

**STRATEGY FOR INNOVATION AND GOOD GOVERNANCE AT LOCAL LEVEL OF THE
COUNCIL OF EUROPE**
Application in Bulgaria

REPORT
**ON CONDUCTING THE THIRD PROCEDURE FOR AWARDING THE LABEL FOR
INNOVATION**
AND GOOD GOVERNANCE AT LOCAL LEVEL

The Strategy for Innovation and Good Governance at Local Level (the Strategy) of the Council of Europe (COE) was approved by the Government of Bulgaria in 2007. The implementation of the Strategy is held in partnership between the National Association of Municipalities in the Republic of Bulgaria (NAMRB) and the central authority, represented by the Ministry of Regional Development and Public Works (MRDPW). The main goal of the Strategy is to promote and mobilise actions at national and local level for the continuous improvement of local governance in accordance with the 12 principles for good democratic governance and placing the citizens in the centre of all democratic institutions and processes.

As an element of the implementation of this Strategy it is intended the European Label for Innovation and Good Governance (the Label) to be awarded to local authorities, which have demonstrated the application of the 12 principles. At national level the Label is awarded by a national authority (Stakeholders' Platform) accredited by the European Stakeholders' Platform (ESP) with COE. In Bulgaria such body is the Commission for the Award of the Label for Innovation and Good Governance at Local Level (the Commission), established by Decision of the Council for Decentralisation of State Governance (CDSG).

The period of validity of the Label is 2 years. In relation to this it is provided that procedures for awarding the Label in Bulgaria shall be held every two years. Since the accreditation in 2010 and up to the moment, three procedures for awarding the Label have been successfully held in Bulgaria. The First Procedure was held in 2011, thus Bulgaria became the first COE member state, which had successfully held a procedure for awarding the Label. 13 municipalities were awarded during the First Procedure.

In 2013 the Second Procedure for awarding the Label was held, which aroused the interest of more Bulgarian municipalities. 18 municipalities applied for participation in the procedure and 16 of them were awarded the Label.

Given the requirement for procedures for awarding the Label not to be conducted in less than six months prior to local elections, the Commission made a decision for the Third Procedure to begin in 2014 and to finish by the end of April 2015, i.e., six months before the scheduled local elections in October 2015.

This report is prepared by the Secretariat of the Commission and its purpose is to make a comprehensive review and analysis of the activities performed in the preparation and implementation of the Third Procedure for awarding the Label in Bulgaria.

I. PREPARATION FOR THE IMPLEMENTATION OF THE THIRD PROCEDURE

Preparations for the Third Procedure started at the beginning of 2014. At its 11th session, held on 24.02.2014, the Commission adopted: a report on the implementation of the Second Procedure, a decision on the renewal of the accreditation of the Commission, changes in the documents for the implementation of the procedure for awarding the Label, timetable and draft estimate for the implementation of the procedure.

• Report on the implementation of the Second Procedure

After the completion of the Second Procedure the Secretariat of the Commission prepared a report on its implementation. A review of activities was made and on this basis conclusions and recommendations for improving subsequent procedures were drawn. Good practices from the awarded municipalities were included as an appendix to the Report. At its 11th session the Commission considered and adopted the report, after that it was adopted by CDST and published on the electronic page of MRDPW, NAMRB, and the Portal for Decentralisation. Subsequently, the report was translated into English and sent to the European Stakeholders' Platform with COE.

• Decision on the renewal of the accreditation of the Commission

In accordance with the rules of COE, implementation of the Strategy and awarding the Label is carried out in member states by national authorities (platforms), accredited by the European Stakeholders' Platform. The Bulgarian national platform (the Commission) was established by Decision No. 3 of 29 July 2010 of CDSG. At a session of the European Stakeholders' Platform on 07.12.2010 the Commission received accreditation to award the Label to Bulgarian municipalities. The period of accreditation was 4 years, i.e., until the end of 2014. Given the launch of the next procedure, it was necessary to take timely action for the renewal of the accreditation of the Commission through the submission of an application to the European Stakeholders' Platform. In this connection the Commission adopted a decision to assign its chairman with the task to send a request to COE for the renewal of the accreditation. The said request was sent on the 20th of May, 2014. Since the European Stakeholders' Platform did not hold a session in 2014 and due to the ongoing process of reformation of instruments for

implementation of the Strategy, our request was not considered. In respect to the successful completion of the Third Procedure the Secretariat requested a statement from COE on the continuation of ongoing activities. In response to this COE confirmed that the Third Procedure may be completed according to the rules under which it has started.

- **Changes in the documents for the implementation of the procedure for awarding the Label**

On the basis of the experience from the two implemented procedures and the performed analysis, it was decided to make changes in the basic documents governing the implementation of procedures. The goal was to make certain improvements of organisational nature, to improve clarity and comprehensibility of texts. Changes were made in the Rules of Procedure of the Commission, the Operating Rules for awarding the Label, the Questionnaire for Local Election Persons (municipal councillors), the Questionnaire for Citizens, and the Standard (Benchmark). The Commission decided for Benchmark changes to enter into force as of the Fourth Procedure, provided that the Commission receives accreditation for the next 4-year term, and the changes are approved by the European Stakeholders' Platform.

Methodical Guidelines for Application of Municipalities were adopted as an appendix to the Rules. The purpose of the guidelines was to facilitate completion of applications by municipalities. Sample documents to be used by applicant municipalities were also validated - an application form, good practices form, sample report by the chairman of the municipal council.

In order to facilitate the work of independent experts in application assessment, a sample report, sample summary, and table with enclosed evidence were drafted.

- **Timetable and draft estimate for the implementation of the Third Procedure**

The decision to initiate the Third Procedure was taken by the Commission on 24.02.2014 at its 11th session. A timetable with all the activities envisaged for the Third Procedure for awarding the Label was endorsed by this decision. The period determined for implementing the procedure was 06 March 2014 - 30 April 2015. An application deadline for municipalities was also set, namely: 10 April - 31 July 2014.

An indicative draft estimate for the implementation of the Third Procedure, outlining the necessary financial resources for the implementation of the planned activities was also approved by decision of the Commission.

- **Update of the composition of the Commission for awarding the Label for Innovation and Good Governance at Local Level**

The Commission for awarding the Label was established in 2010 by Decision No. 3 of 29 July 2010 of CDSG. In 2014 changes in the name of MRDPW and the posts of some of the members of the Commission were established. In connection to this, and with respect to the forthcoming procedure for

the renewal of the accreditation of the Commission, it was necessary for CDSG to adopt a new decision on the composition of the Commission. The formal Decision No. 3 of 29 July 2010 of CDSG on the establishment of the Commission could not have been amended, as CDSG was not the successor of the previous Council. Therefore, CDSG adopted a new decision on the establishment of the Commission and thus promoted the opportunity for the continuation of its activities.

- **Information Campaign**

Although during the Second Procedure the interest of municipalities in the Label grew, analysis shows that the popularity of the Strategy and the Label among Bulgarian municipalities is still not solid enough. This has a direct impact on the interest of municipalities to participate in the procedure for awarding the Label and respectively the number of applicant municipalities. The main reason for the low popularity of the Strategy and the Label is considered the lack of sufficient financial resources for implementing a wide information campaign.

In the preparation of the Third Procedure a number of actions for the promotion of the Strategy and the Label within the available options and resources were taken.

In accordance with the approved timetable, an information-explanatory campaign among Bulgarian municipalities was held in the period March-April 2014. The campaign was conducted by the Secretariat and NAMRB. Representatives of the Secretariat gave presentations for the popularisation of the Third Procedure for awarding the Label in Regional Development Councils of the six level 2 regions.

Within the information campaign, detailed information on the application procedure for municipalities, including all necessary documents, samples, and forms, as well as the established Methodical Guidelines for Application of Municipalities were published on the websites of the Portal for Decentralisation, MRDPW, and NAMRB. Information for the launch of the Third Procedure was sent to the Foundation for Local Government Reform as well, which in turn included it in its electronic newsletter.

Along with that, all 264 municipalities were sent an official letter of invitation by the Chairman of the Commission for participation in the procedure for awarding the Label.

II. IMPLEMENTATION OF THE THIRD PROCEDURE

- **Application of municipalities**

The Third Procedure was officially launched on 10 April 2014, when the application term for municipalities began. Following the example of the Second Procedure, the Commission again decided the application deadline for municipalities to be longer than the one in the First Procedure, in order to provide applying municipalities with sufficient time for document preparation. During the Second

Procedure an increased interest in the Strategy and the Label was recorded, and respectively a greater number of applying municipalities in comparison to the First Procedure.

The call for applications ended on 31 July 2014, in accordance with the approved timetable. Growth in the number of applying municipalities was registered again. Within the specified period a total of 25 applications for participation by the following municipalities were submitted: **Asenovgrad, Bansko, Berkovitsa, Byala Slatina, Vratsa, Valchi Dol, Gabrovo, Gorna Oryahovitsa, Dimitrovgrad, Dobrich, Dolna Banya, Knezha, Lesichovo, Lovech, Miziya, Pavlikeni, Pernik, Petrich, Pomorie, Radomir, Svishtov, Slivnitsa, Sofia, Troyan, and Targovishte**. Out of this number 13 apply for the first time, 4 for the second, and 8 for the third time.

A big part of the municipalities applying for the third time have been awarded the Label in the first two procedures (Dimitrovgrad, Dobrich, Dolna Banya, Knezha, Pernik, Svishtov, Sofia, and Targovishte).

Four municipalities apply for the second time - Byala Slatina, Valchi Dol, Pomorie, and Troyan. It should be noted that Valchi Dol Municipality did not receive the Label in the Second Procedure, but applied again for the Third Procedure.

The number of new applicant-municipalities was 13: Asenovgrad, Bansko, Berkovitsa, Vratsa, Gabrovo, Gorna Oryahovitsa, Lesichovo, Lovech, Miziya, Pavlikeni, Petrich, Radomir, and Slivnitsa.

Several other municipalities were also interested in the procedure for awarding the Label, but subsequently no applications were received from them. An increased interest in the Strategy and the Label, as well as more applicants were recorded in comparison to the first two procedures. The large number of municipalities applying for the first time should also be noted.

Applications of municipalities were reviewed by representatives of the Secretariat for completeness of required documents. In accordance with the Operating Rules for awarding the Label, the Secretariat notified the municipalities which had missing documents, in order to provide them in a timely manner. Within the specified 5-day period the documents were provided and completed.

The Secretariat, jointly with NAMRB, informed the municipalities in detail about the application procedure and offered respective consultations to their representatives.

- **Selection and approval of independent experts**

Under Article 12 of the Operating Rules for awarding the Label, the Commission approves a group of independent experts, based on a proposal by the Secretariat and NAMRB, for the expert assessment of applications of municipalities.

Independent experts are selected on the basis of the applications and CVs submitted by them to the Secretariat, and after an interview with the members of the Secretariat and NAMRB. Subsequently independent experts are proposed for approval by the Commission.

The call for applications for independent experts for the assessment of municipalities, which have applied for participation in the procedure, was held in the period 04 - 20 August 2014. An invitation calling for applicants for independent experts to participate in the assessment of municipalities in the Third Procedure was published on the websites of MRDPW and NAMRB

A of total **33** applications for independent experts were submitted in the Secretariat of the Commission within the specified application period. **13** of the applications submitted were by experts involved in the assessment of municipalities during the First and/or Second Procedure. Under Article 12(8) of the Operating Rules for awarding the Label: "Experts who have already been involved in at least one procedure and have proven their professional qualities may apply again without submitting documents proving the existence of the conditions referred to in para. 2, and without conducting an interview."

Interviews with representatives of the Secretariat and NAMRB were held with the remaining 20 candidates on the basis of their applications and CVs, on two set dates - the 22nd and 29th of August, 2014.

After becoming familiar with applicants' CVs and on the basis of the interview, the selection commission stated that all applicants, with the exception of four, satisfy the conditions laid down in Article 12(2) of the Rules, and have the necessary qualities to assess applications of municipalities, which have submitted documents for participation in the Third Procedure. The criteria for selection of independent candidates which the representatives of the Secretariat and NAMRB observed, are connected both with the requirements of COE, set out in the Strategy, and the Operating Rules for awarding the Label, namely:

- to be familiar with the Strategy;
- to have proven scientific or practical experience in the field of local government;
- must not be bound to local authorities which are being assessed, in order for their ability to perform their duties objectively to remain unaffected.
- must not be chairman, member of the Commission or its Secretariat.

In connection with the above, the Secretariat and NAMRB offered the Commission for awarding the Label to establish a group of **29** independent experts for the assessment of documents of applicant-municipalities in the Third Procedure. By Decision No. 2 of 24 September 2014 the Commission endorsed the proposed 29 experts and assigned the Secretariat and NAMRB to conduct the training of the approved experts.

- **Training of approved independent experts**

In accordance with the Commission's decision, the Secretariat and NAMRB organised the training of the approved independent experts. The training was held on 13-14 November 2014 in the

Town of Hisarya. All approved experts, with the exception of one, received training. Thus the number of experts who were eligible to assess municipalities became 28.

The topics of the training were related to the clarification of elements of assessment, the Methodology for Assessment established by the Commission, and practical cases for its application. Special attention was devoted to the mechanism for assessment of municipalities by independent experts. Methodical Guidelines for Assessment of Municipalities were presented by the experts. Presentations on individual topics of the training were given by representatives of the Secretariat, NAMRB, and independent experts who participated in the assessment in the previous two procedures.

For the purpose of facilitating the work of experts, the Secretariat prepared and provided a sample report, as well as the structure of the summary of the report, for independent experts to use in the assessment of municipalities.

- **Allocation of independent experts for the assessment of applications of municipalities**

On the session held on 24.09.2014, the Commission instructed the Secretariat and NAMRB, after conducting the training, to allocate the approved experts for the assessment of applications of municipalities in the Third Procedure at random, subject to the requirement for non-relatedness. According to this decision the Secretariat organised the allocation after sending invitations to the members of the Commission 5 days in advance, with which to notify them of the date and place of its execution.

In accordance with Article 12(4) of the Rules, all approved experts had submitted to the Secretariat a signed declaration of non-relatedness to serve in the allocation of experts for the assessment of municipalities.

The allocation was carried out on 26.11.2014. Lots were drawn by the members of the Commission - Mrs Rositsa Totkova, Mr Zlatko Zhivkov, and Mr Sunay Halil. After the allocation of experts - two for each municipality, 15 spare experts were withdrawn, who were to perform the assessment in the event that any of the main experts fails to carry out the assessment.

Since the approved experts were 28 and the number of applying municipalities - 25, part of the experts were assigned with the assessment of the applications of 2 municipalities.

MRDPW concluded contracts with the approved experts for the assessment of municipalities.

- **Conducting an opinion poll among the citizens of applicant-municipalities.**

An essential element of the assessment of documents of municipalities applying for the Label is the opinion poll among citizens. The poll was carried out through a procurement procedure of MRDPW. The contractor assigned with the implementation of the poll was the Institute for Social Studies and Marketing - ISSM EOOD. The main criteria for the selection of the contractor were the volume and type

of the proposed sample as per municipalities, the capacity, and the experience in the execution of such polls.

The contractor conducted the poll within deadlines. On 10.12.2014, the materials containing the analysis and the results of the poll, conducted in the 25 applicant-municipalities, were submitted in MRDPW.

The Questionnaire for Citizens, submitted by COE and approved by the Commission, was used in the poll.

The analytical report and the results of the poll as per municipalities were granted in advance to all members of the Commission. At the thirteenth session of the Commission held on 11.03.2015, a representative of the team conducting the poll presented briefly the results, the main conclusions, and recommendations from the poll. After the completion of assessment activities the report was sent to all applying municipalities.

- **Provision of crystal awards for municipalities**

For the manufacture and supply of crystal awards which are awarded to winning municipalities, MRDPW conducted a procurement procedure and assigned the contract to Print & Publishing OOD. Subsequently, the awards were submitted by the Secretariat of the NAMRB for engraving the period of validity of the Label.

- **Assessment of municipality applications**

The assessment of municipality applications was carried out within the period established by the Commission: 5 January - 16 February 2015, according to the preliminary schedule. The Secretariat monitored the compliance with the condition for independent experts assessing the same municipality, not to assess in the same day.

Two of the experts submitted applications to the Secretariat, stating that they are able to assess the application of only one municipality. The assessment of designated municipalities was assigned to the first in line spare independent experts. In this connection and in accordance with the allocation, a total of 6 experts assessed one municipality each, and the other 22 - two municipalities each.

Within the assessment period, all 28 independent experts appeared in the building of MRDPW, where they were provided with the necessary conditions for performing the assessment - a separate room, equipped with computer equipment and internet connection. The Secretariat provided every expert with the original documents of the relevant municipalities, as well as the analysis of the opinion poll, held among their citizens, prepared by the Institute for Social Studies and Marketing - ISSM EOOD.

Independent experts prepared their reports and summaries in accordance with the approved document samples by the Commission, and submitted them until 16.02.2015. All expert reports and summaries were sent to the members of the Commission on 17.02.2015.

The municipalities which received an assessment over 3.00 and a recommendation to be awarded the Label by both experts, were 18. The number of municipalities which had received assessments below 3.00 by both independent experts, and a recommendation not to be awarded the Label, was 7. It should be noted that within the Third Procedure, unlike the Second, there were no conflicting proposals by independent experts.

- **Decision or refusal for awarding the Label**

At its Thirteenth session, held on 11.03.2014, the Commission discussed the reports and assessments of all applying municipalities. The session was attended by the independent experts who had the opportunity to present their arguments and reasons for the assessments they had given. The Commission made a decision to award the Label to the 18 municipalities with assessment over 3, and not to award the Label to the 7 municipalities which received an assessment below 3.

Seven of the municipalities awarded in the Third Procedure were awarded the Label in the First and Second Procedure: Dimitrovgrad, Dobrich, Dolna Banya, Knezha, Svishtov, Sofia, and Targovishte, four - applying for the Label for the second time: Byala Slatina, Valchi Dol, Pomorie, and Troyan, and the other seven municipalities apply for the Label for the first time: Bansko, Vratsa, Gabrovo, Gorna Oryahovitsa, Lovech, Pavlikeni, and Petrich.

The municipalities for which the Commission decided not to be awarded the Label, are seven - Asenovgrad, Berkovitsa, Lesichovo, Miziya, Pernik, Radomir, and Slivnitsa. Six of them apply for the Label for the first time. Pernik Municipality is the only one which has already been awarded the Label in the previous two procedures.

Within the one-week term, specified by the Rules, the Secretariat sent notification letters to applying municipalities, containing the decision of the Commission for the award or refusal for granting the Label. No appeals were submitted to the Secretariat of the Commission against the decisions taken.

- **The Official Award Ceremony**

In accordance with the recommendations of COE for the ceremony for awarding the Label to be carried out at major forums of local authorities, the official award ceremony for awarding the Label to winning municipalities in the Third Procedure was held within the Annual Forum of Local Authorities of South East Europe. The event was organised by NAMRB and took place on 18.05.2015 in the City of Plovdiv.

The awards were granted to the mayors of winning municipalities by the Deputy Prime Minister for European Funds and Economic Policies, Mr Tomislav Donchev. The Chairman of the Commission - the Minister of Regional Development and Public Works, Mrs Lilyana Pavlova, addressed the winning municipalities through a video message, since she was unable to attend the ceremony, due to urgent business commitments abroad at the same time. The Deputy Minister of Regional Development and

Public Works - Mr Ivan Asparuhov, the Executive Director of NAMRB - Mrs Ginka Chavdarova, and Mr Tim Lisney - representative of COE, took part in the award ceremony.

The preparation for the ceremony was carried out jointly by the Secretariat and NAMRB. Personal invitations were sent to all mayors of winning municipalities, certificates for awarding the Label were issued, information materials were prepared for media representatives, as well as multimedia presentations with pictures capturing key moments of the implementation of the Strategy, which were presented on screens at the ceremony. A short video covering the ceremony was also prepared.

III. OTHER ACTIVITIES

International participation

Bulgaria is the first member state, accredited by COE to award the Label, and the first to successfully conduct the whole procedure in the implementation of the Strategy. In connection to this, our country receives invitations to share its experience at international events. Bulgarian representatives participated in the following events, where the experience of our country in the implementation of the Strategy and the conduct of the procedure for awarding the Label was presented:

- **Belgium** (1 April 2015, City of Brussels) - workshop: "Electronic tools of Local Democracy: collection, decision-making and transmission". The workshop was organised under the Belgian Chairmanship, jointly with COE.
- **Russia** (19 May 2015, City of Moscow) - conference "Improvement of Local Governance - a European Approach for Russian Online Training". The event was organised by COE. On behalf of Bulgaria a representative of the Secretariat held a presentation on the implementation of the Strategy and application for the Label.

International Conference "Good Governance at Local Level - Challenges and Prospects" under the Chairmanship of the Republic of Bulgaria.

On 31 March 2016, in "Grand Hotel Sofia", City Sofia, an international conference dedicated to good governance at local level was held, organised by the Ministry of Regional Development and Public Works in partnership and cooperation with COE, within the Bulgarian Chairmanship of the Committee of Ministers of COE (November 2015 - May 2016). The main focus of the conference was the Strategy for Innovation and Good Governance at Local Level, for the implementation of which Bulgaria and Norway have considerable experience so far. One of the main objectives of the conference was namely sharing experience, and promoting the Strategy and the principles of good governance.

The conference was opened with official welcome speeches by the Minister of Regional Development and Public Works - Mrs Lilyana Pavlova, the Deputy Minister of Foreign Affairs - Mr

Rumen Aleksandrov, the Deputy Prime Minister for European Funds and Economic Policies - Mr Tomislav Donchev, the Deputy Minister of Regional Development and Public Works - Mr Ivan Asparuhov, the General Secretary of the Congress of Local and Regional Authorities of COE - Mr Andreas Kiefer, the Vice-chair of the European Committee on Democracy and Governance of COE - Mr Paul-Henri Philips, and the Chairman of the National Association of Municipalities in the Republic of Bulgaria and Mayor of Veliko Tarnovo Municipality - Mr Daniel Panov.

The event was attended by representatives of 16 member states of COE, mostly members of the European Committee on Democracy and Governance. Good practices from the Bulgarian municipalities awarded with the Label for Innovation and Good Governance were presented by representatives of the municipalities: Sofia - Mrs Svetlana Lomeva; Troyan - Mrs Polya Veleva; Gabrovo - Mrs Nela Rachevits; Dimitrovgrad - Mr Yasho Minkov.

The viewpoint of applying municipalities, independent experts, and members of the Commission for awarding the Label was also displayed through their respective representatives: Mrs Boryana Andreeva, Dobrich Municipality; Mrs Yanka Nikolova, Svishtov Municipality; Mr Ivan Varlyakov - an independent expert, and Mr Zlatko Zhivkov (Mayor of Montana Municipality and a member of the Commission for awarding the Label).

The implementation of the Strategy for Innovation and Good Governance in Norway was presented by Mrs Lise Spikkeland - representative of the Norwegian Association of Local and Regional Authorities, and Mr Frode Fjeldsbø - Mayor of Gjesdal, Norway.

Special attention was paid to 3 of the principles for good governance - Efficiency and Effectiveness, Ethical Conduct, and Openness and Transparency. Presentations for each of these principles were given by international experts, consultants to COE, as follows: Mr Jonathan Barber (Expert, UK), Mr Cezary Trutkowski (representative of the Foundation in Support of Local Democracy, Poland), and Mr Sorin Ioniță (Expert in public administration reform, Romania).

IV. NEXT STEPS

In order to analyse the activities implemented in the Third Procedure, on 9-10 July 2015, in the City of Gabrovo, a workshop with the participation of representatives of the Commission, the Secretariat, NAMRB, independent experts, and representatives of applying municipalities was held. The workshop included discussions on the results of the procedure, the performed activities, possible measures for its improvement, and the system for peer review visits to awarded municipalities.

After the end of the Third Procedure, a review and analysis of the good practices provided by the municipalities were performed. A brief description of selected good practices is contained in the Appendix to this report. According to Appendix IV to the Strategy for Innovation and Good Governance at Local Level, each year the organization responsible for the application of the Label (i.e., the

Commission) should publish information on best practices. In this connection, it is necessary the good practices of the Third Procedure to be published on the electronic pages of MRDPW, NAMRB, and the Portal for Decentralisation.

- **System for subsequent cooperation with municipalities, awarded with the Label**

In accordance with the objectives of the Strategy, at its 13th session, held on 11 March 2015, the Commission considered and adopted a system for performing visits to municipalities, awarded with the Label. The objectives of the system are: to ensure sustainable results with a lasting positive effect; the system to become the next logical stage after the implementation of the Procedure for awarding the Label; to promote the Strategy in other municipalities as well. The system provides two forms of peer review visits:

- Public forums and workshops for sharing good practices;
- Peer review visits - expert support for the improvement of governance at local level.

The main objective of the forums is, by sharing good practices, the best of them to be multiplied within the municipalities. The initiative for the organisation of the forum or the workshop is taken by the Commission, the Secretariat, or NAMRB. Forums and workshops are organised in the municipalities, awarded with the Label.

The objectives of the peer review visits are: to identify one or several principles for good governance under which the municipality has received poorer results, and to seek their improvement; to trace the development of the implementation of the 12 principles for good governance; to highlight the best practices of Label-winning municipalities, which may be presented to the municipalities in the country as well as in other COE member states, for the purpose of their multiplication.

The initiative for the organisation of peer review visits is taken by the municipality. An expert team is formed in order to visit the municipality and then prepare a report with conclusions and recommendations.

Peer review visits are intended to be organised by the Secretariat, and representatives of municipalities, independent experts, and NAMRB shall participate.

VI. CONCLUSIONS AND RECOMMENDATIONS

The main conclusions drawn from the Third Procedure and the recommendations to subsequent procedures may be set out in the following main directions:

- **Information Campaign**

The main conclusions in respect to information campaigns from the three implemented procedures are the following:

- insufficient financial resources restrict the effectiveness of the campaign;
- media interest in the Strategy and the Label is increasing, but is still very limited.

After both the Second and the Third Procedure, part of the independent experts noted the need of a wider information campaign, especially for those municipalities that apply for the first time. A lack of understanding as of what evidence may be submitted on any of the indicators is observed among these municipalities. Sometimes voluminous and inapplicable documentation is provided, and in other cases the evidence is scarce.

In this sense, in an appropriate and easily accessible manner, methodical assistance from independent experts and representatives of the Secretariat should be offered, and communication with municipalities that wish to apply should be improved.

In this connection it is advisable to continue to use the current promotion and information methods when implementing subsequent procedures, as well as to apply other options that do not require a large financial resource and would be effective. Possible approaches are:

- informing municipal representatives directly within different thematic events - conferences, workshops, forums. In the beginning of the information campaign, a preparatory induction forum(s) may be organised for applying municipalities. Representatives of the Label-winning municipalities or ones honoured for innovative good practices may be invited to these forums in order to share their experience.
- Transmission of information to the regional associations of municipalities, regional information centres and non-governmental organisations in the field of local self-government, professional organisations of the representatives of local self-government authorities, which shall inform the municipalities directly or through their internet sites, newsletters, and publications. Prior to the beginning of the next procedure, the Label may be presented at the annual meeting of the Association of Secretaries of Municipalities in the Republic of Bulgaria and other associations of local authorities.

- **Improvement of application documents and procedures for municipalities.**

Within the Third Procedure it was decided the application deadline to be extended, compared to the previous procedure, in order to provide sufficient time for the preparation of applying municipalities. The specified period of four months proved to be too long. Three months are fully sufficient for the preparation. Upon receipt of applications, which are not submitted within the specified period, and in a manner other than that described in the rules (e.g. documentation sent in parts, via e-mail, or there are duplicate documents with different contents), the Secretariat shall be allowed to decide to administratively reject the application.

On the basis of the experience from the first two procedures, the performed analysis, and the produced recommendations, before the start of the Third Procedure some changes to the basic documents for the implementation of the procedure for awarding the Label were proposed. Along with the documents for new accreditation of the Commission, the proposals for changes in the Benchmark, as well as some editorial changes in other basic documents for the procedure were sent. In the new Benchmark new wording of indicators was proposed, indicators close in content were merged, and some stylistic and editorial changes were made. This Benchmark shall be used at the time of the next procedure, after the Commission receives accreditation. Some of the improvements made in the other documents had an effect in a positive direction, while others did not have the anticipated effects. Meanwhile, in the course of the Third Procedure, some additional proposals by the Secretariat, independent experts, and representatives of the Commission and the municipalities were received. One of the proposals is the Benchmark to be converted into an Excel table and this to become part of the obligatory application requirements.

The proposal of the greater part of the independent experts is a table containing the inventory of evidential material as per indicators, and a justification to each one of them (*Appendix 5 to Methodical Guidelines for Application of Municipalities*), to become an obligatory element of the application.

In respect to the good practices within the Third Procedure, certain criteria for innovation and guidelines for municipalities were introduced - practices must be sustainable; must not be related to the implementation of the statutory set activities of the municipalities; to be eligible for distribution among other municipalities. One of the objectives was municipalities, which apply for the Label again, not to submit the same practice that has been described in the previous procedure. The municipalities complied with this requirement.

The Methodical Guidelines for Municipalities prepared after the Second Procedure were published on the electronic page of MRDPW and were used by the municipalities upon filling of the documents. As a result, the questions and enquiries to the Secretariat regarding details of the procedure decreased significantly, compared to previous procedures. For the implementation of the next procedure it would be useful the instructions to be reviewed, and if necessary, to be updated and supplemented. In addition, it would be useful the Methodical Guidelines to be further promoted. Experience has shown that municipalities are still not well-acquainted with them, even those applying for a second or third time.

At the application stage it is also appropriate for trainings, consultations, or information days to be organised, within which methodical assistance to be provided to representatives of the municipalities that are interested in applying for the Label.

Within the information campaign experts from the Secretariat provided such on-site assistance at the request of particular municipalities (Gabrovo, Bansko). The experience gained from the procedures

showed that municipalities that have applied and received the Label, apply again. Although they have experience in filling and completing application documents, some of them still need consultations and guidance. For new applying municipalities the need for methodical assistance and consultation is beyond doubt.

In respect to the opinion poll within in the Third Procedure, the recommendation to require a survey among at least 50 % + 1 of all municipal councillors was adopted. This is a prerequisite to achieve greater representativeness and objectivity of the final average assessment of the poll among municipal councillors. The Secretariat monitored for compliance with this requirement when performing the administrative check of the municipal applications, and in case omissions were established, gave instructions to the municipalities for their removal.

Within the Third Procedure, proposals by independent experts to require higher representativeness of the opinion poll among municipal councillors was received - more than 2/3 to be surveyed. Another proposal is to draw up an Excel table which to be obligatory. This table will facilitate the calculation of the results and assessments obtained, and the need for recalculation by the Secretariat and independent experts will be avoided.

Within the Third Procedure, again observing a recommendation of the report on the implementation of the Second Procedure, an exemplary sample report to facilitate municipalities in the application process was prepared by the Chairman of the Municipal Council.

Another proposal in respect to subsequent procedures is for a document, containing the most frequently admitted inaccuracies by the municipalities upon application, to be compiled and published, in order to be used in the preparation of applications.

In respect to the opinion poll among the citizens, the main recommendation which was also made by expert sociologists who drafted the analysis of the results of the Third Procedure, is to edit and/or revise some of the questions from the questionnaire for citizens, for the purpose of better clarity and comprehensibility of the point they make, and to change the scale, which should be respectively unified with the Benchmark and the questionnaire for municipal councillors.

After consultations and exchange of views with independent experts, two groups of major problems related to the Methodology for Assessment of municipalities were outlined:

- The assessment from the opinion poll among citizens of the municipalities applying for the Label should have a greater role in the formation of the final assessment.
- Restrictions on the opportunities that the Methodology provides to independent experts for a significant reduction of the self-assessment of the municipality when it is close to the maximum (4.00).

In this connection, an increase of the upper limit of the possible percentage for correction of the overall assessment from 15 per cent to 20 per cent is proposed.

In respect to the criteria for the selection of independent experts, legally defined in Article 12(2)(2) of the Rules for awarding the Label, it is appropriate the requirement for "3 years of experience in local governance" to be increased. Experience shows that three years of experience in local governance is insufficient for the accumulation of knowledge, skills, and routine, necessary for performing the assessment. We believe that it is appropriate to require from candidates for independent experts to have at least 7 years of experience in local governance.

In respect to the period of appeal against the decision of the Commission for awarding the Label, legally defined in Article 17(1) of the Rules for awarding the Label, it was proposed for it to be reduced from 10 of 7 calendar days. The seven-day period is fully sufficient to appeal against the decision. The proposal aims at greater efficiency of the procedure.

- **Training**

The following proposals were received in connection with the assessment:

- Experts have established the need for further refinement of the methodology for assessment. These proposals are different, but as a whole the conclusion of most experts dominates that there must be detailed instructions for any punitive, or respectively incentive, percentage by which the self-assessment of the municipality is adjusted. Thus the risk for the Label to be awarded to municipalities, which do not cover the standards of good governance, but have assessed themselves rather "immodestly", shall be minimised.
- Before the start of the assessment and after the applicant municipalities are already known, an official letter to the Ministry of Finance may be sent, with which to request a statement or information regarding the compliance with Principle 10 "Sound Financial Management".
- In municipalities where there is a local public mediator, experts should be recommended to become familiar with his/her annual report, which includes citations of complaints and signals against the municipality and the problems they outline.

- **Assessment**

The following conclusions and implications may be drawn from the received assessment:

- in general municipalities tend to provide higher self-assessments (overassessment) in comparison with the assessment of citizens, municipal councillors, and independent experts. Only in separate cases independent experts give higher assessment than the one in the Benchmark;
- the assessment of citizens are more critical. Only two of the applying municipalities have received a general assessment above 3 according to the opinion poll among the citizens (Knezha and Lesichovo);

- there are no substantial discrepancies between the assessments of the two independent experts, assessing the same municipality;
- assessments of citizens and independent experts rank the municipalities in a similar manner;
- assessments from the opinion poll among municipal councillors are the closest to the final assessments given by independent experts, i.e., it may be assumed that they are the most realistic ones.

Different municipalities provide different documents as evidence, which creates difficulties for independent experts to reach a uniform approach in the assessment. Consideration must be given to the idea of drafting instructions with sample/recommended documents, proving the application of the relevant principle/indicator, with the purpose of clarifying the meaning of principles/indicators. Some of the independent experts have expressed the opinion that this methodology for assessment should be changed/improved, in order to achieve the desired effect - more objectivity of the assessment.

Some suggestions from the Second Procedure in connection with the improvement of the text were not considered by the Commission and therefore they may be suggested for discussion again:

- In order to unify the terminology, the word "benchmark" is to be replaced with "Self-assessment Standard (Benchmark)".
- In the sentence, located immediately before the table: "The independent expert performs corrections for the reduction or increase of the municipality's self-assessment (obtained in the Benchmark), taking into account the implementation of the following conditions:", the word "may" is to be replaced with "must". Although within the Operating Rules for awarding the Label for Innovation and Good Governance (Article 14(1)), and within the Rules of Procedure of the Commission (Article 6(1)(7)), there are identical texts, governing the compulsory nature of the Methodology, the text in the Methodology itself may be interpreted as ambiguous in this respect.
- In the "Corrections" section, under the text at all possible levels of correction - for example: "*Increase of up to 5 %*", to be substituted for: "*Increase from 1 % to 5 %*". Under the table after each of the conditions, besides that they are assessed separately, also to be inserted - "Note": "The percentage of correction must be an integer".
- In the last three sections of **Condition 1**, in the sentence: "Evidence is not systematic and does not show to a sufficient degree the application of", the word "and" is to be replaced with "and/or". The current wording of the sentence means that only in the presence of both conditions the expert must correct the assessment.
- Experts identify two main flaws of the methodology:
 - It does not allow them to assess principle by principle, and indicator by indicator. This contradicts the requirement for such a detailed presentation of information by the

municipalities. At the moment the only thing they may identify is whether it is proved convincingly or not.

The Commission must also discuss a variant in which assessments of citizens shall have a greater role in the formation of the final assessment. One of the possibilities is to set a minimum assessment of citizen satisfaction, under which the Label shall not be awarded (e.g. 2.00 for half of the principles or a general assessment above 2.00).

The issue of achieving objectivity of the assessment is of key essence. In this connection it is necessary to discuss whether it is appropriate to change the assessment approach. Currently the big number of independent experts, as well as the large volume of documents which the municipalities submit as evidence, carries the risk of different approaches when forming the assessment. A possible option is to change the overall assessment approach, in the event that the Commission establishes a team of experts in separate principles/spheres (5-7-12 people), who shall assess all applying municipalities. Within this team each expert may be leading in the assessment of one or several principles. The possible composition of the expert team is the following: a lawyer, an economist/financier, a sociologist/political scientist, a journalist/PR specialist. The main argument in support of this approach is connected with the aim to avoid the issue of differing criteria of the various independent experts. It is not possible for an independent expert to be prepared in the same degree in the various spheres of governance being assessed - civil participation, financial management, innovation, etc. Furthermore, an expert assessing 1 or 2 municipalities, would not have a basis for comparison in respect to the extent of application of the principles within other applying municipalities.

- **Establishment of a sustainable mechanism for exchange of good practices between municipalities**

Such a mechanism (platform or network) must ensure an effective exchange of experience, knowledge, and specific practices in the application of the principles between municipalities. MRDPW updated the Portal for Decentralisation and created a separate "Good Governance" section. Within this section it is planned for documents, information materials, and good practices related to the implementation of the Strategy to be published. In this way a database of good practices will be created, which will be public/available on the Portal for Decentralisation. In addition to this, the organisation of visits to municipalities is provided, as well as periodic forums and workshops with the participation of representatives of the municipalities, independent experts, the Secretariat, NAMRB, and members of the Commission. It is envisaged the good practices to be translated into English and to be published on the English version of the Portal for Decentralisation.

- **Financing**

The provision of sufficient financial resources for the implementation of the procedure. The main financial resources for the implementation of the activities within the Third Procedure were planned

under the National Programme for the Participation of the Republic of Bulgaria in Intergovernmental Activities of COE in 2014-2015. This programme was adopted at the end of April 2015, which in practice was after the completion of the activities within the Third Procedure. This seriously hindered the quality and full implementation of the planned activities, in view of limited budget funds.

The funds for the conduct of the opinion poll among citizens were planned and provided by the budget of MRDPW. Despite the poll being conducted in a fully professional manner, these funds were not sufficient to ensure the necessary representativeness of the sample for all applying municipalities. As an issue we may outline the fact that it is not possible to predict the number and size of municipalities that are going to apply, in order to plan an adequate amount in the budget of MRDPW in advance. Some of the members of the Commission drew the attention to the insufficient number of people participating in the poll, the reason for which is the limited financial resource.

Another problem is that the long application period for municipalities (after the expiry of which the number of municipalities in which the poll shall be conducted becomes clear), followed by the long terms for the conduct of a public procurement procedure for awarding a contract for the implementation of the poll among citizens, considerably shortens the time for implementation of other activities in the procedure.

The costs for the crystal awards were again borne by the budget of MRDPW.

The recommendation to subsequent procedures is to allocate a larger amount of budget funds, as well as to seek other sources of financing - for example by the Operational Programme "Good Governance".

VI. CONCLUSION

Bulgaria is the first of the COE member states to set the beginning of the implementation of the Strategy for Innovation and Good Governance at Local Level. Our country has made the first steps on the practical implementation of this European initiative, and shall continue to support and further develop this position in the future. After the implementation of three procedures for awarding the European Label, along with some of the weaknesses and issues outlined, our country has gained considerable experience.

The ambition of the Commission is to establish the Label as a prestigious award and an objective recognition for local authorities, but also as a commitment to the citizens to observe the 12 principles for good democratic governance on a daily basis. Awarding the Label to a particular municipality is to be considered a guarantee for good governance, quality services, and democracy in the governance at local level. The achievement of these objectives is linked to improving the organisation for the implementation of the procedures and the overall implementation of the Strategy, and the promotion of joint efforts at national and local level.

**Good practices from the award-winning municipalities in the Third Procedure
for awarding the Label for Innovation and Good Governance at Local Level**

Principle "Innovation and Openness to Change"

Assenovgrad Municipality

1. VPN connection for town hall officials to the main municipality database. From 2013 municipal officials may already perform civil status and registration services and collect local taxes.

Bansko Municipality

2. Introduction of 80 online services to facilitate users of administrative services. From 2013 the administrative online services in the municipality are 80 in the sphere of: Civil Registration and Administrative Services (CRAS), local taxes and fees, municipal property, trade and tourism, landscaping, ecology, and garbage collection. Most of them are available without an electronic signature. There is an option for users of services to select different ways for obtaining the document, subject to the requested service (by post, electronically signed e-mail, on the spot, and by courier). When a service is requested without an electronic signature, for the purpose of verification of the recipient, the document is delivered personally at the front office of the municipality. The municipality is the first to introduce online services paid by credit card, which facilitates to a large extent the process of placing requests and the actual users.

Gabrovo Municipality

3. Municipal Council Information System. The practice is an innovation not only for Gabrovo Municipal Council, but for the municipal councils in Bulgaria as a whole. From 2012 the information system allows the performance of the following activities: paperless document flow, execution of rapid inquiries that improve the decision-making process, several different modules of work are introduced, creation of an electronic archive. The main modules are 7 in the following categories: documents, commission sessions, Municipal Council meetings, inquiries, voting, administration, and others. The work of the Municipal Council is considerably simplified and more effective after the introduction of the information system.

Lovech Municipality

4. GPS map of the region Lovech-Letnitsa-Troyan-Apriltsi, shooting and preparation of an advertisement video for the region. GPS mapping, video shooting and creation of an advertisement video of the tourist region, Activity No. 6 of the "Sustainable Development of Tourism through Effective Marketing and Advertisement of Various and Attractive Tourist Products and Services" Project, financed under OP Regional Development 2007-2013. The map is available on the Internet and is uploaded on the municipalities' websites. Navigation is available - zooming sites, attributive information (text and pictures). A copy of the map and the advertisement video are recorded on CD and will be distributed as an advertisement product.

Pomorie Municipality

5. Software product "StoHra". The software product "StoHra" was introduced in all childcare facilities on the territory of the municipality, which covers the management process of stocks of food products, calculations on set menus, preparation of primary and secondary accounting documents. Passwords for controlled access were introduced, and the access to referential and control information is granted to the: respective directors of childcare facilities, accountant, "Education, Culture, Tourism, Humanitarian Activities and Sports" (ECTHAS) director, ECTHAS and "Budgeting and Financing" deputy mayors, and the Unit for Internal Audit. A more effective control of public funds is granted.

Principle "Sustainability and Long-term Orientation"

Dimitrovgrad Municipality

6. "Clean&Smart" Recycling Centre - the first centre of this kind in Bulgaria. In 2013 the first automated Recycling Centre in the country was created, one of a kind in Bulgaria. It was granted to Dimitrovgrad Municipality through the Bulgarian Association of Recycling, based on a project of the Global Ecofund. The facility accepts and processes three types of packaging - glass, plastic, and metal. Immediately after it was built it marked a huge interest, measured in the quantity of recycled packaging. After the submission of the relevant waste, a ticket for participation in a raffle is provided, precisely with the purpose of higher results and interest of citizens. It facilitates environmental protection and develops a good attitude for nature preservation in people of all ages, reduces harmful emissions of greenhouse gases.

Dobrich Municipality

7. Nature and Animal Protection Centre (NAPC). In 1996/97 many of the animals in the Dobrich Zoo were on the threshold of survival. The City of Schaffhausen, Switzerland, initiated a charity campaign under the motto "Help for Dobrich Zoo". From a campaign in support of the survival of the animals in Dobrich Zoo, the initiative of the ecologist Barbara Gehring grew into a joint project which provides methodical preparation of people for self-help. NAPC is a combination of a park and a zoo. It is situated in the south-east part of town, on an area of 16 hectares, previously belonging to the city nursery. As a result of this a large part of the vegetation is preserved. The leading idea in the establishment of NAPC is animal species typical for the region to be mainly monitored, and to be bred according to the characteristics of the species. In the spring of 2014 NAPC was one of the four zoos in the country, marked as a Wildlife Rescue Centre by the non-governmental environmental organisation "Green Balkans".

Pavlikeni Municipality

8. Family Composting. In 2012, 50 composters were purchased by the municipality and distributed for free to residents, in order to reclaim the accumulated organic waste and biodegradable waste, from which a humus soil amendment is obtained through aerobic and anaerobic digestion. These are biodegradable wastes, subject to aerobic and anaerobic digestion for obtaining a humus soil amendment. The positive results are that this is a natural process of conversion of waste into green fertiliser, which is financially advantageous for obtaining free garden fertiliser, and at the same time decreases the harmful effects of man on the environment. The promotion of the practice among the population additionally contributes for the development of environmental thinking and behaviour.

Targovishte Municipality

9. Construction of waste treatment and reclamation sites. Since 2013 three sites under this project have been built: Site for composting plant and biodegradable waste; Site for collection of large and hazardous household waste; Site for collection and reclamation of construction waste.

At the site for collection of large and hazardous waste, household waste such as large wardrobes, cupboards, beds, etc. is collected, as well as hazardous waste from the everyday life - batteries, electric equipment, hazardous waste from paints and varnishes, fluorescent lamps, etc. These are collected by citizens and subsequently will be forwarded to reclamation companies and/or organisations, possessing the required documents for performing these activities.

Principle "Openness and Transparency"

Troyan Municipality

10. Municipal Programme "Public Forum for the Realisation of Partner Projects". The Public Forum, known and applied in Switzerland, Germany, France, and England, represents a moderated discussion on specific topics, prepared in advance. This practice originated in Bulgaria 20 years ago with the financial support of the Swiss Agency for Development and Cooperation.

The initiative for co-funding by the municipal budget of projects of citizens, civil organisations, informal groups, and other structures designed to support the development of the local community, has been held in Troyan Municipality for eleven years. Similar initiatives exist in many Bulgarian municipalities, but what is valuable and unique in this case is the way in which projects are selected. The decision which projects to be financed is entirely taken by the citizens, without any intervention of the local authorities. This approach actually incorporates the local community in the decision-making process for investing funds.

Principle "Human rights, Cultural Diversity and Social Cohesion"

Slivnitsa Municipality

11. Introduction of chess as part of the school curriculum. From 2012, "St. Cyril and St. Methodius" Elementary School - Town of Slivnitsa, opened the school year with a new subject: "Chess in School" under a programme of the European Chess Union, this being the first school in the entire European Union with such a curriculum. 80 out of a total of 256 children in the initial stage of elementary education (1-4 grade), chose to study chess at school. In addition, a Chess Club was established in the town, where elderly people and students may also diversify their free time. Under the initiative of the European Programme "Chess in School", Slivnitsa and the Spanish town of Redondela have become twin towns. The purpose of both countries is to promote the programme, to organise online tournaments, and to facilitate the exchange.

Sofia Municipality

12. Cultural Innovations Fund

The Fund is an innovative model of public-private partnership in support of contemporary art and culture. The financial resources of the Fund are collected through private donations (companies and individuals), who believe that culture and art are dynamic and contributing to the economic development of cities and regions. The Fund shall allocate a percentage of the raised annual resources for capitalisation, and with the rest shall finance projects in the field of contemporary art and artistic innovation, on the basis of competition.

Bansko Municipality and Dimitrovgrad Municipality

13. Establishment of a municipal IN VITRO Fund In vitro funds and the Rules for allocation thereof were established in 2014 for financial assistance for families with reproductive problems. The Fund also allocates resources for treatment, examinations, and medical services, related to reproduction. As of the moment of application of Bansko Municipality, two families have been assisted. 5 more couples have been funded in Dimitrovgrad Municipality.

Gabrovo Municipality

14. "Take me to your village" Initiative. From 1 to 5 September 2013, in five houses in Novakovtsi Village, twelve "borrowed grandchildren", aged between 16 and 25 years, were accommodated with foster "rented" grandmothers and grandfathers. They became familiar with traditional activities, preserved even today in everyday life in the countryside - grass-mowing, hoeing the vineyard, picking corn, harvesting potatoes, bringing livestock to pasture, milking goats, preparation of cheese from hand-milked milk, preparation of homemade food with organic products, folklore traditions. A CD promoting the initiative is enclosed to the practice. The practice continued in the following 2014 and 2015, when the villages were already 7, a junior group for children between the ages of 9-14 was also formed due to the great interest, and a few more villages were willing to participate.

Gabrovo Municipality

16. Centre for Social Rehabilitation and Integration of Autistic Children. Since 01.07.2009, Gabrovo Municipality, in partnership with "Equal Start - 2008" Association, has been implementing the project "Establishment and Development of a Centre for Social Rehabilitation and Integration of Children on the Autism Spectrum". The service is introduced in nursery and educational establishments in the municipality. The existence of the social service continues, having the status of a state delegated activity, which makes it sustainable in time. In the same year (2009) in December, the social service "Centre for Social Rehabilitation and Integration of Children on the Autism Spectrum" (CSRICAS) has been started in the community, with capacity of 20 children. Users of the service are children with problems on the autism spectrum between the ages of 3 to 18, and their parents. From April 2011 CSRICAS functions as a state delegated activity, unique in northern Bulgaria, and the supplier of the service is Gabrovo Municipality.

Svishtov Municipality

17. Competition for school projects "The Business Makes a Request". In December 2013, in order to observe the relations "school - professional realisation" from another point of view, that of the employers, the Education Department of the Municipality organised a competition under the motto "The

Business Makes a Request", under the "Key Competences According to the European Reference Framework and the Role of Local Authorities" Project. 10 school projects for the implementation of a business idea were presented and approved for participation. The teams had an appointed mentor - representative of the local business.

The winner in the contest received a prize in the amount of BGN 1000. The results from the competition and the great interest of all parties motivated the organisers to transform it into an annual event and to attract participants from other municipalities as well.

Principle "Efficiency and Effectiveness"

Gabrovo Municipality

18. Establishment of a Regional Hospice with the inter-municipal cooperation of three other municipalities in the region. In 2007, Gabrovo Municipality, jointly with the municipalities - Sevlievo, Dryanovo, and Tryavna, implemented the "Regional Hospice" Project, built in Dryanovo Municipality, with the financial support of the Phare Programme. The four municipalities have a successful partnership and share all financial obligations related to its maintenance. Regional Hospice-Gabrovo offers 24/7 professional care and service of people with progressive, chronic, and life-threatening diseases. In parallel to medical activity, the hospice devotes special attention to the psycho-emotional condition of the patients. The work performed by the psychologist and nurses with the relatives of hospice-service users also plays an important role, since they have many questions and concerns related to the condition of their loved ones.