municipal administration, and at the same time low levels of wages, do not sufficiently motivate employees in municipal administration. This is also the main reason why specialists, built up over years, leave in search of higher paying jobs. The low

level of pay is the main reason why we cannot find suitable specialists. This leads to abandonment in the process of implementing the requirements of the Law on e-Government, the Law on Cyber Security, etc.” (Mayor of big rural municipality)

“There should be a better digitization that allows for remote access to the services offered by the municipality. At the moment, we have some services that have gone into such a digital format, we are currently working to make this happen with other services provided, but there is always room for improvement. However, if we are talking about the national level, we should first have an e-government and then “look” for the e-municipality, although in recent years it has become clear that the municipalities are, in general...”

“Not only digitization of archives, rather - digitization of processes - we make it possible for people not to come to the municipality, but to submit a given document from work, from home, via computer and then receive the answer in the same way.”

“In the field of electronic service - in smaller and more peripheral municipalities we have a shortage of personnel to take on the challenges of electronic service.” (Mayor of one of Sofia districts)

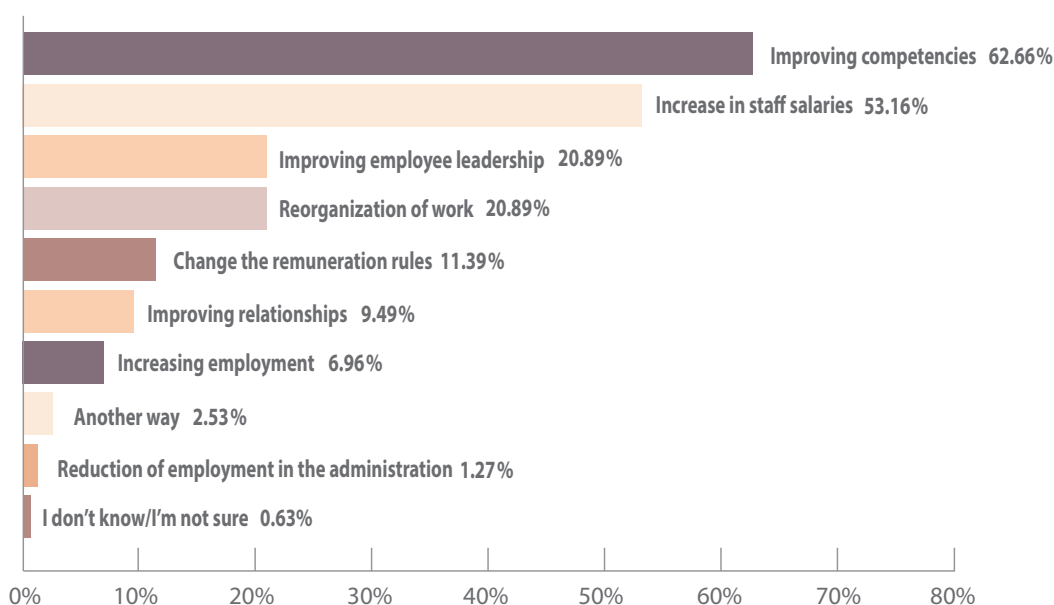


Figure 7 How to improve the efficiency of municipal administration

AREAS	An area where tasks are performed smoothly	Completing the tasks is somewhat problematic	Great difficulties in completing tasks
Activity of GRAO	84.21%	13.82%	0.66%
Protection of classified information and personal data	70.59%	25.49%	2.61%
Citizen service in the administration, citizen service centre, etc.	70.39%	24.34%	4.61%
Social policy, social integration, activity of social institutions	64.71%	30.72%	3.27%
Management of employees' working hours	63.64%	31.17%	4.55%
Activity of cultural institutions, implementation of cultural policy	60.39%	36.36%	1.95%
Management of local government finances, local taxes and fees, financial and accounting issues	59.74%	35.06%	4.55%
Organisation of sports events, activities of institutions dealing with sports and recreation	54.90%	38.56%	5.23%
The activity of the municipal council, the fulfillment of the tasks of the councilors	53.25%	38.31%	7.79%
Ethics and prevention of corruption threats	50.33%	44.37%	3.97%
Human resources management, human resources policy	49.34%	44.74%	4.61%
Educational policy	48.37%	47.71%	2.61%
Public procurement and tender procedures	46.75%	45.45%	5.19%
Organisation of work in the administration	46.41%	47.06%	5.23%
Strategic management at the local level	44.08%	48.03%	7.24%
Administrative proceedings, procedures, decision-making, etc.	43.42%	48.03%	6.58%
Audit, internal audit, management audit, financial control	41.18%	45.75%	11.11%
Crisis management	38.16%	50.00%	7.89%
Computer/IT training, use of IT tools	36.84%	52.63%	9.21%
Managing human teams, teamwork techniques, conflict resolution, etc.	36.18%	56.58%	5.26%
Planning and implementation of infrastructure investments	35.95%	53.59%	7.84%
Building relations with residents and the local community, public consultation, cooperation, etc.	33.55%	52.90%	12.26%
Implementation of electronic administration and computerization and electronicization of processes and activities in the administration	33.55%	55.92%	9.21%
Recruitment, servicing and management of external funding	33.33%	56.21%	9.80%
Urban planning and property management	32.24%	57.24%	7.89%
Cooperation with non-governmental organisations	29.41%	55.56%	12.42%
Environmental protection	26.14%	58.17%	14.38%
Urban transport and roads	18.54%	58.28%	20.53%

Table 4 Degree of difficulty in performing the tasks in the different areas of competence

In the next question from the survey, the representatives of the municipalities are asked to evaluate the difficulties in the work of the administration. The question is constructed in a complex manner, 28 areas are listed, and for each of them it is requested to indicate how the tasks are performed – “smoothly and without major obstacles”; “there difficulties in completing the tasks, but they are resolved”; “there are great difficulties in completing the tasks and solving them is highly problematic”. Respondents answered as follows:

It can be seen that the tasks related to functions delegated by the central administration - GRAO, Protection of classified information and personal data, Cultural and social policy, Education and Citizen service - are the easiest to perform. Activities related to building

relationships with local communities, working with NGOs, implementation of computer technologies, ethics and prevention of corruption, environmental protection, urban planning, investments, urban transport, etc. are problematic. While the first group of activities is carried out on the basis of clear instructions from various institutions, in the second group local policies need to be formed and implemented - a process involving many and different stakeholders, where initiative and innovation are needed.

The next question from the survey “What is our overall assessment of the following at your local government office” has a complex nature and implies an evaluation (with a score between 1 and 5) of 10 factors related to the work of the local administration.

Factors	Very good	Fairly good	Moderate	Fairly low	Very poor	Not sure	Evaluation	
							positive	negative
Quality of service to citizens	21.2%	57.1%	15.4%	5.1%	1.3%	0.0%	78.2%	6.4%
Knowledge of job duties by employees	28.0%	40.1%	26.8%	3.2%	1.3%	0.6%	68.2%	4.5%
Integrity of employees in the performance of their duties	23.7%	39.1%	30.1%	6.4%	0.6%	0.0%	62.8%	7.1%
Quality of work provided by employees	14.1%	38.5%	44.2%	1.9%	0.6%	0.6%	52.6%	2.6%
The effectiveness of employees in solving problems that have arisen	11.0%	38.7%	38.1%	10.3%	1.3%	0.6%	49.7%	11.6%
The ability of employees to work in a team	12.2%	32.7%	42.3%	9.6%	2.6%	0.6%	44.9%	12.2%
Level of independence of employees within their responsibilities	9.7%	31.6%	49.0%	5.2%	3.9%	0.7%	41.3%	9.0%
Employee engagement and their motivation to work	6.4%	31.4%	45.5%	15.4%	0.6%	0.6%	37.8%	16.0%
The motivation of employees to improve their professional qualifications	9.0%	22.4%	39.1%	22.4%	5.8%	1.3%	31.4%	28.2%
Innovative thinking in solving emerging problems	5.8%	20.7%	43.9%	23.9%	4.5%	1.3%	26.5%	28.4%

Table 5 Overall assessment of local government office by areas

Positively, above the average the respondents evaluate the factors “Quality of service to citizens” - 78.2%, “Knowledge of job duties by employees” - 68.2%, “Integrity of employees in the performance of their duties” - 62.8% and “Quality of work provided by employees” - 52.6%. With the lowest rating are the factors “Innovative thinking in solving emerging problems” - 26.5% and “Motivation of employees to improve their professional qualifications” - 31.4%.

“One of the evaluations is the monthly one - ‘employee of the month’ - yes, it is a kind of evaluation. Usually, each month has specific

problems to solve and the evaluation is for solving a given problem, for attitude, for efforts made - every month is different. Coordinated with heads of departments and so...” (Mayor of large industrial municipality)

“We do an annual certification, we give evaluations. One year we tried to differentiate the evaluations, to differentiate the rewards. Terrible fermentations have occurred here. Why in one directorate at the expense of the other. It’s just that no one makes an objective assessment that there are people who work more and they should get more.” (Mayor of mid-size municipality)

Attractiveness of employment in local government

For the formation of the general assessment of the work of the administration, the answers to the survey question “In your opinion, is work in the local administration attractive or unattractive compared to other available job opportunities?” help a lot. The assessment is on a scale from 1 - unattractive to 9 - most -attractive. The

overall answer is 5.5 out of 9 possible, which is again an average good score.

The distribution of answers shows that for most of the respondents the work in their municipal administrations is attractive, and this is especially true for small municipalities,

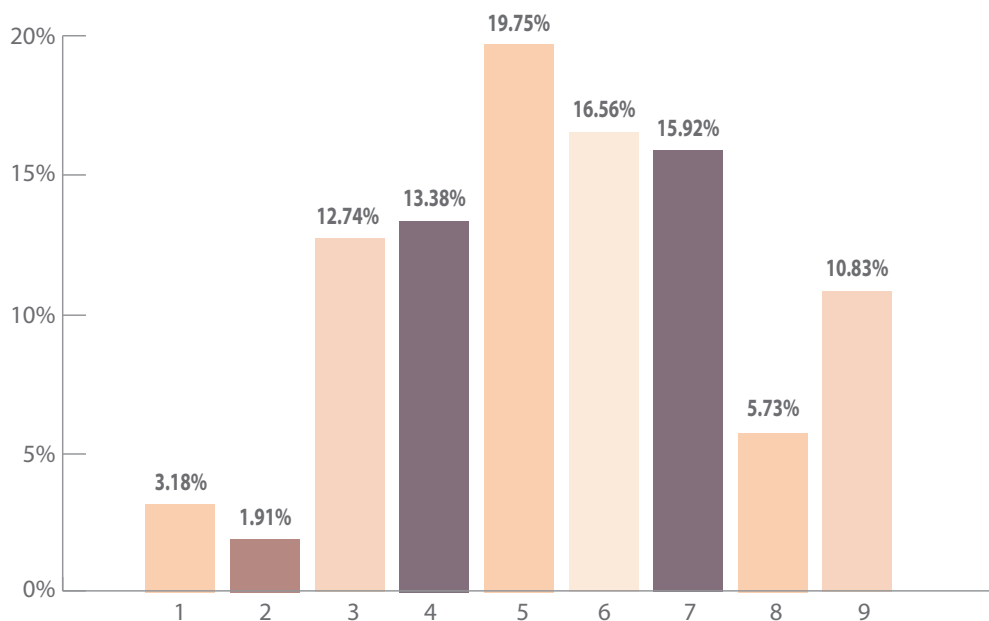


Figure 8 Evaluation of the attractiveness of the municipal administration

where the opportunities to find a job are very limited due to the underdevelopment of business. The next question of the survey seeks to find the assessment of the factors

that make working in the municipal administration attractive. The following table presents the answers.

Factors	Very important	Important	Not important	Not important at all	Not sure	Positive	Negative
Compensation level	61.29%	38.06%	0.65%	0.00%	0.00%	99.35%	0.65%
Stability of work	65.61%	31.85%	2.55%	0.00%	0.00%	97.46%	2.55%
Opportunities to improve competencies	46.15%	51.28%	2.56%	0.00%	0.00%	97.43%	2.56%
Possibility of attractive bonuses and salary increases	52.87%	42.68%	4.46%	0.00%	0.00%	95.55%	4.46%
Good reputation of the employer	50.64%	44.23%	4.49%	0.00%	0.64%	94.87%	4.49%
Ability to maintain a balance between career and personal life	43.95%	50.32%	3.18%	1.27%	1.27%	94.27%	4.45%
Opportunities for career and professional development	40.13%	51.59%	7.01%	0.64%	0.64%	91.72%	7.65%
Interesting challenges related to the performance of official duties	30.57%	60.51%	7.01%	0.00%	1.91%	91.08%	7.01%
Independence at work	32.48%	56.69%	10.19%	0.00%	0.64%	89.17%	10.19%
Working time, working hours	36.94%	45.86%	15.29%	1.27%	0.64%	82.80%	16.56%
Various tasks and responsibilities	20.38%	59.24%	17.83%	0.64%	1.91%	79.62%	18.47%
Opportunity to work with interesting people	26.92%	51.92%	19.23%	1.28%	0.64%	78.84%	20.51%
Proximity between workplace and home	30.57%	39.49%	21.66%	5.73%	2.55%	70.06%	27.39%

Table 6 Factors that make working in the municipality attractive

The overall assessment, taking into account the predominantly positive influence of the relevant factor, positioned in the main place "Compensation level". Of course, the level of pay has always been and remains a priority issue. According to the survey respondents, in the ranking follow "Stability of work", "Opportunities to improve competencies", "Possibility of attractive bonuses and salary increases", "Good reputation of the employer", "Ability to maintain a balance between career

and personal life". "Various tasks and responsibilities", "Opportunity to work with interesting people" and "Proximity between workplace and home" were noted as less significant factors.

When the same question is asked in a way that seeks the respondents' opinion about the municipality in which they personally work, the main options are marked "Stable job" - 62% and of course – "Compensation level" - 45.6% of the answers.

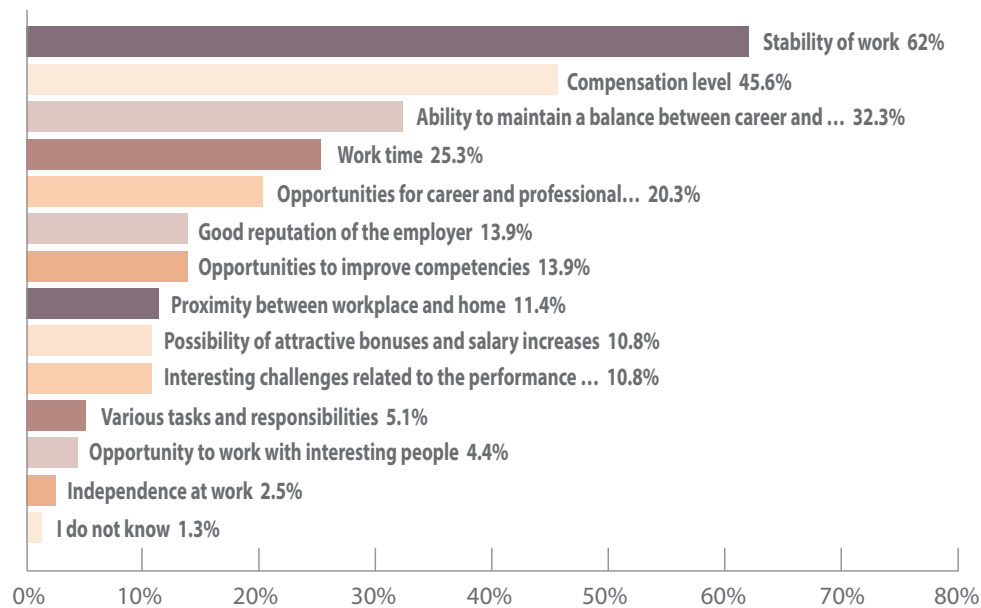


Figure 9 Evaluation of the personal position on the attractiveness of the municipality

“Yes, the personnel problem, but it comes through the financial one. If I can give them adequate wages, if I can give them even 30% lower than those in Sofia, no one will go to work in the capital. However, we give too little which makes big differences and employees are forced to economic emigration to the capital city.” (Mayor of small rural municipality)

As can be seen, there is an almost complete overlap of the general position regarding the attractiveness of working in the municipal administration and the personal position from the point of view of the specific municipality in which the respondents work. Therefore, naturally, the control question *“In your opinion, what is the satisfaction of the employees who work in your administration?”* respondents rated 5.4 out of 9 possible.

Motivation of employees in local administration

The topic of motivation is very important. What motivates employees in the municipal administration? The table presents the opinions of the respondents.

In the first place, the level of remuneration is indicated as a main motivating factor - 82.7%, and here we can also note *“Financial and material rewards”* - 56.1%. The factors *“Being appreciated by the management”* - 59.6%, *“Good atmosphere in the administration”* - 55.8%, *“Possibilities for promotion”* - 55.1%

were rated with more than 50%. Significant motivating factors are those related to the importance of work for the local community, independence in the work process, as well as opportunities for personal growth.

“The biggest problem, not only of our administration, is the lack of fresh additions of personnel to initially be trained, and to gradually replace people from the administration of retirement age.” (Mayor of small rural municipality)

FACTORS	Major motivating factor	Important but not decisive	Not important at all	Hard to describe
Compensation level	82.69%	16.03%	1.28%	0.00%
To be appreciated by the management of the administration	59.62%	37.82%	2.56%	0.00%
Financial and material prizes	56.13%	37.42%	5.16%	1.29%
Good atmosphere in the administration	55.77%	38.46%	5.77%	0.00%
Promotion opportunities	55.13%	39.74%	4.49%	0.64%
Bosses care about their subordinates	48.39%	47.10%	3.87%	0.65%
Leadership charisma of the management, respect for the mayor	46.50%	42.68%	9.55%	1.27%
Good cooperation in the administration	45.81%	45.81%	7.74%	0.65%
Good relationship with superiors	43.31%	49.04%	7.01%	0.64%
Positive reputation of the employer	31.01%	54.43%	13.92%	0.63%
Opportunities for personal growth and gaining experience	29.94%	66.24%	3.82%	0.00%
A sense of local government mission	28.21%	51.92%	17.95%	1.92%
A high degree of independence in the performance of tasks	17.31%	64.74%	16.67%	1.28%
A sense of causation – influence on the development of the municipality and the community	17.20%	61.15%	18.47%	3.18%

Table 7 Motivation of employees in the municipal administration

"Probably this is related to the level of pay, because a good architect with modern views and a desire for development or a civil engineer, not to mention IT specialists, accountants - obviously the pay in the private sector is many times higher and this prevents young people to want to realize themselves in the public administration. This will cause big problems in the future." (Mayor of mid-size municipality)

"This is mostly related to the level of pay for the work, but also to the lack of prospects for career development... there are many things." (Mayor of small municipality)

"There are no employees in the technical service. For several reasons. Wages are not what they should be and ultimately are not up to us. Technicians who have graduated from such specialized schools prefer to work, for example, as a cashier in an office in a commercial company, rather than work for us." (Mayor of mid-size municipality)

"I try to further motivate employees of the administration by including them in the management of projects that appear as an opportunity for implementation before the municipality. Unfortunately, in some of the European projects there is a certain conservatism regarding the motivation of municipal employees and the hiring of external consultants for project management is encouraged." (Mayor of large municipality)

In the first place, the "Additional material stimulation" is indicated - 66.23%, followed by "Additional days off" - 19.21%. Left behind are methods such as praise, sending courses and trainings financed by the municipality.

"It is necessary to have the possibility of additional incentives based on achieved results. We have such a system, but it is difficult to implement. I realize that perhaps another system for reporting results should be introduced by the management as well." (Mayor of large municipality)

Methods of motivation	Assessment
Additional material stimulation	66.23%
Additional days off	19.21%
Curricula, courses and training events financed by the municipality	11.92%
Commendation recorded in personal file	3.97%
Praise that has been officially published	3.97%
Prizes in kind	1.99%
I don't know / I'm not sure	18.54%

Table 8 Types of methods for motivating and rewarding employees

The study also looked at the relationship between employee satisfaction with their jobs and working conditions. When asked whether the municipality conducts research on the issue, only one third of respondents answered positively – 31.13%. Of course, the study of satisfaction is complex in its nature and requires special sociological tools. However, the next question of the survey

tries to understand how this is done in the municipalities.

It can be seen that opinions collected in meetings with employees form the most significant response – 43.84%, followed by opinions collected in the periodic evaluation process, opinions from meetings with managers, as well as special satisfaction surveys.

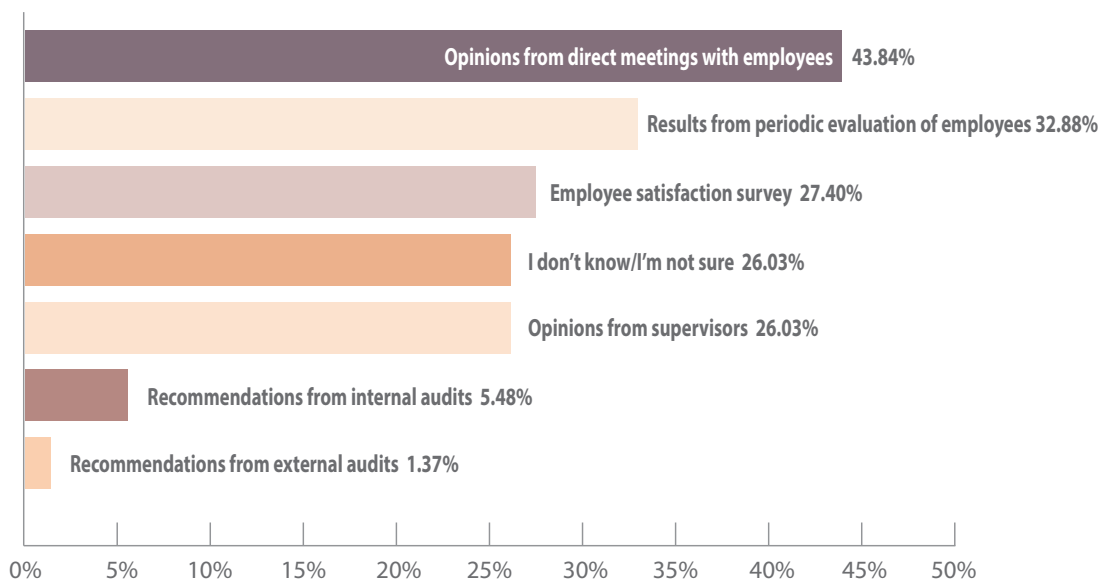


Figure 10 How to analyse the satisfaction of municipal employees

Training – premises and realities

The conducted interviews with the mayors of the Bulgarian municipalities provide significant information regarding all elements of the training of the municipal employees. All mayors who are in elected office emphasize the need for trainings that are responsible for solving the problems they consider important. But with few exceptions, the mayors do not have a systematic view, both on the planning and organisation of the trainings, as well as on the choice of topics and the financing of the trainings. For local politicians, training needs in most cases appear ad hoc - when a response is needed to solve specific problems and/or frequent legislative changes.

The training needs identified by the mayors of municipalities during the interviews are related to topics such as:

- ▶ exploitation of mineral water sources;
- ▶ delivering engineering services;
- ▶ innovations in transport;
- ▶ public procurement;
- ▶ personal effectiveness;
- ▶ project management;
- ▶ increasing skills in terms of digital competences;
- ▶ team building;
- ▶ communication skills;
- ▶ disasters and accidents trainings;
- ▶ behavior and communication with citizens;
- ▶ e-governance and cyber security;
- ▶ ethics;
- ▶ management of municipal property;
- ▶ spatial planning;
- ▶ local taxes and fees management.

At the same time, what is really important in identifying training needs, which is the litmus test for effectiveness, is the relationship of training to practice. Administrative managers have a clear picture of training needs, who have a direct understanding of the necessary knowledge and skills that employees must possess for the effective functioning of the administration. The views of administrative leaders must be aligned with the employees' own understandings of the topics and nature of training that would enable them to increase their capacity.

The analysis of the data showed that, according to administrative managers, the most important training needs of the staff of local administrations are related to areas such as:

- ▶ implementation of e-government;
- ▶ organisation of work in the administration;
- ▶ human-resources management;
- ▶ strategic planning;
- ▶ management of local finances, local taxes and fees;
- ▶ planning and implementation of infrastructure investments;
- ▶ environmental protection;
- ▶ social policy, social integration, activity of social institutions;
- ▶ urban planning.

The connection with practice is the first prerequisite for the effectiveness of training. Of course, the practice in the municipalities differs in different sections:

- ▶ large and small municipalities;
- ▶ urban and rural municipalities;
- ▶ central and peripheral municipalities;

- ▶ economically developed and underdeveloped;
- ▶ rich and poor;
- ▶ geographically determined - sea, mountain, plain, etc.

In this sense, the second prerequisite is related to the type of municipality that dominates its specificity. It is natural that the need for training of local administrations depends on the type of municipality.

The study shows that the satisfaction of this specific type of training needs is carried out through the experience exchange system and to a lesser extent through internal training. The third possible approach indicated by the respondents is the training accompanying the implementation of various projects (mainly projects under the EU operational programs or the rural development program).

The third premise stems from the existing civil service system. The underdevelopment

of the legislative and institutional framework for civil service in Bulgaria is well represented in the responses of the respondents. To a large extent, there is a lack of a strategic approach in the assessment of training needs at the local level, the planning of training in Bulgarian municipalities is rather an exception, which leads to low efficiency and waste of the insufficient financial resources provided for this purpose.

To all this must be added the influence of factors related to the programs of the European Union. The work on European projects has gone beyond the stage of training in basic project management needs. It can be said that both small and large municipalities have specialists with good project management knowledge and skills. The training needs at the moment are mainly aimed at mastering the procedures for meeting the requirements of the specific European programs. The positive thing in this case is the availability of accompanying training, which every start-up European program foresees in its budget.

Trainings - current status and opportunity for improvement

The next task of the survey is to go to another level in search of an assessment of the knowledge and skills of the employees. Respondents should answer whether they see any problems in the work of their administration, mainly caused by insufficient knowledge or skills of employees. The question posed in this way is very general and vague, which does not imply a precise answer. Only 36.8% are categorical that employees have sufficient knowledge and skills.

*"I believe that the administration with which I currently work has its competences, **but with the continuous change of legislation, there is a continuous need for training.** The training of people, the possibility of meetings and communication between colleagues lead to great positives. At these meetings, colleagues can discuss work problems, gaps, case studies. When legislation is changed, it is necessary to conduct training for each change in a timely manner, because people do not have the*

Do you see problems caused by insufficient knowledge and skills of employees?

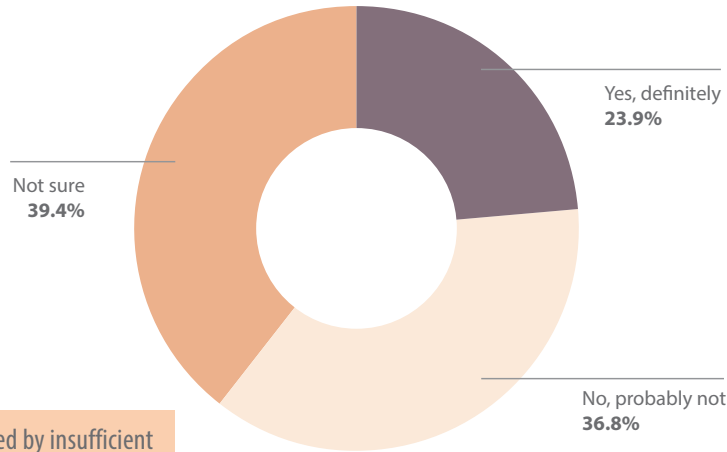


Figure 11 Problems caused by insufficient employee training

opportunity to follow these changes themselves, and it is good to have a body to guide them. A good example in this regard is the activity of the National Association of Municipalities, which was of great help in our work by providing information on each amendment, and also wanted our opinion. In order for the level of administrative capacity to be high, the employees must be trained and developed.” (Mayor of small municipality)

The next question was formed in a similar way, requiring an answer to the question “Are the employees in your municipality obliged to improve their professional qualifications?”. The responses presented in the following chart show the imperfections of the existing civil service system. The fact is that in theory the improvement of qualifications is necessary, but as can be seen from the answers, the practice in the Bulgarian local administration is insufficiently clear.

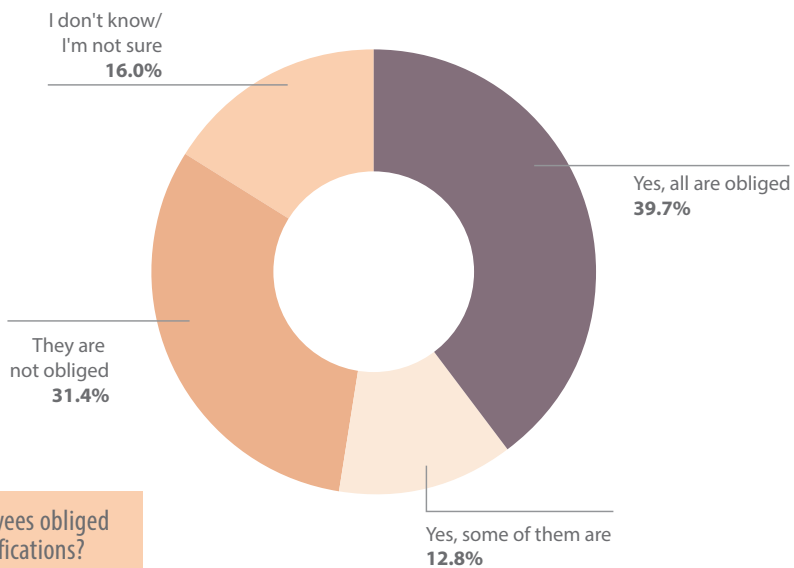


Figure 12 Are employees obliged to improve their qualifications?

The answers to the following question, shown in the diagram, fully reflect the reality and the lack of systematicity in the public administration system in Bulgaria. It can be shown to someone that the respondents do not know

the legal framework for the work of the administration, but in our opinion, their answers reflect the non/application of this framework to the fullest extent.

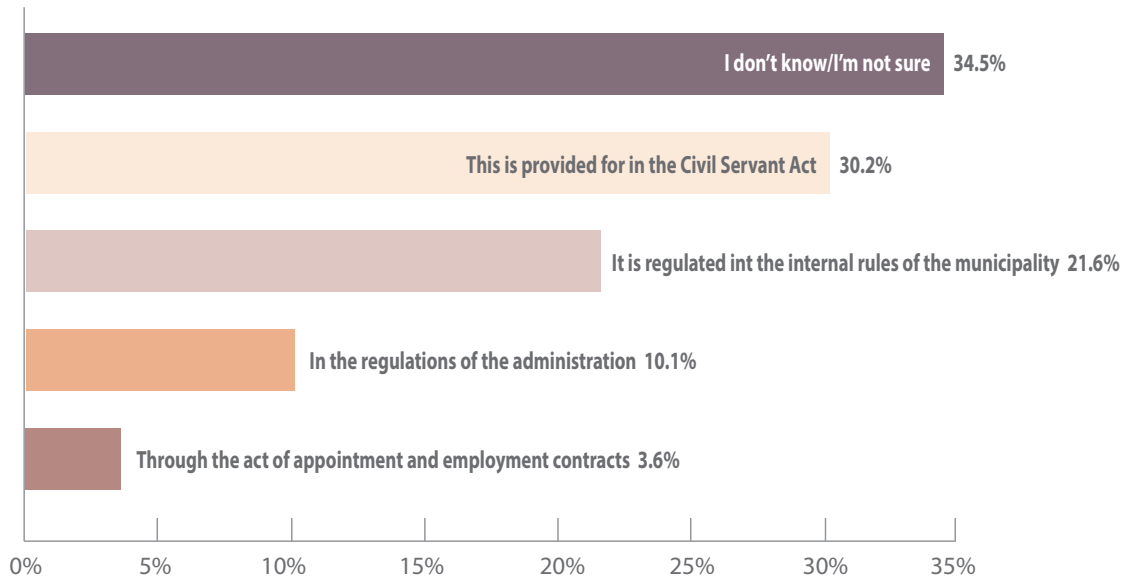


Figure 13 How the training obligation is formulated?

At the same time, respondents clearly understand the need for continuous learning and training. The answers to the question "What is your view on the development of employees' competencies and skills through participation in training

events?" Please describe the training needs of your employees in the context of your administration's work." The resulting rating of 6.9 out of 9 possible is indicative. The distribution of the rating by respondents is shown in the chart.

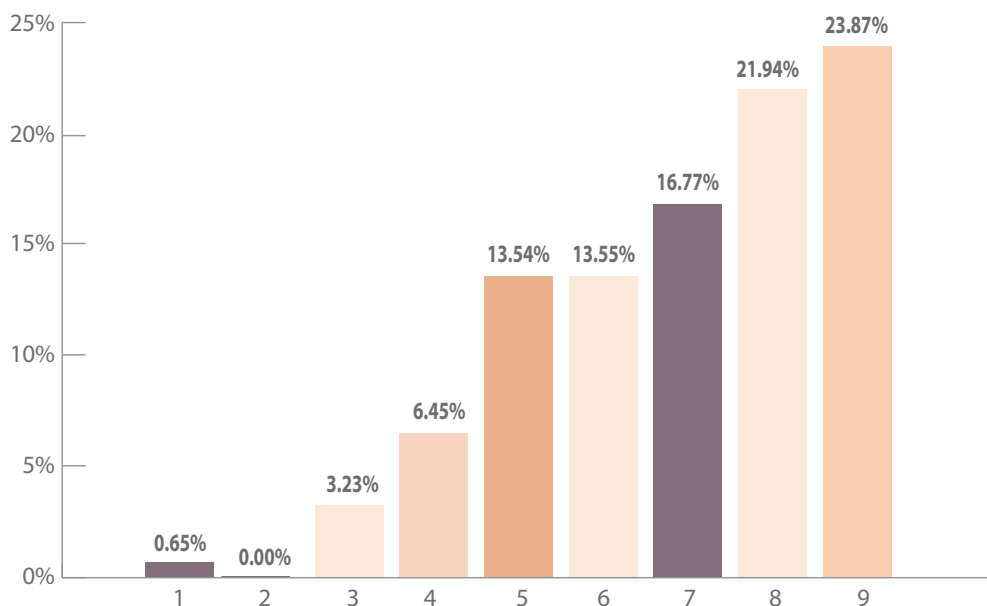


Figure 14 Assessment of training needs

“The training has an effect and improves the quality of their work. In my department, although I am new, my colleagues were trained, literally months ago, and I can say that they came back much more confident and stimulated in their work, with certain guidelines regarding this training.”
(Head of department in large municipality)

Respondents prioritized the need for training in the following areas of local administration functioning.

The field *“Implementation of electronic administration and computerization of processes and activities in the administration”* - 56.41%, followed by *“Audit, internal audit, management*

Areas	Answers
Implementation of electronic administration and computerization of processes and activities in the administration	56.41%
Audit, internal audit, management audit, financial control	31.41%
Organisation of work in the administration	30.13%
Planning and implementation of infrastructure investments	25.64%
Computer/IT training, use of IT tools	25.64%
Building relations with residents and the local community, public consultation, cooperation, etc.	23.08%
Citizen service in the administration, citizen service centre, etc.	22.44%
Urban planning and property management	21.79%
Environmental protection	21.15%
Management of local government finances, local taxes and fees, financial and accounting issues	21.15%
Public procurement and tender procedures	20.51%
Managing human teams, teamwork techniques, conflict resolution, etc.	18.59%
Recruitment, servicing and management of external funding	16.67%
Strategic management at the local level	14.10%
Human resources management, human resources policy	13.46%
Administrative proceedings, procedures, decision-making, etc.	12.82%
Social policy, social integration, activity of social institutions	12.18%
Ethics and prevention of corruption threats	10.26%
Crisis management	9.62%
Activity of GRAO	8.33%
Urban transport and roads	7.05%
Management of employees' working hours	6.41%
Activity of cultural institutions, implementation of cultural policy	5.77%
Cooperation with non-governmental organisations	4.49%
Protection of classified information and personal data	3.85%
Educational policy	2.56%
Organisation of sports events, activities of institutions dealing with sports and recreation	1.92%
The activity of the municipal council, the fulfillment of the tasks of the councilors	1.92%
Our employees do not need training	1.28%
I'm not sure	0.64%

Table 9 Priorities of training needs

audit, financial control" - 31.41%, is indicated with the greatest need for training employees. *"Organisation of work in the administration"* - 30.13% and *"Planning and implementation of infrastructure investments"* - 25.64%. Next are fields related to working with computers, finance, public procurement, urban planning,

human resource management, etc. Only 1.28% answered that employees do not need training.

This question is also asked on a personal level: *"Would training in any of the listed areas allow you personally to be more effective in the performance of the tasks assigned to you?"*

Areas	Answers
Implementation of electronic administration and computerization of processes and activities in the administration	34.81%
Audit, internal audit, management audit, financial control	25.32%
Organisation of work in the administration	20.89%
Managing human teams, teamwork techniques, conflict resolution, etc.	12.66%
Strategic management at the local level	11.39%
Management of local government finances, local taxes and fees, financial and accounting issues	11.39%
Human resources management, human resources policy	11.39%
Building relations with residents and the local community, public consultation, cooperation, etc.	10.76%
Planning and implementation of infrastructure investments	10.76%
Public procurement and tender procedures	10.76%
Computer/IT training, use of IT tools	9.49%
Administrative proceedings, procedures, decision-making, etc.	8.86%
Recruitment, servicing and management of external funding	7.59%
I'm not sure	7.59%
Environmental protection	6.96%
Social policy, social integration, activity of social institutions	5.06%
Ethics and prevention of corruption threats	4.43%
Protection of classified information and personal data	4.43%
Activity of GRAO	3.80%
Urban transport and roads	3.16%
Management of employees' working hours	3.16%
Crisis management	3.16%
Urban planning and property management	2.53%
Educational policy	1.90%
Activity of cultural institutions, implementation of cultural policy	1.27%
Cooperation with non-governmental organisations	1.27%
The activity of the municipal council, the fulfillment of the tasks of the councilors	1.27%
Organisation of sports events, activities of institutions dealing with sports and recreation	0.63%
Our employees do not need training	0.63%
Citizen service in the administration, citizen service centre, etc.	3.80%

Table 10 Training for greater personal effectiveness

The most sought-after training courses are in the fields of *“Implementation of electronic administration and computerization of processes and activities in the administration”* - 34.81%, *“Audit, internal audit, management audit, financial control”* - 25.32% and *“Organisation of work in the administration”* - 20.89%. It is characteristic that the mentioned areas are related to activities serving the administration, and not more essentially - areas serving citizens and businesses.

The distribution of the answers to the question related to the training process of the administration employees and more precisely to the frequency of the trainings is interesting. The diagram shows two opposing opinions - *“Quite rarely”* - 40.4% and *“Quite often”* - 30.1%. Of course, both opinions are the result of personal feelings, since the question does not define what is *“frequent”* or *“rare”*. The diversity of the answer itself shows the lack of established indicators in the field of training of local administration employees.

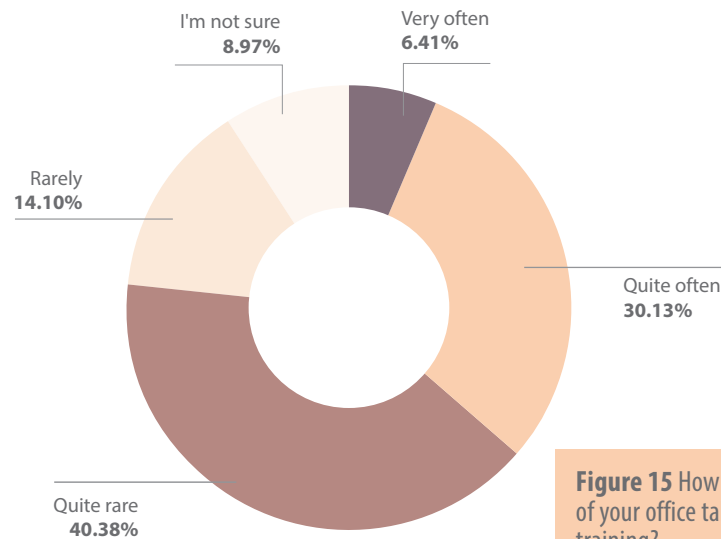


Figure 15 How often do staff members of your office take part in external training?

The following diagram shows the answers to the question *“During the previous year, did employees from your administration participate in short-term external training or courses?”*

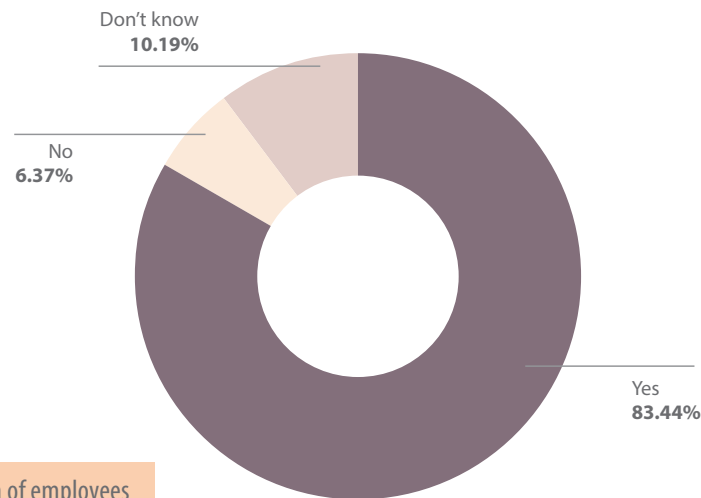


Figure 16 Participation of employees in training in the previous year

As can be seen, in the overwhelming number of municipalities, the administration employees participated in short-term external trainings (in the question it is explained that

these are trainings lasting from 1 to 5 days). The next few questions specify the type of trainings, topics, organisation, participants and funding.

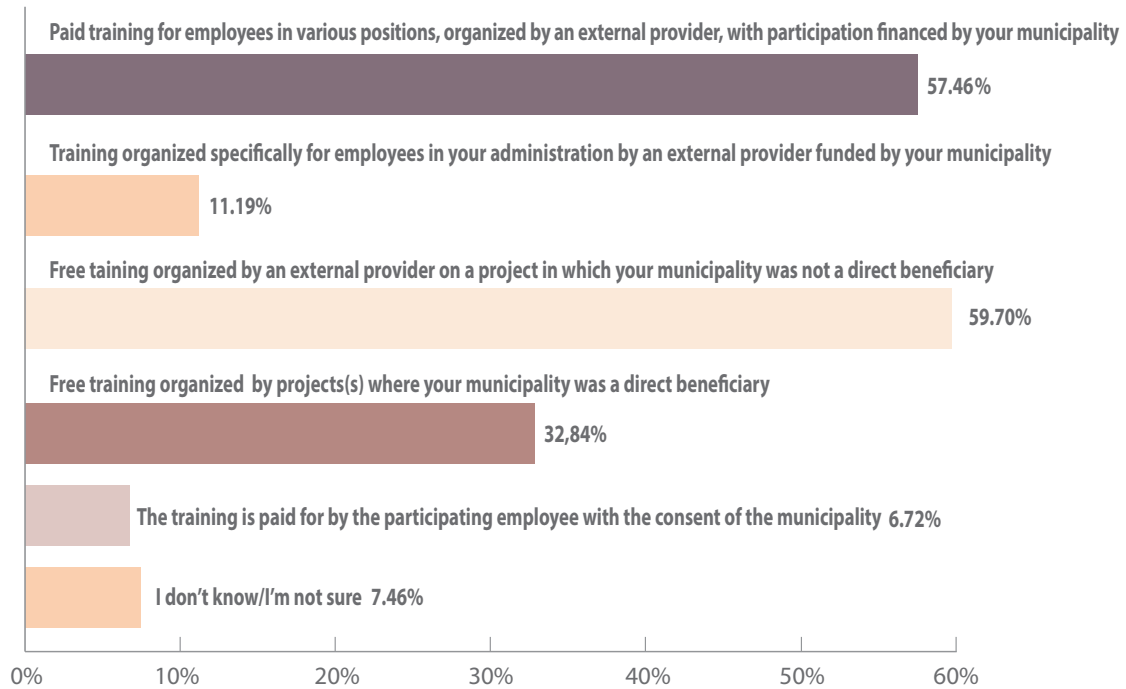


Figure 17 Types of trainings

The distribution by types of training is interesting. Along with the free trainings accompanying the implementation of various types of projects, 57.5% of the respondents answered that

the employees in their municipalities participated in paid trainings paid for by the municipality. The extent to which this is a practice that exists locally needs to be further investigated.

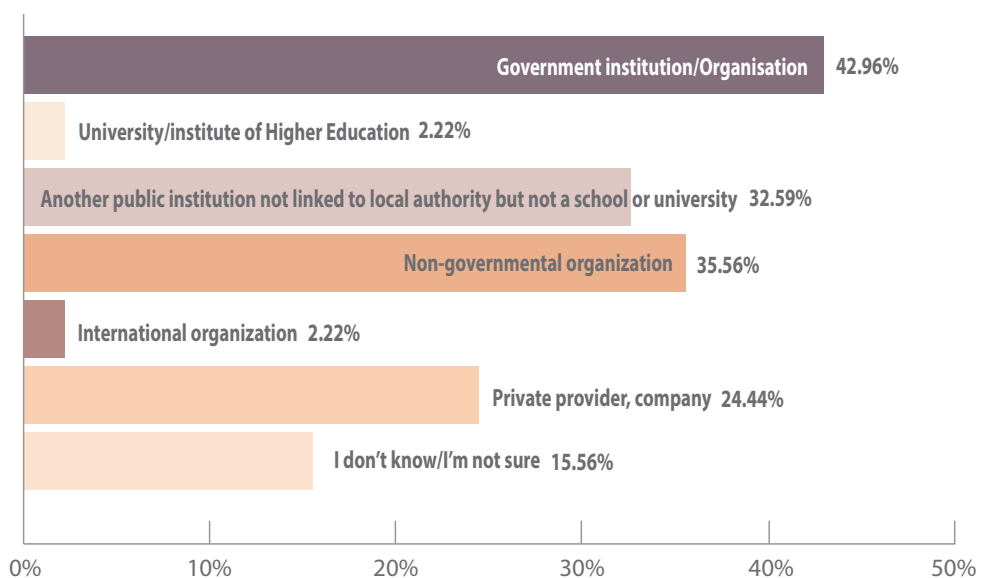


Figure 18 Organisers of the trainings

As can be seen from the diagram, with the greatest weight in the answers of the respondents as organisers of training events in their municipalities, "Governmental organisations" are indicated 42.96%. Next are "Non-Governmental Organisations" - 35.56%, "Other public institutions that are not connected to the local government but are not a school or university" - 32.59% and "Private companies" - 24.44%. The role of universities and international organisations as training organisers is minimal - within 2%. The main conclusions that can be drawn is that the market for training services is still underdeveloped. This is related both to the role of the non-governmental sector, which provides training as part of project implementation, and to the fact that only about a quarter of the trainings involve

private training companies. The almost absent universities in the process, which in Bulgaria have almost complete regional coverage, are also impressive.

The next question "Which of the listed institutions organises the training events in which your employees most often participate?" gives more information. The two institutions involved in the trainings are NAMRB and the Institute of Public Administration. At the same time, NAMRB figure with 91.04%, and IPA - with 58.96%. If to this are added the trainings organised by various ministries and agencies in the implementation of various projects, the reasons for the underdevelopment of the training market in Bulgaria will be seen.

Which organizations are most often involved in the training of your employees?

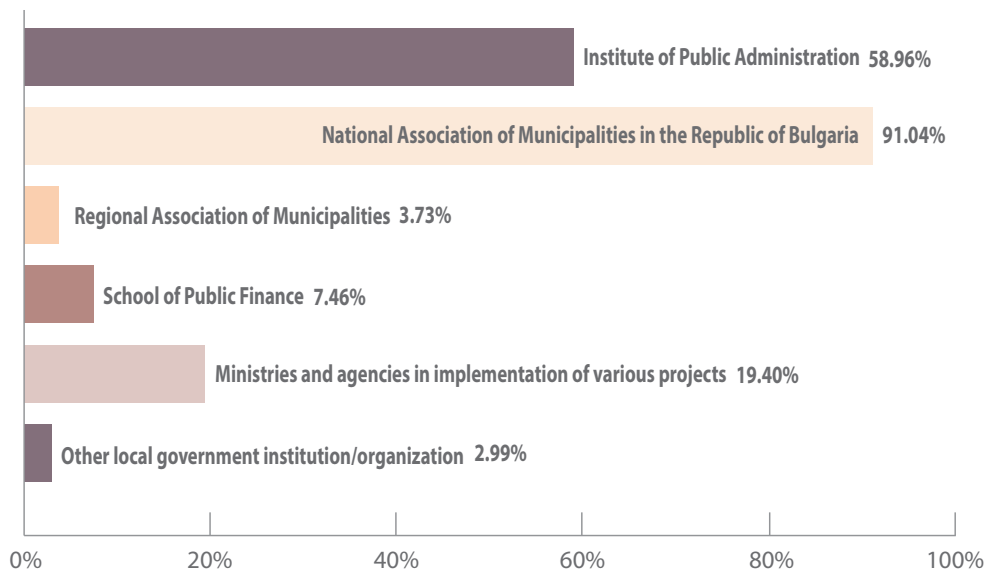


Figure 19 Institutions organising the trainings

*"Thanks to the association of municipalities, colleagues, they conduct serious trainings. We mainly use their services."
(Mayor of small rural municipality)*

*"In 2003, 2007, when we worked with the Foundation for the Development of Local Government, with the USAID Local Government Initiative - a lot of training took place, there was a lot of motivation, a great desire for change and to get things going and then... nothing."
(Mayor of small municipality)*

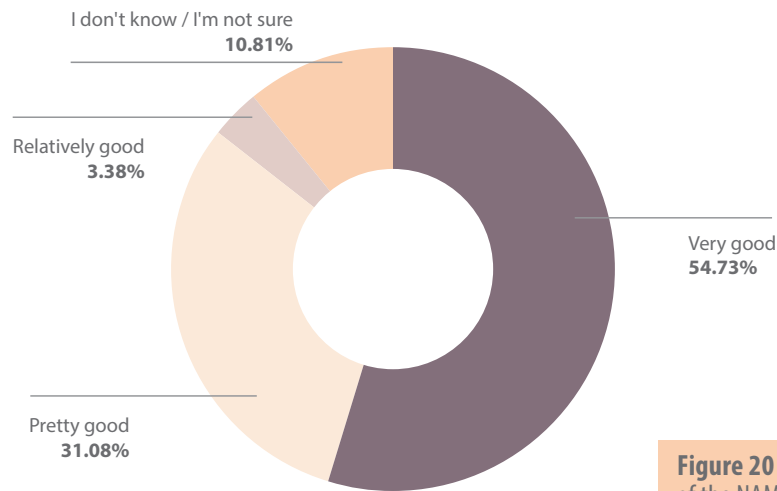


Figure 20 General evaluation of the NAMRB trainings

As can be seen from the diagram, NAMRB is one of the main organisers of trainings for Bulgarian municipalities. More than 75% of the respondents to the survey indicated that in the last year, employees of their municipality participated in training provided by NAMRB. The fact that these trainings are free for the municipalities is also highly appreciated, i.e. NAMRB finds funding for various projects. Also, the general evaluation of the training events organised by the NAMRB is high.

"But we are looking to make the trainings more accessible, because as I said, our budget limits us. But the accessible ones - the ones that NAMRB most often organises and conducts free of charge, I have issued an order by which I determine that every such training must be attended by a person from the administration, because he must upgrade his knowledge and skills." (Mayor of mid-size municipality)

The following table presents the answers to the question "Which are the fields of study in the trainings the employees joined in 2023?". As can be seen, the overwhelming number of employees participated in training in the fields of "Social policy, social integration, activities of social institutions" - 39.26%, "Audit, internal audit, management audit, financial control" - 33.33%, "Management of the finances of local government, local taxes and fees, financial and accounting issues" - 32.59%. Trainings in the fields of "Environmental Protection" - 24.44%, "Activities of GRAO" - 21.48%, "Environmental Protection" - 24.44% and "Implementation of electronic administration and computerization of processes and activities in the administration" are also represented" - 19.26%.

Areas	Answers
Social policy, social integration, activity of social institutions	39.26%
Audit, internal audit, management audit, financial control	33.33%
Management of local government finances, local taxes and fees, financial, accounting issues	32.59%
Environmental protection	24.44%
Public procurement and tender procedures	23.70%
Activity of GRAO	21.48%
Organisation of work in the administration	20.74%
Implementation of electronic administration and computerization of processes and activities in the administration	19.26%
Urban planning and property management	17.04%
Educational policy	13.33%
Human resources management, human resources policy	13.33%
Crisis and disaster management	12.59%
Citizen service in the administration, citizen service centre, etc.	11.11%
Computer/IT training, use of IT tools	9.63%
Ethics and prevention of corruption threats	8.89%
Protection of classified information and personal data	8.89%
Administrative proceedings, procedures, decision-making, etc.	8.89%
Strategic management at the local level	7.41%
Activity of cultural institutions, implementation of cultural policy	5.93%
Planning and implementation of infrastructure investments	5.93%
Recruitment, servicing and management of external funding	5.93%
Managing human teams, teamwork techniques, conflict resolution, etc.	4.44%
The activity of the municipal council, the fulfillment of the tasks of the councilors	2.96%
Building relations with residents and the local community, public consultation, cooperation, etc.	1.48%
Urban transport and roads	1.48%
Cooperation with non-governmental organisations	1.48%
Management of employees' working hours	0.74%
Organisation of sports events, activities of institutions dealing with sports and recreation	0.00%
Our employees do not need training	0.00%
Another area of study	2.96%
Not sure/hard to say	13.33%

Table 11 In which areas were employees trained in 2023?

These results should be examined by comparing them with the answers to the questions regarding the declared priorities for training needs and topics providing opportunities for individual development (tables 9 and 10). In both tables, the topics “Implementation of electronic administration and computerization of processes and activities in the administration”; “Audit, internal audit, management audit, financial control” and “Organisation of work in the administration” are noted in the first three places as main needs. As can be seen from the table. 11, these three spheres are indicated respectively in the eighth, seventh and second place in the actual training conducted in 2023. On the other hand, training on “Social policy, social integration, activity of social institutions” occupies the 16th place in the ranking

of needs indicated by the respondents. Such a discrepancy shows a serious lack of planning and consideration of the needs of practice in local self-government in Bulgaria.

“The main trainings in which the employees participate are on digital competences. The opportunity to train the administration is also a motive for the better quality of work. Participating in trainings to improve personal efficiency, project management to increase skills in terms of digital competences. Such are the main interests in training.”
(Mayor of large municipality)

Also important is the question of which municipal officials (elected and appointed) participate in external training events? The data is presented in the following table.

	Very often	Fairly often	Fairly rare	Very rare	Not sure	Often	Rarely
Experts and employees from the administration	10.46%	34.64%	30.72%	15.03%	9.15%	45.10%	45.75%
Employees in managerial positions in the administration	5.26%	37.50%	32.89%	8.55%	15.79%	42.76%	41.44%
Mayor of a municipality/district/ deputy mayors	5.33%	20.67%	26.00%	21.33%	26.67%	26.00%	47.33%
Municipal councillors	0.68%	2.72%	19.05%	32.65%	44.90%	3.40%	51.70%

Table 12 Participants in the trainings?

It is clear from the table that appointed municipal employees participate more often in trainings. Mayors and deputy mayors have less training, while the participation of municipal councillors is minimal. This structure of participation is determined by the adopted system of local self-government and the role of municipal councils.

“It is true that the municipal council has rules and regulations by which it is guided in its work, but I think it would be useful for municipalities to even provide funds to organise training for municipal councillors before the meetings of councils or in parallel with them.” (Mayor of small municipality)

How the employee decides to participate in the training (which of the factors influence the employee's choice to participate in a training)? Respondents ranked selection factors on a scale from 1 (most important) to 7 (least important).

It turns out that the factor "Relevance of training topics to the current needs of the administration" has the greatest importance for inclusion in training – 45.70 % put it on the first and second place.

Factors	1	2	3	4	5	6	7
Relevance of training topics to the current needs of the administration	28.48%	17.22%	9.27%	11.92%	4.64%	9.27%	19.21%
Trust to the organiser of the training	25.83%	15.89%	9.93%	14.57%	9.93%	13.91%	9.93%
Belief that the training facilitator(s) is/are competent	15.23%	19.21%	17.22%	10.60%	13.25%	11.26%	13.25%
Cost of the training	15.23%	14.57%	19.87%	18.54%	19.21%	7.28%	5.30%
Interest and motivation of employees to the subject of training	11.26%	19.87%	12.58%	11.92%	15.89%	19.21%	9.27%
Distance between the place of study and your municipality	2.65%	5.96%	11.92%	9.27%	20.53%	17.22%	32.45%
Duration of the training	1.32%	7.28%	19.21%	23.18%	16.56%	21.85%	10.60%

Table 13 Factors influencing the employee's choice to participate in a training

Next is the "Trust to the organiser of the training" – 41.72%, "Belief that the training facilitator(s) is/are competent" – 34.44%. The least important factors are "Distance between the place of study and your municipality" – 8.61% and "Duration of the training" – 8.60%.

The ranking of the factors according to the scale # 1 (most important) indicator is presented in the following diagram:

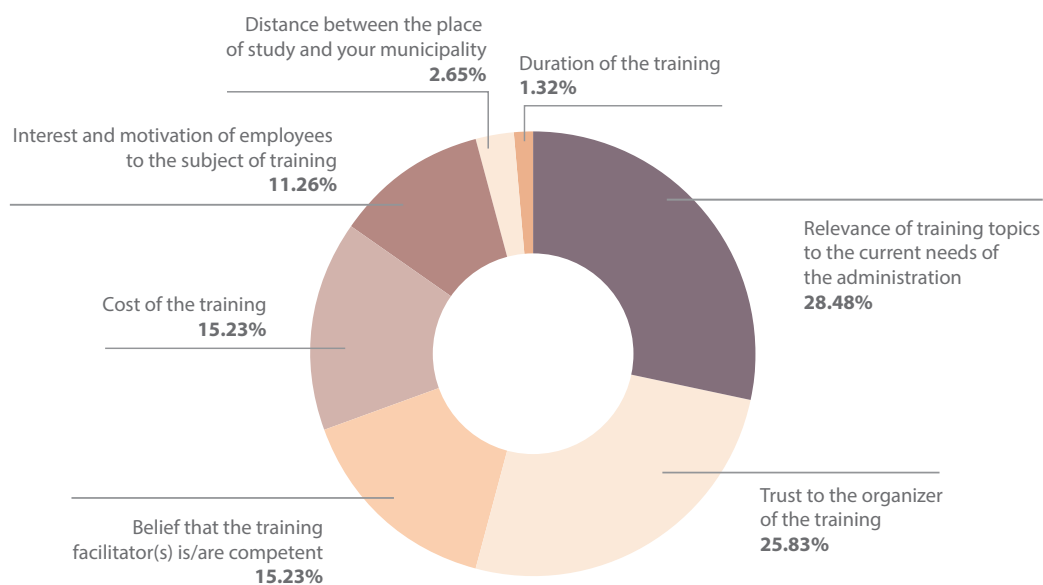


Figure 21 Factors influencing the employee's choice to participate in a training – most important

In general, there is no firm and clear algorithm for the selection, it is clearly a matter of a complex assessment, but the approach is as follows – the trainings are not planned according to the identified needs of the local authorities, but are reacted ad hoc depending on the availability of an invitation for training. Respondents had the opportunity to provide a similar opinion on the link to a possible municipal training plan as an answer to the following question “*Are there any other factors not listed?*”, but this opportunity was not used by any of the respondents.

The average amount of funds allocated for training in 2022 is BGN 6,878 per municipality, and the funds in absolute amount vary from the maximum stated BGN 27,000 to BGN 500. As a share of the total volume of funds in the municipal budget, training funds are from 0.341% to 0.001%.

As a distribution of training funds to the number of employees employed in the municipal administration (only the number of the administration, without the elected positions), an average amount of BGN 122 per employee is obtained. Depending on the municipality, the funds for the training of one employee from the municipal administration in 2022 vary from a maximum of BGN 681 to BGN 4.

The lack of a training plans of municipalities does not allow for an objective comparison of what is sufficient and what is insufficient in the context of the next survey question. The question is “*Do you think that the amount of funding for employee training in your municipality is sufficient?*”. The need for additional funding was indicated by 40.26%, for 25.32% the funds are sufficient, and more than 1/3 cannot answer the question.

Are there enough funds to finance training in your municipality?

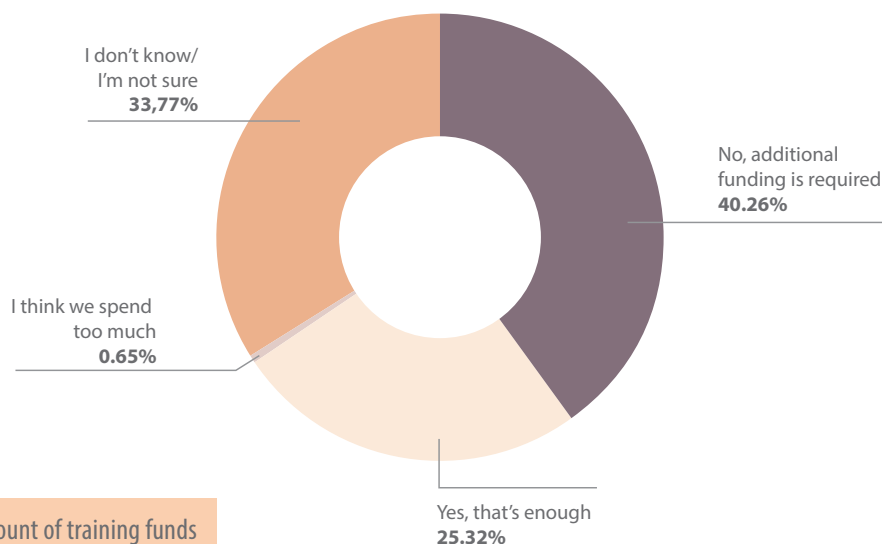


Figure 22 Amount of training funds

Only about 17% of the municipalities financed the participation of municipal councillors in external trainings in the previous year. 38.8% stated that they did not spend money on such trainings. The percentage of those who answered "I don't know/I'm not sure" is high - 43.4%. This is an expression of the same lack of planning (or reporting) documents related to the trainings, including those included in the budget by name.

The answers to the next question "Have internal trainings been organised in your municipality in the last year?" show that only half of the Bulgarian municipalities organise internal trainings. Of course, this is related to the size of local authorities, because the number of employees and the organisational structure of small municipalities makes such trainings difficult.

"A problem, especially for a small municipality like ours, is that we have spheres of activity in which only one person is responsible and competent. This sometimes creates a problem. It is true, the volume of work is small and perhaps there is no need for more people,

but this person does not even have anyone to comment and reason with on certain cases." (Mayor of small rural municipality)

"We do a lot, several times a year we also do trainings, which are a presentation of some departments in front of other departments. Because it might sound strange, but it turns out that a lot of departments don't really know what they're doing even in the next room. They know that let's say with accounting, they know let's say that with architecture, but they don't know in detail, and in fact we are really jumpy vessels that need to be known as an organism or as a clock mechanism to know which wheel is responsible for what . Everyone sees others in this way, they don't think, well, my job is the hardest, but they see that colleagues are also working." (Mayor of large municipality)

The organisation and conduct of internal trainings in the municipalities is supported in most cases by an employee in the administration - in 38.20% of the municipalities. There is also a practice of hiring external trainers - in 24.72% of the municipalities.

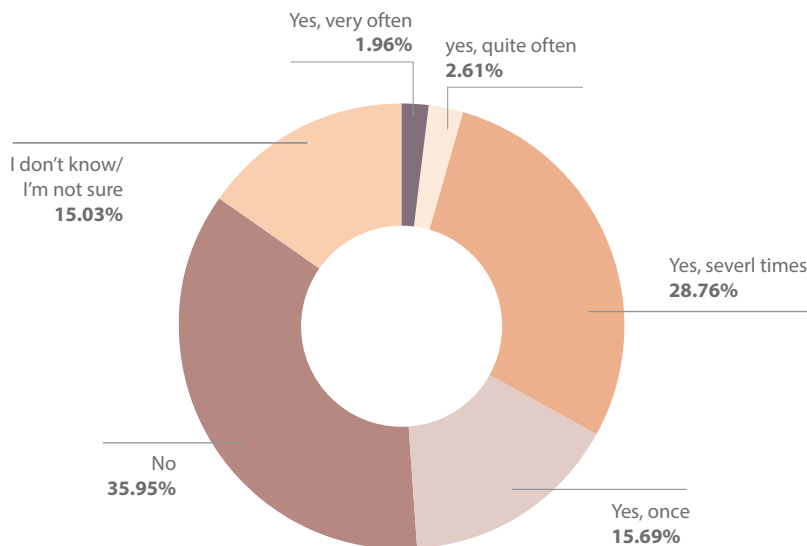


Figure 23 Organisation of internal trainings

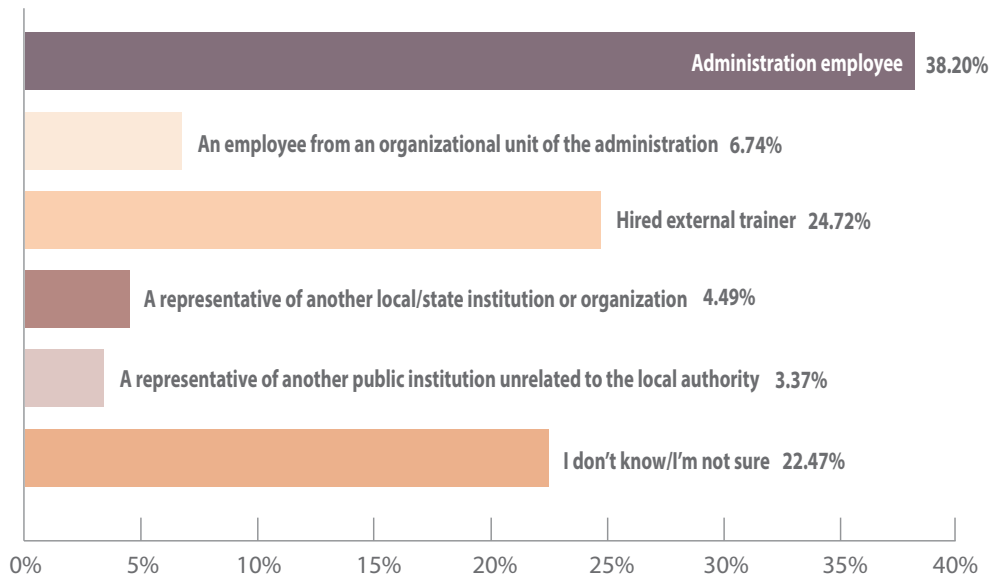


Figure 24 Who supports internal trainings?

When asked what other forms of training the municipal employees participated during the last year, the respondents emphasized the free trainings under the NAMRB project - 73.29% and the use of distance learning formats - 63.70%.

"We go to the trainings, we take advantage of all the organised trainings. Our employees attend the training organised by the National Association of Municipalities in Bulgaria." (Mayor of small municipality)

Meetings for the exchange of professional experience are mentioned as forms of training - 31.51%, conferences and forums on local self-government issues - 23.29%, as well as study visits - 8.90%. On the other hand, the organisation of exploratory visits to municipalities with the participation of officials from

other local authorities is rare, only about 6% of municipalities have hosted such a practice.

"My opinion is that at the trainings, our employees have the opportunity to meet colleagues in a similar position in another municipality and exchange opinions, ideas, experience. To me, this is the most valuable thing about this type of training. The employees themselves are aware that this happens with this type of training and they go with pleasure." (Mayor of mid-size municipality)

"There should also be trainings, which should be more psychological - perhaps in the form of team building, some type of motivational training - to increase motivation, to take responsibility. These are basic things that I've found that young people are missing." (Mayor of large municipality)

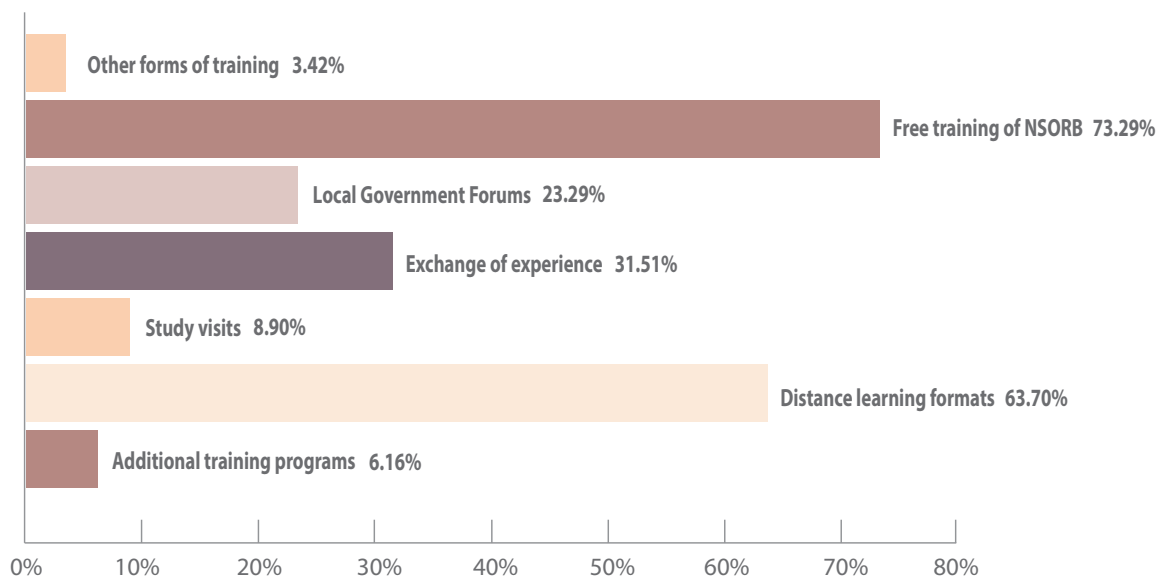


Figure 25 Participation in other forms of training

One of the conclusions of the circumstantial evidence-based study so far was that municipalities do not have a clear process for planning the training of their employees. The answer to the direct question *“Does your municipality develop a training plan for its employees?”* was positive in 35.1% of municipalities, negative in 37.75%, and 27.15% answered that they did not know.

“In terms of assessing the need for certain trainings in our municipality, we do not apply any systematic approach.” (Mayor of mid-size municipality)

“To me, as mayor, invitations for training come, but they decide where, who will go, and so they choose where to go, where not to go, but in principle we do not do such programs, unfortunately, in the administration. We don’t have any such programs yet. I don’t know if the other municipalities have, it would be good to have such a program.” (Mayor of small rural municipality)

About 60% of those asked answer that the duration of such a training plan is one year, the rest cannot find their way, which confirms the absence of such a plan. To the question *“Does your municipality analyse the training needs of its employees?”* only 35.5% answered positively, which compared to only 16.8% answered positively to the next question *“Is there a procedure, regulation or rules that determine how the needs should be analysed of training?”* paints a picture of the lack of knowledge and practice for planning training needs in at least three quarters of municipalities.

The survey shows that the training needs of employees are analysed through *“Organising Surveys”* - 18.95%, *“Interviews and individual conversations with employees”* - 24.21%, *“Discussions and group meetings”* - 14.74% and *“Training Request Sheet”* - 9.47%. The diagram shows that the answer *“I don’t know/ I’m not sure”* was given by 41.05%.

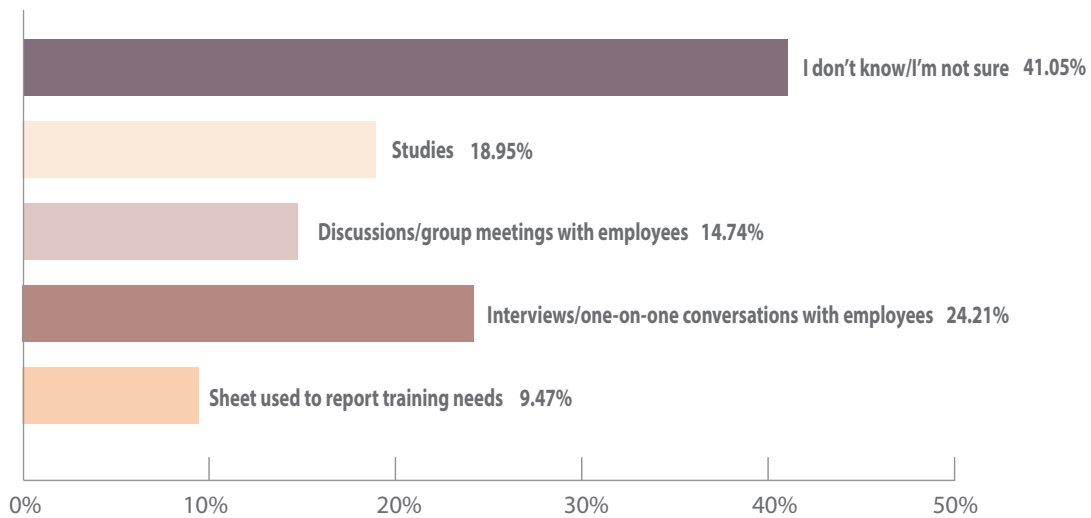


Figure 26 How training needs are analysed?

More opinions from the interviews

What is most lacking and most needed for local government to run smoothly?

“First of all, I think that a differentiated approach should be taken towards different municipalities, that is, there should be categories of municipalities, as is the case in some European countries. You cannot compare the municipality of Burgas and the municipality of Zlataritsa, for example. Both of them must fulfill the requirements of GDPR, of organisational planning, of cyber security, etc. Yes, we can outsource and we have outsourced, but the outsourcer is not here, it offers an off-the-shelf solution that works in one place and not in another. Perhaps the solution lies in inter-municipal cooperation, which would penetrate more widely. For example, to form consortia in certain areas. This will enable the hiring of more qualified experts. Maybe delegate certain functions to a higher-level municipality.” (Mayor of large industrial municipality)

“Each local community has its own specific problems, and when you’ve identified the problem but don’t have the financial ability to solve it, it’s of little interest to people in the community. According to all the statistics, which are not few and are not from last year - the local authorities, which at first sight have the relatively large, collective budgets, in fact, can have a decision of the municipal councils with 8 to 10% of the money. Well, what kind of politics can be pursued!?” (Mayor of mid-size municipality)

“By the way, the state does it. In the last few years, there has been a tendency to transfer responsibilities to the municipalities. Unfortunately, however, these responsibilities are not financially secured. That is, we take on new and new obligations without having the financial resources to deal with it.” (Mayor of large municipality)

How would you generally assess the current functioning of the local government in Bulgaria?

*"What I can say is that in the last two years it has been proven that the only administrations that have remained and provide some security to the citizens are the municipalities. What needs to be done is to give a little more freedom to the municipalities and give them more opportunities to realize their projects that they consider important. That would make people's lives better, I think."
(Mayor of mid-size municipality)*

*"The local government continues to be dependent on the central government in many cases - both financially and politically, because there is a well-known maxim "if you listen - you follow!" I say this as an independent, non-partisan - I am not a member of a political party, but I have in elections through an initiative committee. I see how the vicious drafting of the state budget and the distribution of budget surpluses affects the local government and the local community and people lose a sense of justice. It means - the budget is adopted by the parliament, but the budget is not made realistically, but a lower revenue threshold is set, which is always exceeded, however, the surpluses are distributed by decrees of the Council of Ministers and there is the thin point, I have not consulted with no one, but I think that when there are surpluses, it is money from the state budget, and since the state budget is determined by the Parliament, it should follow that the surpluses are redistributed with the sanction of the Parliament. There are no clear criteria and there has never been a way to allocate such money."
(Mayor of large municipality)*

"What about financial decentralisation, my battle in the last few years has been in the direction of financial decentralisation and unfortunately what you told me since 1995 that you are trying to achieve is currently enlightening. I have also participated in the commission for the last 4 years.

*Which is in the Ministry of Regional Development and Public Works, and at the same time I see that we haven't passed 1 micron, 1 millimeter, 1 cm, nothing, it's just not there. At the same time, some reports are coming out about how we are progressing with financial decentralisation, an absolute lie. I say it in capital letters and words lie, absolutely 100% nothing is decentralised. The moment local government is decentralised, the schools even if you want the fire department, the police, the military. All this should be decentralised. We have now become beggars. I don't say that to complain. I say this with regret for the fact that there are extremely many colleagues not only from the local government, but also those who manage structures of the military, the police, medicine, who have the qualities, but do not have the tools. And when there is a real competitive environment, then very easily people will be able to choose what works and what does not work."
(Mayor of mid-size municipality)*

What improvements can be made in the direction of financial decentralisation?

*"Decentralisation, financial decentralisation. A change in the ratio of budgets - the greater part can be used freely by the local self-government bodies, by the municipal councils, and the smaller part is targeted."
(Mayor of small municipality)*

"We don't have any freedom. How do I explain to the people in a given settlement, for example a given, small or large village, when they want to have sewerage, water supply, asphalt, street lighting, landscaping and generally all the infrastructure, when from the same people who paid their taxes, in 95% of settlements, taxes, building tax in the specific case, is not enough for the electricity of their street lighting. And street lighting is not only electricity, but also construction and maintenance. That is, by replacing only the

lamps with energy-efficient ones, that's where we end. The money they collect from the building tax is not enough for the cost of the electricity that is being spent."
(Mayor of mid-size municipality)

"The problem is, for example, that the tax assessment of a property is currently dozens of times lower than the real value, i.e. tax assessments have not been reformatted for perhaps 15 years and this is the time to comment that together with the Ministry of Finance we should make changes to the law on local taxes and fees, perhaps already from next year, so that these tax assessments can take on an appearance closer to valuation markets. A house, for example, in a populated place, which costs BGN 50,000. At the moment, the tax assessment is BGN 500. And we form local taxes and fees based on the tax assessment, including household waste tax, real estate tax and so on."
(Mayor of mid-size municipality)

"Agricultural lands are also exempt, they are not paid for. A minimal introduction, albeit minimal, of some immovable agricultural property tax will firstly make the municipalities accumulate more funds and secondly those lands that are not uncultivable, that are unusable will make the owners either cultivate them or not they rent them out. They shouldn't let these lands go." (Mayor of rural municipality)

"I have taken into account such municipalities that do not have industry. However, you and I will look at it and evaluate it and you will see that these municipalities have a huge land property. Right, and more or less the tax potential with a normal rate on land as capital and as taxable property. It's going to cover, isn't it, the imbalance, where there's a huge industry, is it counted and remains, isn't it, and can you come up with a balance, isn't it?"
(Mayor of large municipality)

"They are very afraid to talk about the tax on agricultural land, because they will say that he wants to raise or make taxes. It is not

a question of a large tax, it can be symbolic, let's say 1 lev." (Mayor of small rural municipality)

How can the relationship between local authorities and the central institution be assessed?

"In practice, the state is currently embodied by the municipalities and the presidential institution. There was no parliament for a long time, and in the short period it was there - it was not effective, it did not deal with what the citizens expect. There is no executive power that has a stable mandate, is politically empowered through the voters and that carries out certain policies. Elementary examples when interaction with the central authority is required - for permission or for agreement or consultation on a certain case related to some problem - elementary an answer, sometimes in a three-line letter takes 6, 8 or 12 months!" (Mayor of large municipality)

"I don't know that anyone has asked the National Association what it thinks about raising the minimum wage or similar questions that have a chain reaction along the lines of local government. For several years, the minimum wage has been increased several times, which, however, burdens the local finances along the lines of the fact that there are no state-changed taxes from those that the state determines, nor changed local taxes due to the argument that there are always local elections and no political party in the central government, when there is a Parliament or a party in the municipal council or a coalition that allows itself to look at the issue realistically - everything rises, and local revenues, which guarantee relatively basic stability of local government and solving the needs of the local community, are at the level more than 10 years ago. In the modern dynamics of political, economic and financial processes, this is catastrophic for municipalities - in what way can they meet the expectations of citizens! The gap between the money you

receive among the redistribution from the state for state-delegated activities and local revenues – nominally, the municipality's budget grows annually, but the gap between the percentages of local revenues and state-delegated activities and their financing is becoming more and more open, with the share of state subsidies being bigger and bigger, not saying it's enough because there's an underfunding of a number of things." (Mayor of mid-size municipality)

"Extremely lost dialogue in recent years. No dialogue. And you also witnessed very strongly, didn't you, how strong the association was as an element of the dialogue during the preparation of the budgets? Now I don't hide that he got lost." (Mayor of small municipality)

Is there a need of any reforms which will improve the performance of local government?

"Local self-government, autonomous government exists where the local government can solve a significant part of its local problems with local efforts and local funding. What

kind of local self-government are we talking about if you cannot solve elementary problems of your fellow citizens and are forced to seek the blessing of successive rulers. There is a Council for Decentralisation of State Administration on a parity basis, i.e. an equal number of representatives of the state institutions - the ministries and the National Association of Mayors and Chairmen of Municipal Councils - in recent years, I think it has met only once, which shows that it is a "dead" body." (Mayor of mid-size municipality)

"Municipal police currently exist, let's say in municipalities that can afford them, because these are ordinary police officers who, in a way, are hired by the Ministry of Internal Affairs to work for the municipality - we provide them with salaries, clothing, etc. and are much more expensive. In reality, however, the activities that can be carried out by the Municipal Police are much less than those that would benefit the respective municipality." (Mayor of mid-size municipality)

RECOMMENDATIONS

The present recommendations are in two directions – measures to address training needs of the Bulgarian municipalities and main directions of the reform of local self-government system in order to enable the improvement of local administration capacity. These recommendations are based on the findings of this analysis and are supported by the data (quantitative and qualitative) discussed in this paper.

Regarding training needs

Above all, it is necessary to prepare a National Training Strategy, which, based on a clear and shared vision, defines the priority areas and goals in the medium and long term. Based on this strategy, annual plans should be adopted to implement the strategy. These plans should be developed through the “bottom-up” approach, which puts on the agenda the requirement to have a well-developed methodology for municipal training plans, as well as to create opportunities for provision funds for the trainings.

As already noted above, it is necessary to establish a national Agency that is responsible for all elements of the civil service. Special attention should be paid to the training of civil servants. This Agency should also be the body responsible for the implementation of the National Training Strategy. Of course, this strategy must consider the role and integrate into the process all training service providers. NAMRB has a special role in the training process at the local level. This role has two important components – offering specific training that addresses issues relevant to local authorities, such as responding to changing external conditions, and covering training costs where possible.

It is necessary to specify the two main types of training:

- ▶ related to the exercise of the civil service as such; and
- ▶ the specialized ones, depending on the specific specialties and expertise.

The refinement should be expressed in the determination of the mandatory training courses for each type, as well as the connection of these trainings with career development and the link with the level of pay. This will go a long way in solving motivational issues and making civil service at the local level attractive.

It is necessary to build a system for the certification of the trainings, as well as the teachers who carry out these trainings.

Local authorities need methodological support, such as sharing examples of good practices or manuals for the joint implementation of individual competences.

It is necessary to plan and implement forms of training such as exchange visits (exchange of experience), which is applicable when large municipalities with higher capacity (in the form of a resource centre) share their experience with smaller municipalities where professional specialization is at a lower level. Also, it is good to emphasize mentoring in workplace training.

Special attention should be paid to the training of elected municipal officials (municipal councillors). This is especially important in the initial period after their election, when they need to become more familiar with the legal framework, the basis of local finances, municipal ownership and the rules of work in local authorities.

It is necessary to improve the relationship with the universities, involving them in the training of municipal employees, both through the development of standard bachelor's and master's programs necessary for local self-government, but also with the certification of special courses, master classes and conducting various studies.

Providing platforms for online training and opportunities to share good practices is a must. These electronic tools can very well complement traditional forms of learning.

Regarding the local government system

It is necessary to actively continue the process of decentralisation of Bulgaria. The main topics of the report are related to the issues of increasing the effectiveness and efficiency of the local administration, to build its capacity with a focus on strengthening the skills and knowledge of the staff. The scope of this report is limited to these problem areas. However, the questions related to the global problems

of decentralisation in Bulgaria are presented because all the interviewed mayors pointed out that without the necessary reform of the system of state administration, local authorities cannot execute their functions, both because of their poor definition and overlapping with the central government and because of lack of sufficient financial resources. Placing these questions is also related to the need to constantly present them in the public space for the purposes of lobbying and advocacy. There is a need of significant improvement of the legislative and institutional framework of local self-government by:

- ▶ adoption of a new law on local self-government and local administration, which corresponds to the current stage of development and, in particular, optimises relations between local self-government bodies;
- ▶ simplification of the legislation related to the spatial planning and zoning of the territory in order to combat the overbuilding and to improve the living conditions in the big cities;
- ▶ changes to the Civil Servant Law to make the Law effective and improve opportunities for effective local administration. At the same time, to create an Agency responsible for the civil service and the functioning of the administration;
- ▶ the Law on Administration should define the structure and functions of the Council for Decentralisation of the State Administration, as an advisory and coordinating body. This will allow the continuation of the reform process and ensure the efficient work of the administration and improve the opportunities for regional and local economic development;
- ▶ increasing the opportunities for citizen participation in local self-government by creating uniform standards for information, consultation and joint decision-making with citizens, as well as the development of Internet-based technologies to improve the functioning of local democracy.

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