

## **I. ANNEXES**

### **1 ANNEX 2. Partnership principle**

#### **Definition and Legal Framework**

The partnership principle is the basis of the Structural Funds' functioning. Officially introduced during the reforms in 1988, the principle was adopted in 1993 and it plays a major role in Structural Funds implementation. The principle of partnership was additionally developed in 1993, so that it includes "the economic and social partners, defined on behalf of the Member State" within the framework of competent institutions and authorities.

Partnership is "consultations as broad as possible among all relevant institutions – regional and local authorities, other competent bodies, including those responsible of preserving the environment and encouraging equality between sexes, economic and social partners". Partnership is related with three objectives: efficient implementation, strict definition of the programme activities' objectives and increasing the development capacity. The partnership process includes all stages of elaborating the strategic documents.

The identification and attraction of suitable partners is one of the most responsible stages in the preparation of the OP. This process includes:

- Defining the partners.
- Making an invitation to point out representatives in the working group meant to prepare the Operational Programme.
- Including the willing in the working group.

The strategy for the participation of the Republic of Bulgaria in the European Union Structural Funds and Cohesion Fund, adopted with OCM 312/2002 defines the necessity of observing the partnership principle, which requires for the selected partners to supply their opinions and proposals in a transparent way as early as the beginning of the process of programming and during the preparation, funding, monitoring and evaluation periods.

Ordinance 171/02.08.2002 of the Council of Ministers defines the main rules of organizing and coordinating the preparation process of the programme documents for the participation of the Republic of Bulgaria in the EU Structural Funds and the Cohesion Fund. In conformity with Article 10d, point 5 of the Ordinance, a decision of the Coordination Council defines the key social and economic partners, who shall be included in the working group of the operational programmes.

The criteria and mechanisms to define and attract the partners that participate in these groups are defined in a Specialized Partnership Guidelines, prepared by the Coordination Unit within MoF.

#### **Implementation of the Partnership Principle**

Partnership requires for the lower levels of the administration, as well as the civil society of the country, to participate in conjunction with the EC in the processes of elaboration, selection, management and monitoring of the projects. This principle requires the application of consultancy mechanisms and participation on the national and regional level, which should ensure the participation of local and regional authorities, business and the employers' associations, the syndicates, NGOs and other interested parties.

In Bulgaria the social partners are included in the elaboration of strategic documents, related to the future membership of the country in the European Union and the utilization of the pre-accession instruments. The institutions that are actively participating in the social dialogue (a main instrument for the implementation of the partnership principle) are the respective Ministries responsible for the elaboration of programme documents, as well as representatives of the regional and local authorities. The process also includes the nationally represented employers' organizations, the nationally represented employees' organizations, regional and branch organizations and structures. The representatives of the social and economic partners are included in the working groups that elaborate various documents. The working groups provide opinions on the relevancy of the criteria to select operations, the pending needs and limitations in the various sectors, reformulation of the aid priorities (major criteria), etc.

The partnership principle is applied mainly through two mechanisms – direct participation in the process of elaborating and making of decisions and, indirectly, through information campaign. In Bulgaria, the structure of the working groups on the different levels (NSRF and Operational Programmes) is introduced with Ordinance of the Council of Ministers. Due to the big number of partners, an associated membership of some partners in the WG for NDP and OP is introduced.

### **Partners, Target Groups Involved in the Consultations**

In conformity with Article 10 of the Proposal for Regulations of the European Commission 492(2004), the Operational Programme “Development of the Competitiveness of the Bulgarian Economy” ( OP Competitiveness) shall be elaborated on the basis of observing the partnership principle. According to OCM 171/02.08.2002, the economic and social partners were included in the elaboration of OP.

OP “Competitiveness 2007-2013” is elaborated and implemented on the basis of broad consultations with the social and economic partners. The implementation of an efficient partnership includes frequent consultations and participation of the partners in the whole programme cycle. The interaction with partners is continuous and it includes the processes of preparation, funding, implementation, as well as monitoring and evaluation of the results of the applied interventions. The observation of the partnership principle gives the opportunity for a more detailed identification of the existing problems and, respectively, finding the most appropriate way for their settlement.

The official process of consultations for the elaboration of the OP Competitiveness started in August 2004, after a decision of the Coordination Council of the National Development Plan from 6 August, 2004 on the establishment of operational programmes' working groups. At this stage, the consultation process included the identification of the necessary social and economic partners (defined with an Ordinance of the CM) and making an invitation for the establishment of a working group for the elaboration of the Competitiveness OP.

The working group for the elaboration of the Operational Programme “Development of the Competitiveness of the Bulgarian Economy” was established on the basis of a broad representation, which ensures the observation of the partnership principle and transparency of programming the strategic document. Its composition includes representatives of the related Ministries, which elaborate operational programmes, or ones that have direct relation to the OP Competitiveness – The Ministry of Finance, the Ministry of Labour and Social Policy, the Ministry of Regional Development and Public Works, the Ministry of Environment and Waters,

the Ministry of Agriculture and Forestry, the Ministry of State Administration and Administrative Reforms, and the Ministry of Transport, the Ministry of Education and Science, the Ministry of Culture, as well as representatives from the relevant policy-making Directorates in the Ministry of Economy and Energy. The working group includes representatives from second level budget spending units and executive agencies, such as the Executive Agency for Economic Analysis and Forecasts, Bulgaria Invest Agency, Bulgarian Standardisation Institute, State Agency for Metrology and Technical Surveillance, Bulgarian SMEs Promotion Agency, State Agency for information Technologies and Communications, Executive Agency on fishery and aquacultures. The social partners are represented by organizations of employers and employees, namely the Bulgarian Industrial Association, Bulgarian Chamber of Commerce and Industry, Union for Private Economic Enterprise, Union of Private Bulgarian Entrepreneurs “Vazrazhdane”, Employers’ Union of Bulgaria, Bulgarian International Business Association, Confederation of Labour “Podkrepa”, Confederacy of the Independent Syndicates in Bulgaria (KNSB), Bulgarian Industrial Capital Association. In order to ensure a broader scale and transparency of the operational programme, to join the working group were invited nationally represented non-government organizations and scientific institutions from the National Association of Municipalities in the Republic of Bulgaria, the Centre for Economic Development, the Centre for Market Economy, Sofia University “St. Kliment Ohridski”, the University of National and World Economy, the Economic Institute of BAS, Club Economy 2000, as well as representatives from the bank sector, namely the state-owned Encouragement Bank. The sessions of the working group are held in conformity with rules of regulations adopted by the members of the group, as for each session minutes are taken, which can be accessed by all members of the working group. The decisions made during the sessions of the working group are the main instrument of adopting, amending and monitoring the elaborated parts of the Operational Programme.

### **Procedures and Methods Applied**

During the first stage of conducting consultations with the partners included in the working group, the social and economic analysis was elaborated and discussed, as well as the analysis of the strengths and weaknesses, the opportunities and threats (SWOT analysis) for the development of Bulgarian economy. All other parts of the OP Competitiveness were approved following the same procedure during the process of consultations with the partners that are included in the working group. The working group of OP Competitiveness adopted general and strategic objectives, priorities and sample OP activities. The indicative financial distribution, based on the financial parameters, developed by the Agency for Economic Analyses and Forecasts, and draft indicators for monitoring the Programme’s implementation, were discussed and approved as a preliminary version.

In relation to implementing the partnership principle in all of its aspects and including all interested parties, the Executive Agency for Economic Analysis and Forecasts (responsible for the elaboration of NSRF) and the Swiss Development and Cooperation Agency organized a series of public Forums aiming at achieving a consensus on the main parts of the operational programmes. At these forums, an opportunity was given to the state administration, the local authorities, the social and economic partners and to the broad public to participate in a discussion, in order to achieve unanimity on the Bulgarian development strategy for the period 2007-2013. The main

objective of the project is to assist the process of a search for consensus between the various interested persons/groups in Bulgaria in relation to the priorities of the NSRF operational programmes, the desired results from them, the indicators at the priority level and establishing a public interest to the programme process and its priorities. The participants in the Forum are representatives of the eight working groups of the Operational Programmes, the regional and local authorities, the scientific circles, the specialized non-profit organizations, the social organizations and vulnerable groups, as well as the political parties, as each one of them has the right to express opinion. The forum adopts decisions and elaborates recommendations to the working groups of the Operational Programmes, as well as to other institutions, organisations and entities, in the same time monitoring their implementation.

Four sessions of the Form were held during the project implementation. On these sessions, the main elements of the operational programmes and the two national plans were discussed in a broad public. The recommendations were taken into account during OP's elaboration. The public discussion helped in for making the programme documents and their elaboration a more transparent and open process.

During the process of elaboration of the Operational Programme "Development of the Competitiveness of the Bulgarian Economy" the members of the Managing Authority have participated in over 200 promotional activities, such as presentations, conferences, seminars etc. They presented the draft version of the OP and the Community Strategic Guidelines, 2007 - 2013 to more than 3000 people all over the country. There were potential beneficiaries, social and economic experts, representatives of various NGOs etc. among those people. The members of the Managing Authority received more than 1000 proposals and recommendations, which were taken into account during OP's elaboration. In addition to these activities, the members of the Managing Authority prepared a set of 7 big publications for the national weekly journal "Capital". The publications presented the main opportunities, which will be offered by the OP and contained also a forum with reader's questions and MA's answers. The public activities helped in for making the programme documents and their elaboration a more transparent and open process.

The partnership principle is observed in the structuring of the Monitoring Committee. According to Decree of Council of Ministers 182/21.07.2006, the members of the Monitoring Committee for an OP represents all relevant stakeholders at national and regional level (see chapter VIII, point 2). Provision of partnership during development and implementation of projects will be ensured by the calling of subcommittees or organization of ad-hoc advisory working groups comprising of partners' representatives with different experience and fields of specialization, which to provide experts' opinion and consultations during elaboration of guidelines for applicants.

Along with partners monitoring of Programme's implementation, the full transparency and openness of OP's operations will be ensured through implementation of the Communication Strategy, which includes widest possible target groups (chapter VIII, point 4). Special training of evaluators for the Commissions for selection of projects will be organized by the means of OP and other complementary projects.