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THE BULGARIAN ANTI-CRISIS MEASURES AND THEIR EFFECTIVENESS

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The standard administrative practice for evaluation of the effectiveness of policies implemented within the country is to conduct monitoring and valuation of particular indicators, which reflect the degree of compliance of the achieved results with the specified goals and desired parameters relating to the target group as well as with the acceptable amount of exhausted resources. Besides the already mentioned on-going evaluation, this practice also includes special studies for evaluation of the effectiveness of the implemented programs, which make use of diverse statistical and econometric instruments.

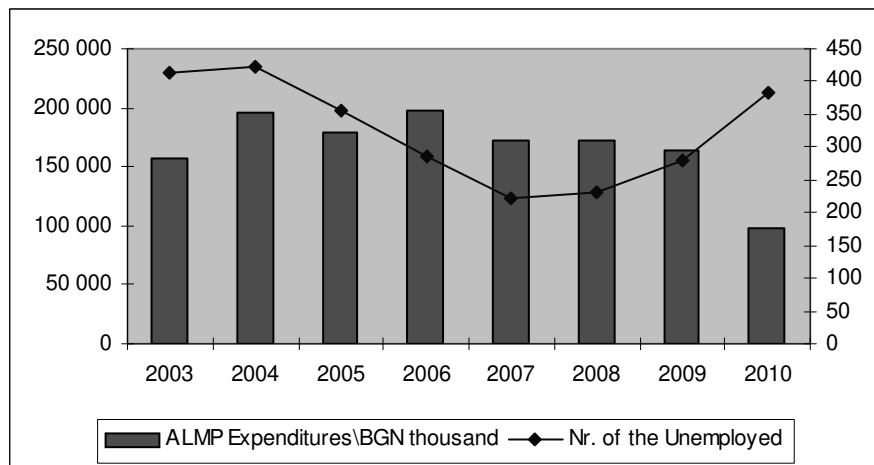
The sets of anti-crisis measures, which were implemented in the country, are primarily a subject to continuous evaluation. In 2010 the MLSP invited the International Labor Organization to conduct an audit of the enforced policies, but the results did not become available to the public. An evaluation of the effectiveness of intermediary services for employment (gross and net effect of the provided services) has been conducted, but this evaluation does not fall within the context of the anti-crisis measures. Regardless of that, the results from it constitute a sound basis for the formulation of conclusions about particular aspects of the active labor market policy.

The goal of this part of the study is to conduct a secondary expert evaluation of the effectiveness of a part of the anti-crisis measures, utilized in the country, on the basis of the information, which has been made available by administrative accountancy, scientific studies and recent statistical reports.

➤ Fluctuation of Active Labor Market Policy Expenditures

A general evaluation of the labor market programs and measures and of their effectiveness can be conducted through the comparison of the fluctuation in active labor market policy expenditures and the dynamic of the number of the unemployed. The expenditures for active policies on the labor market in the country increase since the beginning of the decade and up until 2008.

Figure 1. Fluctuations in Expenditures for Active Labor Market Polices and Dynamic of the Number of the Unemployed



Source: Data from NSI and Employment Agency

For example, their amount increases from BGN 157 million in 2003 to BGN 189 million in 2006. Afterwards, in 2009 these expenditures decrease to BGN 163 million. In 2010 the amount spent drastically decreases - to BGN 97 million as a result of the financial restrictions and the implemented policy of strict financial consolidation. The decrease in expenditures for active policies on the labor markets takes place in a time period when the unemployment level increases as does the number of the unemployed – it rises from 6% in 2008 to nearly 10% in 2010.

There is no strong statistical correlation between the fluctuations in active policy expenditures and the rate of unemployment. The calculations indicate that for the period 2003-2010 the correlation coefficient is 0.2114. This fact reflects a certain difference in comparison to other EU member-countries where the correlation between expenditures for active policies and the number of the unemployed is strongly pronounced.

As a result of the decreased amount of financial resources for active policies, a drastic decline in the number of participants in such programs is evidenced in 2010 alongside an increase in the number of the unemployed. For example, “the monthly average number of people who have worked on active labor market policy measures and programs is 27 202, which is 42 773 fewer people (over two and a half times less) than during the same period of 2009¹”. In practice, the budget restrictions constitute a serious restrictive framework for development of active labor market policies precisely within conditions, in which the greatest number of people are in need of support and inclusion in programs aimed at swifter labor re-integration.

According to administrative accountancy data, the number of new persons who have been included in employment programs, measures and training is nearly two times lower in comparison to the preceding year and amounts to 58 862. The number of persons who have worked on training and employment programs decreased (by 31 259 people) as did the number of persons engaged in the preparation of supporting measures in compliance with the Encouraging Employment Act (EEA) (by 15 510 people). During the nine months of 2010, the number of new persons who have been included in programs and measures for employment and training amounts to 42 154 people; it decreases by 61 628 people (around two and a half times) in comparison to the same period of the preceding year. In comparison to 2009, 49 874 fewer people have been included in employment programs and 11 754 fewer persons have been granted access to preferential measures in compliance with the Encouraging Employment Act. This conclusion retains its validity throughout 2010.

➤ **Evaluations of the Individual Anti-Crisis Policies on the Basis of Administrative Accountancy and Current Statistical Information**

The first set of anti-crisis labor market measures was implemented in the end of 2009 and the beginning of 2009 when the crisis began to manifest. The set included measures for shortened working hours, for provision of support to the small- and medium-sized businesses, for supporting the restructuring of particular lines of production in sectors, which have been most gravely affected by the crisis as well as measures aimed at increasing, through training and prequalification of workers, the adaptability of the labor force in view of the dynamically changing conditions.

The administrative accountancy provides data both about the exhausted resources and about the number of people who have participated in the individual programs. For example, in 2009, 531 employers have made use of the shortened working hours program, 19 485 workers have

¹ Yearbook 2010, Ministry of Labor and Social Policy, Employment Agency, 2010, p. 41

received compensations for the shortened working time; the total amount of the benefits paid is BGN 5793.7 thousand. In 2010, according to data from the Employment Agency, the number of employed persons who have received compensatory labor remuneration as a result of shortened working hours is 6188². Information about the number of employers, who have made use of that measure and about the total amount of benefits paid, is not provided. The scarcity of the available information allows for the formulation of limited conclusions relating to the fact that in 2009 the program has made a considerable contribution towards decreasing the tension on the labor market and that in 2010 its functions are attenuating. In principle, this program is of a palliative nature and hence only has an effect in the short-run.

Evaluations of the effectiveness of the initiated program for provision of credits to small- and medium-sized enterprises via a grant to the amount of BGN 500 million provided to the Bulgarian Bank for Development can be conducted by using indirect indicators. The provided credits were expected to support those enterprises in prolonging the development of their respective activities and in hiring and including more people in the production process. The data do not reflect stability of employment in small- and medium-sized enterprises; on the contrary, they still occupy the most vulnerable position given the crisis conditions and they could not play the role of a “buffer” against the collapse in employment, which amounted to nearly 300 thousand working places.

The set of anti-crisis measures includes a further BGN 27 million to be provided to Bulgarian employers as a stimulus to keep their employees; BGN 196 million is the amount of the grant provided for the purposes of supporting the continuation of the technological modernization of the enterprises; BGN 100 million are the resources envisioned for investments in the construction of modern business parks, which create more new working places and solidify the infrastructure³. The schemes relating to the utilization of these resources and, more importantly, the evaluation of their effectiveness remain publicly unavailable. Their effects over the labor market require purposive studies and such have not been announced or discussed in the public space. In other words, it can be concluded that the provision of resources by programs, which conduct no preliminary evaluation of the anticipated effects and for which post-factum effectiveness evaluations have not been conducted, constitutes an unsound practice even when utilized as an anti-crisis measure.

➤ **Evaluation of the Effects of Removing the Unemployment Benefits Ceiling as a Measure Aimed at Income Protection**

One of the anti-crisis measures, which has been utilized since the middle of 2010, is the abolition of the unemployment benefits ceiling (of BGN 240 or EUR 120). According to that political decision, as of July 2010 the benefits provided amount to 60% of the personal gross insurance income, while the maximal amount of the insurance income is BGN 2000⁴. Goals behind that change include stimulation of legitimate employment, *i.e.* employment, for which social security liabilities are calculated and paid on the basis of actual income from labor activities. Meanwhile, social securities paid on a higher labor income basis means a higher monetary compensation in case of unemployment, *i.e.* a higher degree of income security against the unemployment risk. The greater benefits that the unemployed persons receive whilst paying social securities on the basis of their labor income, which has a ceiling of BGN

² The compensations are paid in compliance with Ordinance №44 of the CoM.

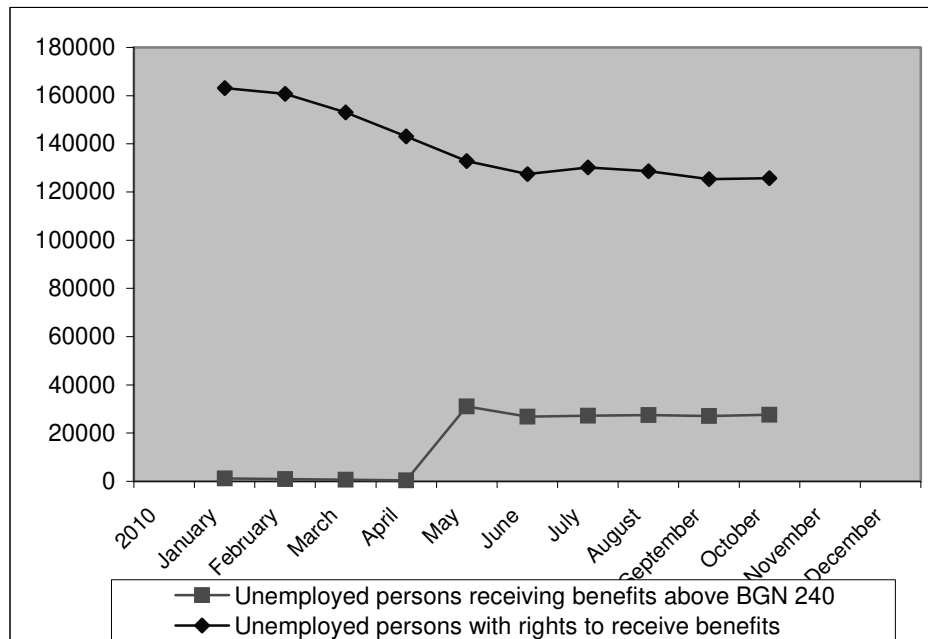
³ For more information about the set of anti-crisis measures, visit: <http://www.tbmagazine.net/statia/antikrizisni-merki-na-drzhavata-v-podkrepa-na-biznesa>

⁴ Amendments to the Code of Social Insurance, SG, May 2010

2000, guarantees a considerably better environment for them, within which they can organize their respective labor adaptation and re-integration.

The graph presented below illustrates the effects of the implemented changes and shows the rapid increase in the number of the unemployed who receive unemployment benefits, which exceed the previously existent ceiling of BGN 240.

Figure 2. Fluctuation of the Number of the Unemployed Eligible for Unemployment Benefits and of the Unemployed with Higher Benefits



Data from the National Social Security Institute: <http://www.noi.bg/>

The changes implemented as of June 2010 indicate that the number of the unemployed who receive unemployment benefits in accordance with the level of the fixed ceiling increases from 500 people in April to 27 500 in October 2010. Their share increases from 0.3% in April 2010 to 22% of all unemployed persons with a right receive benefits. It should be pointed out that the fixed unemployment benefit ceiling of BGN 240 caused losses for approximately 27 thousand unemployed citizens, who paid higher social securities (or have deliberately failed to declare their actual labor incomes). Meanwhile, the changes in the amount of the provided benefits does not lead to rapid alterations in the proportion of the total number of unemployed people and the number of unemployed people with a right to receive benefits. In 2010 the relative share of the unemployed that receive unemployment benefits decreases from nearly 44% in January to 38% in October of 2010.

The abolition of the ceiling of unemployment benefits does not alter the share of the unemployed who receive benefits in the total number of the unemployed either. In other words, there is no evidence that the policy has had the effect of bringing into the “light” of people who have been let off work and have a right to receive unemployment benefits. The discussion up to this point allows for the formulation of the conclusion that the normative change that is the removal of the fixed unemployment benefit ceiling has the effect of stimulating the payment of social securities over actual, higher levels of labor income; it further supports, for the duration of the benefits payment period, the incomes of people, who fall into “unemployment”.

➤ Evaluation of the Effects of Employment Services

The evaluation of the effects of the employment services does not have a direct relation to the anti-crisis measures, but can provide a certain understanding about the effectiveness of the exact sort of services, whose main goal is the higher degree of mobility of the labor force and its effective professional realization on the labor market.

The study of the net and gross effectiveness of the employment services is conducted in 2010. The employed methodology includes surveying by using the “doubles” principle, *i.e.* surveying people who have made use of the services provided by labor bureaus and such people that have not benefited from these services.

The results are indicative of the following gross employment effects: 61% of the unemployed persons, who have registered in labor bureaus and made use of employment services, have subsequently found work; 87% of them have found work at the primary labor market and 73.9% have found sustainable employment (*i.e.* they were still employed by the time the survey was conducted)⁵. The presented gross employment effects suggest a pretty positive evaluation of the effects of intermediary services over employment; nonetheless, they are too general. That is why the study also features net evaluations of individual programs, which register the greatest net effect from: presented and utilized information about vacant working places (15.7%), inclusion in qualification/prequalification training courses (6.9%) and provided advisory services relating to changes in profession and professional development (6.3%)⁶. The general conclusion formulated on the basis of the evaluation is that the utilization of intermediary employment services increases one’s chance of finding work by 8.4%.

At least two main conclusions can be drawn about the labor market and the problematic areas therein. Firstly, the higher net effectiveness of the services relating to the provision of information about vacant working places indicate that the informational flow between the main agents and the employers and employees on the labor market are not well developed. Secondly, the relatively low degree of mobility of the labor force is an obstacle before the achievement of a better balance between the supply and demand for labor on a national scale. The great disbalances on local labor markets are a characteristic, which has accompanied labor market development for more than ten years and is a consequence of the growing disparities in the degree of economic development of the regions and municipalities in the country.

Policies for Labour Integration of Roma labour force– Programs and Achievements

The labour integration of the Roma population is a widely discussed problem; in the last ten years many strategic and operative documents on the Bulgarian labour market have attempted to come up with a solution.

The Frame Program for integrating the Roma into the Bulgarian society (1999) was the base for creating the National Action Plan on the Decade of Roma Inclusion 2005-2015. The Frame Program has been revised for the period 2010-2020, representing the new priority areas and directives for equal integration of the Roma into the Bulgarian society.

The priority directions in the Frame Program are as follows:

⁵ M. Kotseva & Al. Tsetvetkov. Main Results of the Evaluation of the Net Effect from Intermediary Employment Services, MSLP, June 2010, p. 31

⁶ Ibid, p. 32

- Developing policies and programs for employment at national, regional and local level, and establishing concrete mechanisms for ensuring sustainable employment of the working age Roma.
- Establishing partnerships at local level for encouraging the employment, through information campaigns.
- Encouraging self-employment.
- Encouraging participation in training for entrepreneurial skills and managing own business.
- Encouraging enhancement of education and qualification of the Roma people.
- Encouraging employers to hire Roma people.
- Encouraging the development of labour mediation and undertaking an individual approach of work with Roma people.

In terms of the latter priority, a **National Program for activating the inactive people** has been developed. This Program has been active since 2007, and its principle aim is to activate the inactive and discouraged people and to promote their inclusion in the labour market. The principle aim is achieved through implementing instruments and services (individual and in group form) for attracting and motivating these people to register at Employment Offices, as a first step for their inclusion in education and/or employment. The Program has been a part of the annual National Employment Plan for the period 2008-2010. It is supposed to end by December 2010.

The Program activities include:

- Working with inactive people.
- Organising Labour exchange.
- Encouraging and developing local partnership on employment.

The start of this Program was based on a study carried out in 2007 entitled “Roma for Roma”. The study shows that the training and functioning of Roma mediators to work in the Roma community, is expedient for the more effective integration of the inactive Roma people.

A module for training and hiring Roma labour mediators has been developed for the same purpose. The mediators tend to be registered unemployed people who have declared themselves as Roma and who have graduated with at least secondary education.

The people chosen through the Program are trained to become labour mediators, and then are hired to work as labour mediators. Each Employment Office can hire up to two Roma mediators.

The responsibilities of a Roma mediator are to encourage the registration of inactive Roma people at Employment Offices.

- As a first step the mediator conducts formal/informal meetings with inactive Roma people on a group or individual basis. During these meetings the mediators should determine whether there are any impediments (surmountable or insurmountable) restricting people to find work. The potential impediments, which could put the person in an unfavorable position, are gender, age, ethnicity, the current profession, lack of qualifications and experience and personal qualities.

- The mediators work closely with the individual needs and characteristics of the beneficiaries, informing and encouraging them to be active on the labour market. For achieving these goals, the mediators work in densely populated Roma neighbourhoods.

Besides the main responsibilities of a Roma mediator they also participate in:

- Organizing and carrying out information campaigns “Come and register at the Employment Office”. These campaigns highlight the legal regulations and cases concerning the rights, obligations and opportunities of employed, unemployed, inactive people, as well as directing the people towards active behavior on the labour market.
- Carrying out informal seminars for developing skills among participants for effective job seeking. Preparing applications for interviews with employers. The seminars help the participants, in an informal environment, to associate with the people actively seeking jobs.
- Identifying groups of inactive and discouraged people and their needs through carrying out informal meetings – on an individual and group basis, concerning matters such as employment, professional informing and consulting.
- Individual work with the beneficiaries – providing advices to the people who need help finding work, consistent with their individual needs: help in preparing and editing Curriculum Vitae, analysis of the different techniques for seeking jobs and choice of suitable education.
- Motivating education among registered people.
- Creating skills and habits necessary for seeking jobs, and supporting their inclusion in employment – looking for ads in different sources like newspapers, magazines and the internet.
- Providing practical job seeking advice.
- Creating active contacts between the labour mediator and the beneficiaries.

As of the end of 2009, having implemented the Program, 105 Roma mediators work in 74 Employment Offices. 77 Roma mediators are women, 17 have higher education. In the meantime, since the beginning of the Program in 2008 till the end of 2009, 19 mediators have quit the job for different reasons.

Achievements

The results of the activity of the mediators in 2009 are as follows:

- Carried out 244 information campaigns entitled “Come and register at the Employment Office”, where 2506 inactive or discouraged people have participated.
- Carried out 131 380 informal meetings with inactive people, including 336 group meetings, an average of 7 persons per group.
- Organized 312 meetings with non-governmental organizations, social partners and employers’ organizations.
- Organized 626 meetings with employers to promote applications of Program beneficiaries.

Institutions involved in the Program

1. **The Ministry of Labour and Social Policy (MLSP)** approves the Program, and makes any amendments if required. It also provides the necessary financial means for implementing the Program from the Ministry active policy budget, in accordance with the National

Action Plan for Employment in the relevant year. It carries out general coordination and control of the implementation of the Program.

2. **The Employment Agency (EA)** insures methodic guidance, coordination and organization of the Program; distributes the necessary finance for the implementation of the Program; develops, publishes and distributes materials for promoting the Program, promotes the policy of activation and informs about the labour market needs. It hires Roma mediators at the Employment Offices on the Program. On a monthly basis it report to the Ministry of Labour and Social Policy the progress of the Program. It carries out continuous monitoring and control of the Program.
3. **The Regional Employment Offices (REO)** promote and expound the Program at regional level; provide methodical support and coordinate the Employment Offices on implementing the Program; develop suggestions to the Employment Agency concerning finance and schedule training for the job “Mediator on the labour exchange”. Every month they collect information from the Employment Offices on the implementation of the Program and transfer it to the Employment Agency. They are in charge of financing the employment contracts on the Program; coordinate the relations between the institutions at regional level; support and coordinate the organizing of labour exchanges.
4. **The Employment Offices (EO)** promotes, expound and implement the Program at local level. They select who will be hired on the Program as Roma mediators; conclude a contract with the National Center for Professional Development for training as “Mediator on the labour exchange” and with the selected people who will be trained. EO weekly transfers funds for grants, accommodation and transport to the people included in training, during the training. When the training is completed they contract Roma mediators on the Program; consult and support their work with the inactive and discouraged people. They provide mediation services, organize and carry out labour exchange.
5. **The Center for Developing Human Resources and Regional Initiatives (CDHRRI)** organizes and carries out training required for the profession “Mediator on the labour exchange”, in the framework of its annual plan.
6. **General Labour Inspectorate - Executive Agency** carries out overall system control as the Program progress and informs the implementing institutions about the results of the control activity.
7. **The Employment Commissions at the District Councils of Regional Development** carries out monitoring and control of the implementation of the Program; insures conditions for carrying out the regional policy on employment in accordance with the national and regional priorities. Additionally it contracts local agreements on employment.
8. **The Partnership Councils** initiate and contract local agreements on employment with representatives of the local employers’ organizations, civil society associations, NGO, etc... They carry out monitoring, control and support of the implementation of the Program.
9. **The Social partners** support the promotion and implementation of the Program.

Funding of the program

The program is funded via the active policy budget from the Ministry of Labour and Social Policy, in accordance with the National Action Plan on Employment for the relevant year.

1. In accordance with the implementation of the Program, each Roma mediator hired is provided with the following funds:

- Labour payment in amounts for actual working time. The amount is determined by the National Action Plan on Employment for the relevant year (in 2008 it was 220 BGN per month or 110 Euro).
 - Additional payments in minimal amounts, determined by the Labour Code and relevant implementing acts.
 - Payments for paid annual leave according to the Labour Code.
 - Social insurance payments according to the Insurance Code, including due installments, additional obligatory pension insurance and health insurance.
2. During the training process selected Roma mediators receive the following funding:
- A grant for participation in training, for the duration of the course;
 - Transport and accommodation costs when training is carried out beyond the place of residence.

Monitoring and Control

Continuous monitoring is carried out as the program progresses. The institutions responsible for the implementation of the Program exercise constant control over:

- The quality of the implementation activities.
- The effective and appropriate allocation of funding.
- The observation of the labour legislation and discipline.

At the end of the relevant year, the Executive Director of the Employment Agency, in its capacity of institution responsible for the program's implementation, presents to the Minister of Labour and Social Policy the following:

- A report on whether the Program's initial goals have been met and how the funds have been allocated. The report also mentions the difficulties faced in implementing the Program, and suggests measures required in order to overcome them.
- The report might suggest (if needed) the reshaping of the program in terms of conditions, range and subject. Furthermore the distribution of the funding can be revised. The last suggestions are based on the results of the monitoring and permanent control of the implementation of the Program.

Conclusion

The comparison between the expected results of the implementation of the Program and the actual achievement as of 2009 shows, that the main aims were met. The active program directed towards the Roma community, became an effective lever for labour integration of the Roma people. It supports education of unemployed Roma people for labour mediators to work in the Roma community, i.e. "Roma help Roma". The program's success has in main part been due to involvement of the Roma people themselves as mediators which has proved motivational among the Roma community as a whole.

Of course there are areas in which the program could be improved relating to its management. To some extent it is apparent that there is an overlapping of functions between involved institutions. However the more important aspect is the sustainability of the Roma integration in employment. Nevertheless, the Program is considered successful and is likely to be extended to 2011. The success is due to the fact that the Program plays an integral part in targeting the Roma social and economic integration.

The program complements the Decade of Roma Inclusion. In addition to the National Program for activating the inactive people, there is a National Program for liquidating the illiteracy and qualification of the Roma people. There are many other programs in place as part of the National Employment Plan in which Roma people could participate.

As a result of all the active policies 172 688 Roma people were covered by different programs for the period 2006-2009: 63 618 people have been included in motivation, training and qualification courses and 108 904 have been included in employment schemes. 20 Roma exchanges were carried out in the period 2006-2009. The participants involved in these exchanges numbered 3951 Roma people seeking jobs and 310 employers who have announced 4441 vacancies. The number of people who have found a job was 3117.

The above figures provided confirm the effectiveness of the various policies, which supplement each other and contribute to the overall employability of the Roma labour force.

Policies to retain and (re-)integrate older workers – programmes and achievements

The active labour market set of programmes and measures in Bulgaria is open for all age groups, including people aged 50-64. However, there are specific initiatives targeting older people, namely:

- A national programme “Assistance for Retirement” (the programme provides employment to unemployed people who lack the last 5 points for forming the insurance length of service and old age, that would give the right to pension). Unemployed people are hired at full or part-time work for a period from 3 to 12 months in case they miss the last year for obtaining pension rights. Employers are paid by the budget all expenditures incl. wage, social insurance, additional payments in accordance with the Labour Code, etc. The unemployed people should not be over 65 years of age, when people obtain pension rights based on age criteria. There are 1394 participants in the program in 2010 and the budget of the program is 3 914 thousand BGL of which 3 364 thousand paid by the state budget. In 2011 the program plans to provide employment for 742 people and the budget is 1 919 thousand BGL paid by the state budget.
- Under the Employment protection Act there is a measure providing financial stimuli for employers to hire people aged 50+. In 2010 375 people are employed under this measure and the fund paid is BGL 357 thousand.
- “Development scheme”, is a part of the Operational Program “Human Resource Development” and under this scheme people in age over 50 are a target group for employment and training for acquiring relevant qualification. In 2010 there are 711 trained older workers and the funding amount to BGL 640 thousand.
- People in age over 50 years of age are a target group in a national program, untitled “ Social services in family environment”, where unemployed people are engaged to provide services to other people in need e.g. disabled people.
- People in age over 50 have equal access to all programmes, encouragement measures and schemes of “Human Resource Development Operational Program”.

Here we would like to present more concretely a scheme, entitled “Back to Work” as an interesting initiative, combining the interest of both young and older people to be in employment. The scheme includes training and job placement of older people and stimulates young mothers’ labour integration. Under this scheme unemployed people, mostly people in pre-retirement age, are trained on key competences, aiming at caring for young children, and

subsequently included in employment for raising children aged 1-3 years, whose parents continue their professional career. Priority is given to people, who have qualification in education and health services.

The scheme is of interest for women in pre-pension age, unemployed due to the undertaken restructuring in public health and education services as a result to the fiscal consolidation. The scheme has its background. It has started in 2006 as a programme promoting reconciliation of work and family life and aiming to stimulate young mothers' labour integration by providing alternative child care options since the available places in kindergartens are limited. At that early stage of the scheme design, the grandmothers (pensioners or at pre-pension age) are the first involved in the scheme. Further on, due to the high demand, the scheme is upgraded, including more target groups and expanding the eligibility.

The eligibility for the scheme includes several criteria, like registration as unemployed, relevant health status, and declaration that the people wish to be included in such activities. The parents of the child should be in employment as employees or self-employed and the child should not be registered in a kindergarten. The main actors are the PES, who acts as mediator between the unemployed people who would like to provide child care and those young families who need babysitter.

The scheme is funded by the ESF and the budget of the Ministry of Labour and Social Policy. It plans by 30th of September 2012, when the scheme expires, to have trained 8500 people in baby caring and to have placed to job 8000 people.

By the end of 2010 the scheme includes 755 families, 773 unemployed people are trained in child care as well as 77 instructions. 713 people are employed and the paid funds amount to BGL 928,7 thousand.

The PES regularly monitors the progress of the scheme and reports to the National Employment Agency whether there is a need of further development of the scheme. At this stage of its development the scheme is relatively efficient concerning the target and the funding.

The lessons learned of the implemented initiatives, aiming to relief the labour re-integration of older workers in Bulgaria, point out that the segmented group of workers aged 50 is quite diversified in view of qualitative characteristics and personal attitude to unemployment. Nevertheless, there is a need of public support of the vulnerability of the group. The success of this support depends on the interests of the actors and their joint efforts to design simple and flexible programmes. The presented experience of "Back to Work" scheme is one good example in this respect.

The limited job opportunities for young people have stimulated the Government to undertake active steps and provide relevant policy measures for tertiary education graduates. Similar to the experience presented by the host country – Cyprus, the Bulgarian Ministry of Labour and Social Policy (MLSP) has designed a number of measures to open up job opportunities for tertiary educated graduates, including "first" enter in employment.

The first programme in this respect was designed in 2002 as a project for increasing the employability of young people with tertiary education by providing employment opportunities in public administration. In 2005 the scheme was called "Career Start". Since then the scheme has been updated and modified. The main goal – to ease the transition of young people from education to employment – is simpler and more concrete than the comprehensive goal of the Cypriot scheme to combine "the better utilization of the valuable human resources with the upgrading and modernisation of the economy and business structures", as highlighted in the Host Country Discussion Paper.

Programs for Employment integration of Youths

The Bulgarian experience in the job placement of tertiary education graduates is relatively new compared to the Host Country example: it lasts only for 8 years. There are several programmes supporting the transition from university to employment. The programmes target special sub-groups among tertiary education graduates. In this respect, the scope of the Bulgarian active labour market policy in the field under review is smaller than the quite comprehensive package of policies and measures, presenting the Cyprus practice.

Bulgarian scheme for supporting young people with high education to enter employment

As mentioned above, there are several programmes, on job placement for tertiary education graduates:

- **“Career Start”** is a programme designed to facilitate the transition from education to employment of young people aged up to 29 with tertiary education. The programme enables, under the acquired speciality, young unemployed graduates without work experience to work in the public administration for 9 months. Participants are paid monthly salary of 400 BGN (or EUR 200), which is less than the average wage in 2010 (650 BGN or EUR 325). In 2010 some 639 graduates participated in the programme.⁷ The scheme has been extended to 2011, and the National Employment Programme envisages 1851 graduates being employed through the programme. The budget of the programme for 2011 amounts to 3 856 000 BGN (EUR 1 971 442⁸).
- The project **“New Employment – Key Competences for Employment”** provides training to unemployed graduates to help them develop of entrepreneurship skills and explore how they might be used. This project was designed as an anti-crisis measure, and has been implemented in 9 regions. In 2010 a total of 995 graduates participated in the project. Licensed training organizations act as trainers. The budget of the project is 317 000 BGN for 2011 (EUR 162 044⁹).
- A scheme for **“Supporting the Development of Doctoral, Post-Doctoral, Specialist and Young Scientists”** aims to stimulate young people with higher education qualifications to work in the field of education and science, and thus develop the scientific potential of the country.
- A scheme called **“Establishment of Youth Employment by Providing Opportunity for Experience”** was launched at the end of 2010 to assist finding first jobs for unemployed young people who have completed secondary or higher education. The scheme includes introductory training for acquiring work habits and providing up to six months work experience with employers, supported by mentors. This scheme is oriented to all employers, except the state and local administration and the justice system. Employers have to declare their vacancies for young people to the labour offices, and the labour offices play the role of mediators between the unemployed young people and the employers. The employer is obliged to appoint the mentor in charge of the young trainee, and the mentor has to dedicate 40 hours per month to the training. The labour office monitors the process at least once a month. Since the start of the programme in October 2010, some 600 employers have participated in it, registering 1450 vacancies. The Operational Programme “Human Resource Development”, which will expire in 2013, funds the programme. The total budget is 30 million BGN (approximately EUR 15.3

⁷ Yearbook, 2010, Ministry of Labour and Social policy, Employment Agency, p. 26-27.

⁸ 1 BGN = EUR 0.511179, calculated on 21.09.11

⁹ Ibid.

million). The programme is relatively new and has not been evaluated. There is no precise information on how many of the employers keep the young people in employment after the six months of practical experience. The ongoing monitoring shows that some employers retain the young people.

The last scheme presented above is quite similar to the Cypriot experience. It encourages unemployed young people with tertiary education to enter employment, as well as private and third sector employers to train and engage young people in employment. Under this scheme the young people obtain job and “on job training”. They are paid 300 BGN (or EUR 150) per month. The programme pays social insurances. The employers have the chance to train and hire valuable young people who will be of help and could contribute to business innovation.

Summarizing the Bulgarian experience in facilitating transition from tertiary education to full-time quality jobs, the following similarities and differences with the Cypriot experience should be outlined:

- The Bulgarian experience in terms of accumulated practices is relatively smaller, while in Cyprus the programme has a long history, which contributes to the improvement of the programme concerning the labour market cycle.
- The schemes implemented in Bulgaria are more concrete and simpler concerning goals, target groups and modules/components, while in the Cyprus case the scheme is orientated towards wider comprehensive goals and objectives. This predetermines the involvement of more actors and significant financial resources.
- In Bulgaria how participants are paid is done in a different way compared with the Cypriot experience.
- There is a rich experience in evaluation of job placement scheme in Cyprus, which differs from the case of Bulgaria, and in this respect it is very important to know the outcomes of the evaluation and the lessons learned from it.