

## STANDARD SUMMARY PROJECT FICHE

### 1. Basic Information

<b>1.1 CRIS Number:</b>	BG2004/016-711.10.03
<b>1.2 Title:</b>	<b>Assistance for the implementation of the National program for decentralization</b>
<b>1.3 Sector:</b>	<b>Administrative Reform and Capacity</b>
<b>1.4 Location:</b>	Bulgaria

### 2. Objectives

#### 2.1 Overall Objective(s):

To strengthen the abilities of the administration and to enhance its capacity by improvement of the relations with the citizens.

#### 2.2 Project purpose

To build up sufficient administrative capacity in public administration at central, regional and local level with Council Regulations of EC, and to ensure basis for implementation of the National program for decentralization by:

- Establishment of a model of state-civil consultative councils to different administrative structures;
- Analyses and elimination of the structural preconditions for creation of corrupt surrounding in the state administration.

#### 2.3 Accession Partnership (AP) and NPAA priority.

##### Accession Partnership

The project will contribute to the efforts of Bulgaria to:

- complete the establishment of a professional and impartial civil service;
- create service units in all structures with clear rules for service delivery.

##### National Program for Adoption of Acquis (NPPA)

The objective of the administrative reform is the establishment of functioning and effective state administration with new, open to the citizens' administrative culture, and creation of the necessary administrative capacity for work in the new conditions, as well as the ensuring the compliance with the European administrations.

## 2.4 Cross Border Impact

N/A

## 3. Description

### 3.1 Background and justification:

The experience of the countries in transition, which have started the process before Bulgaria, reveals that decentralization should undertake the interests and opinion of all stakeholders. That means, that the organizations, connected with the change should be involved in the process from the primary stages. Furthermore, the acquired lessons of the transitional period reveal that fiscal decentralization is undoubtedly important, but its measurements (size and parameters) should be as a result from the division in the field of functions and responsibilities between the different levels of state government, from the realization of **political and administrative decentralization**. In the Bulgarian case it was started with fiscal decentralization.

The process of improving the governmental effectiveness requires activities for:

- elimination of the doubling functions and responsibilities;
- decentralization of the deconcentrated offices at the “municipality” or “region” levels;
- increase of the coordination between the deconcentrated offices.

The elaboration of National program for decentralization is a task set in the Strategy for modernization of Public Administration. This program will be worked out by the Ministry of Regional Development and Public Works with the help of European consultants, under the Twinning light project.

The Decentralization Act is now in the process of preparation in Bulgaria. Generally, the purpose of the Decentralization Act is:

- To advance in a decentralized perspective of State reform, bringing harmoniously together the processes of deconcentration and decentralization;
- To clearly differentiate functions and responsibilities at the central and regional levels;
- To transform legal and institutional changes at the regional and local levels in social capital building and in strengthened democratic governance and capacities for development.

The law is transitional and processal, that is, it is not thought of as an instrument to delineate the final decentralization model of the country, but:

- To create a more positive context to enlarge the capacities needed to obtain real advances in regional development;
- To better organize a transition towards more advanced schemes of decentralization.

The project aims to enhance the administrative and institutional capacity of the Bulgarian administration in the context of the process of decentralization of functions and rights from the

central to the territorial levels of state government. That is why the accent is set on the activities, as follow:

- enhancement of the efficiency of the government by establishment of a model for permanent relations and interaction between citizens and administration;
- anticorruption measures in the process of decentralization.

Thus the project will contribute for the establishment and execution of effective modern mechanisms for improvement of the administrative structures on all governmental levels and for optimization of their activity in the context of the new requirements, which the process of decentralization set to the Bulgarian administration.

The main target groups are:

- central governmental institutions – ministries, agencies and their deconcentrated administrative offices;
- regional administrations;
- municipalities.

### **3.2 Linked activities:**

The Project “Assistance for the implementation of the National program for decentralization” is oriented to improvement of the relations and coordination between the different levels of government in Bulgaria – central, regional and local. There is a connection between the present project and other supported by Phare projects:

Project BG 9317 “Public administration Reform Program”, finished in January 1999. The program provided legal expertise used for drafting the Civil Service Act and the Law on the State Administration and a number of training activities;

Project 9909.01 “Training for Public Administration” (finished in November, 2002), which had as wider objective to promote the establishment of a professional, efficient and responsible public administration, which would allow Bulgaria to participate effectively in the EU policy process and would be capable of implementing and enforcing the *acquis communautaire*.

Project BG 0103.02 “Implementing civil service reform”, the main purpose of which was to strengthen the capacity in public administration at central and local level and to reinforce the control and accountability administrative mechanisms in order for the public administration to meet the European standards of professionalism, coherence and efficiency. One of the results of this project is the creation of permanent capacity in the public administration management structures for public administration and policy implementation through analysis of current practices.

Project 0103.01 “Strategic policy-making and coordination”, which aims to strengthen the capacity and abilities of the administration of the Council of Ministries in the area of strategic planning, coordination of policy-design and implementation, and policies’ impact assessment.

GTAF-BG9704 “Regional development policy support in Bulgaria”, the objective of which was to support development and consolidation of modern approach to regional development policy, with special emphasis on preparing Bulgaria to manage integrated regional and local development programs. However, the project (started in October 1998) to cover the initial implementation of PHARE Special Preparatory Program (SPP), in particular – the assistance for establishment of inter-ministerial Central Coordination Unit (CCU) and production of a preliminary National Economic Development Plan (NDEP). Additionally (late 1999), the project concentrated on two planning regions (North-West and South-Central) and produced draft regional development plans for each of them.

### **3.3 Results:**

#### **Sub-project 1: Establishment of a model of inter administrative teams**

- Established model for team working;
- Enhanced capacity of the administrative servants for efficient and effective execution of their tasks;
- Established internal relations between the different structures;
- Trained civil servants on national, regional and local level to work in a team.

#### **Sub-project 2: Establishment of a model of state-civil consultative councils to the administrative structures**

- Established model for interaction between citizens, civil organizations and state administration;
- Strengthened relations between citizens and government by enhanced transparency in the process of carrying out the state policy on the different levels of government;
- Improved public image of the state administration through improved dialog between citizens, civil organizations and state administration.

#### **Sub-project 3: Anticorruption focus in the process of decentralization**

- Eliminated structural preconditions for formation of corrupt surrounding by creation of clear rules and procedures;
- Adequately trained civil servants in all levels of government and local political elites in the sphere of anticorruption measures in the realization of changes with decentralized character ;
- Achieved high public support in the field of the decentralization processes.

### **3.4 Activities:**

#### **Sub-project 1 Establishment of a model of inter administrative teams**

- **Established model for team working;**

- Survey on the relations and the interactions between the different structures of the administration for forming teams;
  - Review on the existing European practices and on the internal legislative organization;
  - Establishment of model for forming internal administrative teams and pilot testing in 30 municipalities, 6 regions, 6 deconcentrated offices, 2 agencies, 2 Ministries.
- **Enhanced capacity of the administrative servants for efficient and effective execution of their tasks;**
    - Implementation of seminars and focus groups;
    - Creation of accountability procedures and mechanisms for reporting on the quality and quantity of services of administration structures on all levels.
- **Established internal relations between the different structures;**
    - Development and maintenance of Internet site with examples for well working teams;
    - Publication of manual with examples for well working teams.
- **Trained civil servants on national, regional and local level to work in a team.**
    - Training of the civil servants on national, regional and local level to work in a team (totally 300 people).

**Sub-project 2** Establishment of a model of state-civil consultative councils to the administrative structures

- **Established model for interaction between citizens, civil organizations and state administration;**
    - Analyze of the problems and survey on the necessities in connection with the establishment of state-civil consultative council ;
    - Review on the existing European practices;
    - Establishment of model for state-civil consultative councils at the different administrative structures and pilot testing 30 municipalities, 6 regions, 6 deconcentrated offices, 2 agencies, 2 Ministries;
- **Strengthened relations between citizens and government by enhanced transparency in the process of carrying out the state policy on the different levels of government;**
    - Informational company for popularization the objectives of the project;
    - Establishment of the channels (media, Internet, ...) for regular exchange of information between the participants in the councils.

- **Improved public image of the state administration through improved dialog between citizens, civil organizations and state administration;**

- Establishment of transparent procedures for nomination of the participants in the councils;
- Preparation of rules for the work of the state-civil consultative councils;
- Arrangement and administrative technical servicing of the councils;
- Trainings – seminars, focus groups;
- Publication of manual for the work of the state-civil consultative councils.

### **Sub-project 3 Anticorruption focus in the process of decentralization**

- **Creation of clear rules and procedures for elimination of structural preconditions for formation of corrupt surrounding;**

- Review on the Bulgarian legislative framework with a view to revealing the possibilities for corruption in the realization of changes with decentralized character;
- Preparation of analyze on anticorruption practices in Bulgaria and European countries by Bulgarian and other experts;
- Drafting of rules for elimination of structural preconditions for formation of corrupt surrounding.

- **Adequately trained civil servants in all levels of government and local political elites in the sphere of anticorruption measures in the realization of changes with decentralized character;**

- Preparation of “Good anticorruption practices” report;
- Establishment and maintenance of database “Good anticorruption practices”;
- Publication of manual;
- Preparation and implementation of seminars on anticorruption measures at realization of changes with decentralized character with servants from all the levels of the administration, local political leaders and civil organizations (totally 2000 people).

- **Achieved high public support in the field of the decentralization processes.**

- Organization of conference;
- Publication of the results of public discussions.

### **3.5 Lessons learned:**

The decentralization process in Bulgaria is in the initial stage and there is no practical experience and as a result – the base for analyses and learning is not enough.

What we believe is that the policy of decentralization is successful when it transforms legal and institutional changes at the regional and local levels in social capital building and in strengthened democratic governance and capacities for development.

#### 4. Institutional Framework

**The Ministry of Regional Development and Public Works (MRDPW) has the leading role in coordination of different territorial levels of government – central, regional and local.** The Ministry carries out the state policy and develops the objectives and priorities of the state strategy for regional development; organizes the elaboration, implementation and control of the regional development strategies, plans and programs; submits the annual reports for their implementation to the Council of Ministers; and provides methodological support to municipalities and other institutions for their elaboration and implementation. The Ministry is also responsible for organization and co-ordination of the activities related to European integration in the field of regional development and co-ordination of EU pre-accession instruments, for approving programs and projects selected by the regions subject to coordination with the interested institutions and social partners.

**The Council for modernization of public administration** is established for the purposes of better coordination between the different ministries. The Strategy for modernization of Public Administration, adopted by this Council, envisages enhancing the activity and strengthening the capacity of Public Administration in order to improve the quality of public services.

**A Project Steering Committee** will be set up as a common decision-taking body of the project partners. Its functions will be to decide on all important questions for planning, evaluation, monitoring and transference into action the project activities. The Committee will aim to ensure a broad consensus between all relevant stakeholders on the actions for assistance under the components of the project.

The main constituents of the PSC will be representatives from: Ministry of Regional Development and Public Works; Minister of the State Administration; “State Administration” Directorate in the Council of ministers, National Association of Municipalities in Republic of Bulgaria (NAMRB).

#### 5. Detailed Budget

	Phare Support					
	Investment Support	Institution Building	Total Phare (=I+IB)	National Co-financing	IFI	TOTAL MEUR
<b>Year 1</b>						
Technical		2.050	2.050			2.050

Assistance						
<b>Total</b>		<b>2.050</b>	<b>2.050</b>			<b>2.050</b>

## 6. Implementation Arrangements

### 6.1 Implementing Agency

The Implementing Agency of the Project is the Central Finance and Contracting Unit (CFCU), based in the Ministry of Finance:

PAO: Mr. Tencho Popov – Secretary General, Ministry of Finance  
 102, Rakovsky Street,  
 1040 Sofia  
 Telephone: (+ 359 2) 9859 2012; 9859 2777  
 Fax: (+ 359 2) 9859 2773

The CFCU will be the Contracting Authority and in that capacity will launch and evaluate tender, conclude contracts and authorize the treasury to make contractually related payments.

The technical implementation of the project will be dealt with the Ministry of Regional Development and Public Works, whose main functions will be the day-to-day co-ordination and implementation of the project activities.

The CFCU will be also responsible for tendering and contracting of the other supplementary inputs for services and supplies.

MRDPW will undertake the preparation of the Service Contract and other relevant documentation.

### 6.2 Beneficiary institution

**The beneficiary institution** will be the Ministry of Regional Development and Public Works, and more specifically the following administrative structure within this institution:

#### **Territorial Governance and Decentralization Directorate:**

Contact person:  
 Alexander Mihaylov  
 Director Territorial Governance and Decentralization  
 Tel: + 359 2 987 74 42  
 Fax: + 359 2 987 74 42  
 amihaylov@mrrb.government.bg

**Participants in the Project** are also minimum:

30 municipalities;  
 6 regional administrations;

6 deconcentrated offices;  
2 Agencies;  
2 Ministries.

### **6.3. Non-standard aspects**

N/A

### **6.4 Contracts**

It is estimated that the project to be consisted of one Technical Assistance for total amount of 2.050 MEUR.

## **7. Implementation Schedule**

### **7.1. Start of project activity**

Technical Assistance contract signed by 3Q 2005

### **7.2. Project completion**

3Q 2007

## **8. Equal Opportunity**

The dimensions of equal opportunity and gender equality will be integrated into all levels of the project. This will establish a suitable foundation for mainstream gender equality in the future. It will be included in the Terms of reference of the project as a joint responsibility of the Contractor and the beneficiary institution.

## **9. Environment**

N/A

## **10. Rates of return**

N/A

## **11. Investment criteria**

N/A

## **12. Conditionality and sequencing**

Bulgaria's capacity to adopt and apply the *acquis communautaire* depends on the reinforcement of its institutional and administrative capacity. Since summer 1997 a number of important initiatives have been taken in the area of administrative development, in particular in the form of the adoption of crucial legislation and creation of administrative structures. The implementation of the laws adopted so far, in particular the Law on State Administration and the Civil Service Act will require the full support and political engagement of the Bulgarian government as well as major external support, if this is to be successful.

### **Conditionality**

The project consists of 3 modules – sub-projects. The work on the all 3 sub-projects must be simultaneous. Our demand is that 3 teams should be formed. Each module should be elaborated from one team – from the stage of the survey till the final result.

### **Sequencing**

The project will start with the following activities:

- review;
- surveys on the existing European and Bulgarian practices for the purposes of all the 3 sub-projects.

After that the process will have activities, as follows:

- establishment of models and planning documents;
- elaboration of draft legislation;
- pilot testing of the models;
- implementation of the models;
- training.

### **Annexes to project Fiche**

1. Logical framework matrix in standard format
2. Detailed Implementation chart
3. Cumulative contracting and disbursement schedule

## ANNEX 1

LOGFRAME PLANNING MATRIX FOR Project: <b>Assistance for the implementation of the National program for decentralization</b>			
		Contracting period expires – Dec. 2006	Disbursement period expires - Dec 2007
		Total budget: 2.050	Phare budget: 2.050

Overall objective	Objectively verifiable indicators	Sources of Verifications	
<b>To strengthen the abilities of the administration and to enhance its capacity by improvement of the relations with the citizens.</b>	<ul style="list-style-type: none"> <li>• Drafts of pieces of secondary legislation;</li> <li>• Policy proposals and Action plans;</li> <li>• Timely implementation of National programme of decentralization;</li> <li>• Improved citizens' servicing ;</li> <li>• Improved services for the private business</li> </ul>	<ul style="list-style-type: none"> <li>• Number of the citizens' complaints about the administrative attendance;</li> <li>• Number of successfully working firms;</li> <li>• Annual national report on the state of the administration.</li> </ul>	
Project purpose	Objectively verifiable indicators	Sources of Verifications	Assumptions
To build up sufficient administrative capacity in public administration at central, regional and local level with Council Regulations of EC, and to ensure basis for implementation of the National program for decentralization by: <ul style="list-style-type: none"> <li>- Establishment of a model of state-civil consultative councils</li> </ul>	<ul style="list-style-type: none"> <li>• Increased capacity, capability and efficiency of the public administration</li> </ul>	<ul style="list-style-type: none"> <li>• Annual national report on the state of the administration;</li> <li>• Phare monitoring committees review reports;</li> <li>• Other reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Bulgaria is continuing the reforms in the Public Administration and in the judicial system and the measures for fighting corruption are Bulgaria's immediate priorities in connection with closing the negotiations with the EU and our NATO accession in 2004;</li> </ul>

<p>to different administrative structures;</p> <ul style="list-style-type: none"> <li>- Analyses and elimination of the structural preconditions for creation of corrupt surrounding in the state administration.</li> </ul>			<ul style="list-style-type: none"> <li>• Stake holder ability to implement effective and efficient coordination and implementation of the National program for decentralization;</li> <li>• Methodology taking into account “top-down” as well as “bottom-up” approaches to country experience and consistency.</li> </ul>
<b>Results</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verifications</b>	<b>Assumptions</b>
<p><b>Sub-project 1</b></p> <ul style="list-style-type: none"> <li>▪ Established model for team working;</li> <li>▪ Enhanced capacity of the administrative servants for efficient and effective execution of their tasks;</li> <li>▪ Established internal relations between the different structures;</li> <li>▪ Trained civil servants on national, regional and local level to work in a team.</li> </ul> <p><b>Sub-project 2</b></p> <ul style="list-style-type: none"> <li>• Established model for interaction between citizens, civil organizations and state administration;</li> <li>• Strengthened relations between</li> </ul>	<p><b>Sub-project 1</b></p> <ul style="list-style-type: none"> <li>• Functioning teams, allowing better and faster work by improved coordination between the structures;</li> <li>• Number of the established teams and total number of the civil servants, participating in the teams of the different structures.</li> </ul> <p><b>Sub-project 2</b></p> <ul style="list-style-type: none"> <li>• Number of established civil consultative councils;</li> <li>• Carried out meetings/sessions</li> </ul>	<p><b>Sub-project 1</b></p> <ul style="list-style-type: none"> <li>▪ Reports on improved work/activity of the established teams at the different administrative structures;</li> <li>▪ Annual national report on the state of the administration.</li> </ul> <p><b>Sub-project 2</b></p> <ul style="list-style-type: none"> <li>• Interviews among the citizens and the civil organizations for the effect</li> </ul>	<ul style="list-style-type: none"> <li>• Pilot implementation of the sub-projects in minimum: <ul style="list-style-type: none"> <li>- 30 municipalities;</li> <li>- 6 regional administrations;</li> <li>- 6 deconcentrated offices;</li> <li>- 2 Agencies;</li> <li>- 2 Ministries.</li> </ul> </li> <li>• Trained staff remain with the administrative structures;</li> <li>• Full commitment of government;</li> <li>• Support by public opinion.</li> </ul>

<p>citizens and government by enhanced transparency in the process of carrying out the state policy on the different levels of government;</p> <ul style="list-style-type: none"> <li>• Improved public image of the state administration through improved dialog between citizens, civil organizations and state administration.</li> </ul> <p><b>Sub-project 3</b></p> <ul style="list-style-type: none"> <li>• Eliminated structural preconditions for formation of corrupt surrounding by creation of clear rules and procedures;</li> <li>• Adequately trained civil servants in all levels of government and local political elites in the sphere of anticorruption measures in the realization of changes with decentralized character ;</li> <li>• Achieved high public support in the field of the decentralization processes.</li> </ul>	<p>of the civil consultative councils;</p> <ul style="list-style-type: none"> <li>• Increased number of the debates connected with the forming of state policy at the central and regional press</li> </ul> <p><b>Sub-project 3</b></p> <ul style="list-style-type: none"> <li>▪ Decreased number of occasions of corruption;</li> <li>▪ Number of established models for structural decisions at the realization of changes with decentralized character ;</li> <li>▪ Increased civil and administrative awareness against corruption at the time of the realization of changes with decentralized character.</li> </ul>	<p>from the mutual work of the state-civil consultative council ;</p> <ul style="list-style-type: none"> <li>• Records of proceedings and reports on the work of state-civil consultative council ;</li> <li>• Publications in the press;</li> <li>• A manual of good practices for the collaboration between administration and civil organizations;</li> </ul> <p><b>Sub-project 3</b></p> <ul style="list-style-type: none"> <li>▪ Annual national report on the state of the administration;</li> <li>▪ Annual reports of the specific international organizations as Transparency International.</li> </ul>	
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<b>Activities</b>	<b>Means</b>	<b>Assumptions</b>
<p><b>Sub-project 1</b></p> <ul style="list-style-type: none"> <li>➤ Survey on the relations and the interactions between the different structures of the administration for forming teams;</li> <li>➤ Review on the existing European practices and on the internal legislative organization;</li> <li>➤ Establishment of model for forming internal administrative teams and pilot testing in 30 municipalities, 6 regions, 6 deconcentrated offices, 2 agencies, 2 Ministries;</li> <li>➤ Implementation of seminars and focus groups;</li> <li>➤ Creation of accountability procedures and mechanisms for reporting on the quality and quantity of services of administration structures on all levels;</li> <li>➤ Development and maintenance of Internet site with examples for well working teams;</li> <li>➤ Publication of manual with examples for well working teams;</li> <li>➤ Training of the civil servants on national, regional and local level to work in a team (totally 300 people).</li> </ul> <p><b>Sub-project 2</b></p> <ul style="list-style-type: none"> <li>➤ Analyze of the problems and survey on the necessities in connection with the establishment of state-civil consultative council ;</li> <li>➤ Review on the existing European practices;</li> <li>➤ Establishment of model for state-civil consultative councils at the different administrative structures and pilot testing 30 municipalities, 6 regions, 6 deconcentrated offices, 2 agencies, 2 Ministries;</li> <li>➤ Informational company for popularization the objectives of the project;</li> <li>➤ Establishment of the channels (media, Internet, ...) for regular exchange of information between the participants in the councils;</li> <li>➤ Establishment of transparent procedures for nomination of the participants in the councils;</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Assistance contract</li> </ul>	<ul style="list-style-type: none"> <li>• Trained staff in the public administration;</li> <li>• Models established and implemented;</li> <li>• Effective cooperation between all actors;</li> </ul>

- Preparation of rules for the work of the state-civil consultative councils;
- Arrangement and administrative technical servicing of the councils;
- Trainings – seminars, focus groups;
- Publication of manual for the work of the state-civil consultative councils.

**Sub-project 3**

- Review on the Bulgarian legislative framework with a view to revealing the possibilities for corruption in the realization of changes with decentralized character;
- Preparation of analyze on anticorruption practices in Bulgaria an European countries by Bulgarian and other experts;
- Drafting of rules for elimination of structural preconditions for formation of corrupt surrounding;
- Preparation of “Good anticorruption practices” report;
- Establishment and maintenance of database “Good anticorruption practices”;
- Publication of manual;
- Preparation and implementation of seminars on anticorruption measures at realization of changes with decentralized character with servants from all the levels of the administration, local political leaders and civil organizations (totally 2000 people);
- Organization of conference;
- Publication of the results of public discussions.

## ANNEX 2

### DETAILED IMPLEMENTATION CHART

Sub-Projects	4Q2004	1Q2005	2Q2005	3Q2005	4Q2005	1Q2006	2Q2006	3Q2006	4Q2006	1Q2007	2Q2007	3Q2007
Service contract	T	T	T	Signing of the contract	I	I	I	I	I	I	I	F

T- Tendering  
 I - Implementation  
 F - Finalisation

## ANNEX 3

### CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

All figures in million Euro

#### Contract 1 Technical Assistance contract

	31/12/2004	30/03/2005	30/06/2005	30/09/2005	31/12/2005	30/03/2006	30/06/2006	30/09/2006	31/12/2006	30/03/2007	30/06/2007	30/09/2007
Contracted				2.050								
Disbursed				0.350	0.600	0.950	1.350	1.750	1.750	2.050	2.050	2.050