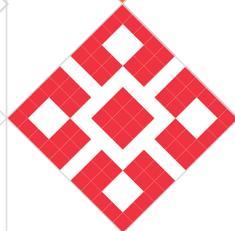
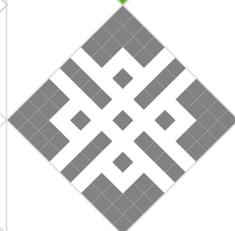
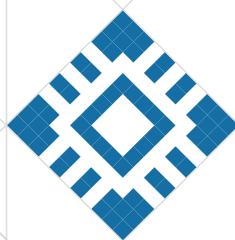


BULGARIA

2030



National Development
Programme

DETAILED STRATEGY



The National Development Programme BULGARIA 2030 is a strategic framework document of the highest order in the hierarchy of national programming documents, determining the vision and general goals of the development policies in all sectors of general government, including their territorial dimensions. The document sets out three strategic goals for the implementation of which it groups the government intentions into five areas (axes) of development and sets 13 national priorities.

This detailed version of the National Development Programme BULGARIA 2030 builds on the vision, goals and priorities for the socio-economic development of Bulgaria in the period 2021-2030, approved by Decision of the Council of Ministers No. 33 of 20.01.2020. The document describes in detail the areas of impact that will be subject to targeted interventions by 2030, ranked by priorities and sub-priorities and accompanied by result indicators, indicative financial resources, sources of funding and relevant UN Development Goals. In addition, an ex-ante impact assessment on key macroeconomic indicators of the implementation of the planned interventions is presented, as well as a mechanism for monitoring and control of the implementation of the strategic document.

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Priorities

P1 Education and skills

• 1.1 Inclusion in education

The aim of the sub-priority is to ensure the right to quality education for all and to prevent dropping out of the education system. Policies to facilitate children, pupils and students' access to education, to support them and to increase their motivation to learn will be implemented sustainably. Investments in facilities will be essential to turn the educational institutions into an attractive environment and to improve the educational outcomes and learning outcomes.

Indicators

name	source	current value ¹	target value	EU average
Pupils from age 4 to the starting age of compulsory education at primary level, % of the population of the corresponding age group	Eurostat	82.4	86.3	95.4
7-years-old pupils in primary education,% of corresponding age population	Eurostat	90.5	98.0	97.7
Share of population aged 30-34 with tertiary educational attainment	Eurostat	32.7 (2019)	40.0	41.3

Areas of impact

○ 1.1.a Scope in the education system

Measures will be taken to provide basic educational services in pre-school, school and higher education; to cover, include and prevent dropping out and to ensure equal access to pre-school, school and higher education by overcoming demographic, socio-economic and cultural barriers.

Relevant UN Sustainable Development Goals²

Goal 4 Quality education

¹ The current values of the indicators in the document refer to 2018, unless otherwise stated.

² The UN Sustainable Development Goals and Sub-goals are described in Annex 3

- Sub-goal 4.1, 4.2, 4.3, 4.5

Assessment of the financial resources required	Sources of financing
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BGN 16,020,000,000

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o **1.1.b Support for full participation in the educational process**

Measures will be taken to provide integrated and accessible early childhood education and care services, as well as to involve children, pupils and students (including from vulnerable groups, with special educational needs and learning difficulties) to participate fully in the educational process and to interact with parents and make them active partners.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.5

Assessment of the financial resources required	Sources of financing
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BGN 1,125,000,000

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o **1.1.c Motivation for learning**

Measures will be taken to develop skills, talents and abilities in the fields of science, technology and the arts, to promote healthy lifestyle, physical activity and sports activities. In addition, measures aimed at career orientation of pupils and students and at preservation of the Bulgarian language and culture among the Bulgarian communities abroad will be implemented.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.3, 4.4

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
---	-----------------------------

BGN 565,000,000

- State budget
- European funds and instruments

- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.1.d **Modernisation of facilities**

Measures will be taken to provide modern facilities and information environment in education, including activities on interests, sports, etc., for the creation and development of school centres, integrated learning environment and technologies. Activities will be implemented for greening the educational infrastructure and creating a comprehensive renewed image of the educational institutions, as well as for modernizing and stimulating an innovative educational environment ensuring the acquisition of skills and competencies through the construction of STEM offices and digital rooms. Measures will also be implemented to provide specialized equipment for experimental work and vocational education and training, as well as an accessible architectural environment.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.3, 4.4, 4.5

Assessment of the financial resources required

BGN 2,660,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

• 1.2 Attractiveness and prestige of the teaching profession

The teachers are a key figure in the educational process and investing in them has no alternative. The policies aimed at enhancing the social status and attractiveness of the profession will be developed in this context. The training in pedagogical specialities and teacher qualifications will be improved.

Indicators

name	source	current value	target value	EU average
Classroom teachers working full-time and part-time in primary, lower-secondary and upper-secondary education,% of total active population	Eurostat	1.7	2.0	2.1

Share of secondary teachers who felt "(very) well prepared" to use of ICT for teaching, %	OECD, TALIS	77.4	80.0	83.9 ³
Share of secondary teachers who felt "(very) well prepared" for teaching in multicultural or multilingual setting, %	OECD, TALIS	78.8	85.0	86.6 ⁴
Classroom teachers less than 35 years,% of all teachers	Eurostat	11.4	32.0	20.1

Areas of impact

o 1.2.a Social status and prestige of the teaching profession

Measures will be taken to increase the income of pedagogical specialists, to stimulate pedagogical specialists according to the progress of children and pupils on educational outcomes, as well as to attract young people and specialists from other professions to the teaching profession and to involve business representatives.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.2b

Assessment of the financial resources required

BGN 36,840,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.2.b Academic training of pedagogical specialists

Measures will be taken aimed at reforming the educational process in pedagogical specialities to acquire complex skills on the application of the competency approach, innovative teaching and upgrading of digital skills, as well as to expand practical preparation, broad-spectrum training and binary training.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

³ 23 EU Member States participate in the survey

⁴ 23 EU Member States participate in the survey

- Sub-goal 4.2b

Assessment of the financial resources required

BGN 30,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.2.c **Continuing qualification of pedagogical specialists**

Measures will be taken to ensure continuing teacher qualification aimed at improving the application of the competency approach skills, innovative teaching and digital skills, including digital content creation. Measures will also be implemented to improve the system for continuing qualification of pedagogical specialists.

Relevant UN Sustainable Development Goals

Goal 4. Quality education

- Sub-goal 4.2b

Assessment of the financial resources required

BGN 35,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

• 1.3 Quality of education

The main goal of the sub-priority is to improve the quality of the education system. A baseline policy in pre-school, school and higher education will be the competency approach related to changing the starting point in learning from teaching knowledge to mastering key competences. In this regard, the importance of measures for the applicability of education in personal and professional terms is also determined.

Indicators

name	source	current value	target value	EU average
Share of 4th grade students' reading scores below intermediate benchmark, %	PIRLS	17 (2016)	8	20 ⁵ (2016)

⁵ 20 EU Member States participate in the survey

Share of 4th grade students mathematics scores below intermediate benchmark, %	TIMSS	29 (2019)	15	25 ⁶ (2019)
Employment rate of recent graduates with a vocational upper secondary or post-secondary non-tertiary education	Eurostat	68.6% (2019)	80.0	77.6 (2019)

Areas of impact

o 1.3.a Key competences

Measures will be taken to develop and implement a National Framework for Quality Early Childhood Education and Care, to acquire functional literacy, civic and socio-emotional skills, practical oriented knowledge and skills, to develop creative and critical thinking, and to strengthen ICT and STEM training, to improve youth work in education. Key competences for sustainable development will be established. Partnership with cultural, scientific and other institutions will be developed. The focus of the evaluation will be on key competences.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.4, 4.6, 4.7

Assessment of the financial resources required

BGN 270,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.3.b Applicability of education for the achievement of professional fulfilment

Measures will be taken to achieve interdisciplinary and integration of curricula, for connection between secondary and higher education and business and for profile specialization of higher education institutions. Cooperation with stakeholders will be pursued to align the education with the labour market needs. The classification of the specialities and professions will be updated in relation to the emergence of new professions and new skills in existing professions; the scope and quality of dual training and practical training in a real working environment will be expanded. Implementation

⁶ 20 EU Member States participate in the survey

of education and training graduates will also be monitored to provide feedback to the education system. Measures will be implemented to connect higher education institutions in networks, develop joint curricula and share resources, as well as to adapt learning content and practices to the dynamics of the social development.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- **Sub-goal 4.4, 4.7**

Goal 8 Decent work and economic growth

Assessment of the financial resources required **Sources of financing**

BGN 745,000,000

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

• 1.4 Lifelong learning

The policies for LLL will play a fundamental role in improving the skills and qualifications of Bulgarian citizens (including the adult population). Their significance is determined both in terms of social inclusion and in terms of improving the quality of the workforce.

Indicators

name	source	current value	target value	EU average
Relative share of young people (20-24 years of age) with at least upper secondary, post-secondary non-tertiary and tertiary education, %	Eurostat	84.4 (2019)	92.0	83.9
Mean years of schooling	UN, Human Development Index	11.8	14	-

Areas of impact

○ 1.4.a Expanding the lifelong learning opportunities

Measures will be taken for inclusion in formal and non-formal education and training, including early school leavers. Flexible programmes for second chance for literacy and for increase of the adult literacy will be developed and measures will be implemented

to guide low-skilled adults and socio-economic disadvantaged people towards LLL opportunities.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.4, 4.7

Goal 8 Decent work and economic growth

Assessment of the financial resources required Sources of financing

BGN 180,000,000

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.4.b Quality and applicability of the forms of lifelong learning

Measures will be implemented to ensure the cooperation of vocational training centres (VTC) and vocational high schools to improve the quality of VTC training, to validate skills with a view to their applicability, to mobility of pupils, students and staff in European and international programmes, to transnational cooperation of education and training providers and to the recognition of learning outcomes and qualifications.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.4

Goal 8 Decent work and economic growth

Assessment of the financial resources required Sources of financing

BGN 120,000,000

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

• 1.5 Digitalisation and educational innovations

Using ICT for the formation of digital competences, motivation for learning and higher educational outcomes will be a key policy. Support will be given to the development of innovations at all stages and levels of education. At the heart of the governance of the education system at all levels will be the integrated approach.

Indicators				
name	source	current value	target value	EU average
Share of individuals (aged 16-74) achieving at least basic digital skills, %	EC, DESI	29 (2019)	37	57 (2019)

Areas of impact

o 1.5.a Digitalisation

Measures will be taken to introduce curricula tailored to the digital transformation of education and the economy, to ensure access to digital learning content and e-textbooks with added reality, as well as to link digital skills with civic literacy, cybersecurity, digital ethics, and to introduce and develop artificial intelligence systems in school, vocational and higher education. Initiatives for accessible digital education and improvement of digital competences will be promoted.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.4, 4.7

Assessment of the financial resources required

BGN 580,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.5.b Educational innovations

Innovations will be introduced and developed at all stages and levels of education and in all spheres of life of the educational institutions, and a culture of innovation implementation will be developed with all policy instruments. Networks of innovative educational institutions will be created and developed, open educational resources will be used and integration between education and business will be carried out for training in innovative professions.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- Sub-goal 4.4, 4.7

Assessment of the financial resources required

Sources of financing

BGN 740,000,000

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

o 1.5.c System management

Measures will be taken to coordinate all levels of education and training and for a clear division of responsibilities between relevant national and/or regional authorities, to provide analytical and administrative capacity at all levels for planning, monitoring and evaluating the policies in education, to improve the system of higher education management (with a balance between academic autonomy and state and public interests). An inter-institutional mechanism will be introduced and implemented to monitor the implementation and develop an impact assessment of education policies. Work will be done towards building a European Education Area.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

Assessment of the financial resources required

BGN 90,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets
- Revenue collected from fees, including public higher education institutions

P2 Science and scientific infrastructure

• 2.1 Research

The aim of the sub-priority is to develop high-quality and effective research. Investment in priority areas will be focused and quality will be stimulated. The connectivity of the system will be increased – inside, as well as with the business to attract private investment and commercialize scientific results. International criteria for attestation, including the generated benefits for the economy and society, will be introduced.

Indicators

name	source	current value	target value	EU average EU average
Number of scientific publications	WoS	6 086 (2019)	20 000	22 160 ⁷ (2019)

⁷ EU average calculated as a median

Normalised Citation Impact Indicator	WoS	1.1 (2019)	1.4	1.3 (2019)
Share of cited publications (%)	WoS	35.2 (2019)	Reaching the EU average	53.8 (2019)
Private co-funding of public R&D expenditures, % of EU average	EC	42.6	50.0	100.0

Areas of impact

○ 2.1.a Financing, based on results and priorities

Institutional financing will be linked to results achieved through the implementation of a single system for monitoring and assessing the impact of results and benefits on society. Programme incentives are planned to increase the quality of scientific activity and the applicability of results, opportunities to participate in partnership networks with research universities, innovative companies and industry. An international evaluation of scientific organizations and higher education institutions is planned to optimize and cluster on the basis of comparability and co-measurement of the development quality and prospects according to global and European standards.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.5**

Assessment of the financial resources required Sources of financing

BGN 5,000,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

○ 2.1.b Financing system for research and innovation

Efforts will focus on the sustainable development of scientific centres, competence centres and centres of excellence with high quality standards and a new governance model in key areas such as artificial intelligence, health, energy, circular economy, bioeconomy, etc. Projects will be supported on a competitive basis in accordance with pan-European norms and practices. The development of the new structure for coordination and management of research and innovation instruments is planned, through continuity and upgrading of the activities of the Scientific Research Fund (SRF) and the National Innovation Fund (NIF). Support for market-oriented applied research, commercialisation of scientific results and partnerships with companies and scientific and technological infrastructures will be implemented. Incentives and measures will

be developed for businesses to participate in the financing of problem-oriented research.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.5**

Assessment of the financial resources required

BGN 2,000,000,000

Sources of financing

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

• 2.2 Internationalisation and participation in the European research area

With a view to transforming the Bulgarian economy into an economy based on knowledge and smart growth, the internationalization of Bulgarian scientific organizations and higher education institutions will be supported, including by ensuring synergy with the EU Framework Programmes for Research and Innovation and in general the integration of the Bulgarian research and innovation ecosystem into the European Research Area and cooperation and partnership with foreign organizations and institutions.

Indicators

name	source	current value	target value	EU average
Participation in European Joint Research Project Consortia under the EU Framework Programme for Research and Innovation, % of all FP contracts	EC	1.9 (2019)	5	100
International scientific co-publications (non-EU authors only), % of the EU average	EC	25.5 (2019)	50.0	100.0
Number of international partnerships built	EC	337 (2019)	1,000	-

Areas of impact

○ 2.2.a Integration into international scientific networks

Work will be done to strengthen the national coordination network under the FP for research and innovation by introducing additional promotional activities and expanding the scope and effectiveness of the advisory services provided. Synergies will be pursued with the EU FP through the development of instruments for co-financing projects with Seal of Excellence and the Widening Participation and Sharing Excellence strand. Promoting and coordinating participation in European research and innovation partnerships, including modernisation of knowledge and technology transfer centres, will apply. Implementation of national and international scientific programmes and projects to address socio-economic challenges will be developed. Networking and collaboration with leading European scientific organisations to join pan-European scientific infrastructures will be supported; global partnership networks and cooperation will be created and strengthened to increase the added value of a given idea, research, result, product.

Relevant UN Sustainable Development Goals

Goal 7 Affordable and clean energy

- **Sub-goal 7.a**

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

Goal 10 Reduced inequalities

Assessment of the financial resources required **Sources of financing**

BGN 200,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

○ 2.2.b Internationalisation of scientific results

The activities for the creation and functioning of the Bulgarian Open Science Cloud will continue. Support for dissemination and transfer of scientific results is planned. Strategic partnerships with European research and innovation and technology centres and infrastructures will be supported. It will stimulate the exchange of experience and attract leading world scientists, diaspora scientists and specialists for the exchange of know-how, joint development and exchange, etc. International cross-sectoral mobility will be supported. Support will be sought for two-way mobility schemes between Bulgarian laboratories, centres and infrastructures and large scientific laboratories, complexes, centres and infrastructures for the exchange of good practices and for the implementation of joint projects (with non-EU countries).

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.a**

Goal 3 Good health and well-being

- **Sub-goal 3.b**

Goal 7 Affordable and clean energy

- **Sub-goal 7.a**

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

Assessment of the financial resources required **Sources of financing**

BGN 100,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

• 2.3 Research infrastructure

Modernise and upgrade existing and build new world-class research infrastructure. Shared use will be made of the available infrastructure capacity as well as a regional balance of allocation, respecting identified comparative advantages and opportunities for smart specialisation.

Indicators

name	source	current value	target value	EU average
Number of newly built/upgraded infrastructures	MES	12 ⁸	50	-
Number of regional innovation centres established	CM	0	20	-
Number of participations in European RI Consortia	EC	10	18	-

Areas of impact

○ 2.3.a Strategic projects for scientific infrastructures

Focused efforts will continue to implement the goals and measures of the National Roadmap for Scientific Infrastructure (NRSI). Building/upgrading scientific

⁸ the reporting period for newly built/upgraded infrastructures starts in 2018.

infrastructures (SI) unique to the region, sites of strategic economic and societal importance, such as ISSS priorities and major projects part of the European Network (ESFRI). Efforts for balanced development and research potential on the territory of the country will continue through the establishment of Regional Innovation Centres in the NUTS 2 planning areas. The functioning and networking of the SI built and upgraded will be encouraged, with a view to optimising the results and good coordination between them and with the Regional Innovation Centres. Special attention will be paid to encouraging high-tech start-ups, setting up spin-off/spin-outs technology transfer companies, innovative SMEs and other cooperation organisations with access to national and international scientific infrastructure. Support is planned for the available e-infrastructures of horizontal importance and digitalisation of the services of the scientific centres and scientific infrastructures. There is a need to build and develop digital connectivity between scientific infrastructures, scientific organisations and higher education institutions to increase the efficiency and usability of scientific infrastructures.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

- **Sub-goal 3.b**

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

Goal 10 Reduced inequalities

Assessment of the financial resources required	Sources of financing
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BGN 1,970,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

○ **2.3.b Participation in European and international scientific infrastructures**

Membership in major European consortia in the fields of biobanking, translational medicine, marine research, language resources, cultural heritage, imaging, etc., will be maintained and expanded. The establishment of national bundles/networks for the functioning of consortia for membership in European consortia is planned.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

- **Sub-goal 3.b**

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

Goal 10 Reduced inequalities

Assessment of the financial resources required **Sources of financing**

BGN 300,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

• 2.4 Research staff

The reform of higher education institutions and scientific organizations in terms of career development and retention of young scientists and attraction of internationally renowned highly qualified scientists will continue - by introducing modern forms of training, upgrading the skills of the research staff and developing the capacity for a transfer of technology, integration and reintegration of Bulgarian scientists working abroad.

Indicators

name	source	current value	target value	EU average
Total R&D personnel and researchers, % of total labour force	Eurostat	0.8	1.4	1.4
New doctoral graduates, per thousand population aged 25-34	EC	0.6	1.2	1.4
Foreign researchers in the public and higher education sectors, % of total	NSI	0.8	2	-
Age balance as a proportion of researchers under 34 and over 55 years-of-age	NSI	3/4	5/4	-

Areas of impact

○ 2.4.a Attractiveness of the scientific profession

National programmes for reintegration of Bulgarian scientists and attraction of foreign researchers to work in Bulgaria will be implemented. Competitions for young scientists, doctorate students and post-doctorate students and additional doctoral fellowships will be organised. It is planned to introduce differentiated, performance-based remuneration. Specialisations of scientists in leading European scientific and innovation centres will be supported.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.a**

Goal 3 Good health and well-being

- **Sub-goal 3.b**

Goal 7 Affordable and clean energy

- **Sub-goal 7.a**

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.5**

Assessment of the financial resources required Sources of financing

BGN 230,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

o 2.4.b Formation, retention and development of talents/scientists

Support is planned for the involvement of students in research and innovation projects. Financing will be provided for traineeships for pupils and students in research infrastructures. Activities will be implemented to raise the awareness and interest of pupils and young people in science and technology. The support for participation in international scientific forums will also continue.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.5**

Assessment of the financial resources required Sources of financing

BGN 200,000,000

- State budget
- European funds and instruments
- International Funds
- Investments from the business, including from the budget of BSA, SAA and higher education institutions

P3 Smart industry

• 3.1 Digitalisation of the economy and industry

The main goal of the sub-priority is to provide conditions for digital transformation of the economy and the industry and catching up in its digitalisation, through targeted and focused government support, to create opportunities to increase the share of Bulgarian enterprises in existing and emerging product niches, while increasing the specialization in products and sectors characterized by higher technological and R&D intensity, which will allow them to occupy better and more prestigious positions in global value chains.

Policies in this area will focus on supporting the human and physical capital of enterprises in order to integrate digital technologies into the country's business processes, including increasing the use of online marketing and commerce, increasing the level of information security and improving the competitiveness of the product. In addition, targeted measures will be taken to introduce high-tech digital solutions in the private sector related to Industry 4.0 paradigms such as artificial intelligence, cloud technology and the Internet of Things.

Indicators

name	source	current value	target value	EU average
Small and medium-sized enterprises selling online, % of all	EC, DESI	6	12	17
Small and medium-sized enterprise turnover from e-commerce, % of total turnover	EC, DESI	2	6	10
Share of SMEs that carried out electronic sales to other EU countries, %	EC, DESI	3	6	8
Software expenditure, % of GDP	INSEAD, Cornell University, WIPO; GII	22.7	27.0	37.6

Areas of impact

○ 3.1.a Digital tools and competence

Measures will be taken to stimulate the widespread use of digital technologies by businesses in order to increase the competitiveness of Bulgarian enterprises and improve the efficiency of business processes. Targeted efforts will be made to overcome the many barriers associated with limited human and organisational capital and knowledge gaps, including facilitating companies' access to digital know-how and information and communication technologies. The development of e-commerce tools

and the implementation of management information systems as well as the deployment of information security systems will be encouraged.

Bulgarian enterprises will be supported through training in the field of digital technology and information security, including using the opportunities of the e-commerce and e-marketing to increase the cross-border sales. Digital solutions for business development and promotion will be sought and implemented as a priority for improving the business environment. In parallel to stimulating the use of digital tools, the increase of digital competences of staff in enterprises and opportunities to use digital technologies will be supported.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.3**

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.c**

Assessment of the financial resources required Sources of financing

BGN 587,349,000

- State budget
- European funds and instruments

o **3.1.b Industry 4.0**

Digitalisation of the enterprises will be carried out through the introduction of leading-edge technologies, with maximum efficiency sought through Industry 4.0 technologies. Connecting physical to digital systems, the use of industrial Internet (Internet of Things), 3D printing and prototyping, Big Data, cloud computing, added reality, the use of artificial intelligence and cybersecurity systems, machine learning, robotics, etc. will be supported as a priority to increase the competitiveness of Bulgarian enterprises and the added value created.

In order to strengthen the link between science and industry for the development of Industry 4.0, a fund will be established to finance projects in the field of Industry 4.0 and Artificial Intelligence, as well as to support project proposals that have applied under the Horizon 2020/Horizon Europe Framework Programme and received a Seal of Excellence but have not received financing under the programmes.

The measures will be aimed at supporting the deployment of Industry 4.0 products, technologies, standards and business models and processes; improving SMEs' access to artificial intelligence technologies, cloud computing, etc.; introducing Industry 4.0 standards; building a demonstration ecosystem through testing centres for testing Industry 4.0 technologies; information campaigns aimed at SMEs to explain the nature and benefits of digital transformation, as well as to increase the skills and knowledge of employees and their managers. It will also support the digital transformation of large enterprises by identifying throughout the chain the technological process of the units that are primarily in need of digitalisation and by supporting the deployment of digital technologies, qualifications and retraining of staff in these units.

Measures will be taken to upgrade Sofia Tech Park as a real platform for providing specialized services supporting automation and digital transformation in the Bulgarian industry.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.3**

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.c**

Assessment of the financial resources required **Sources of financing**

BGN 491,166,000

- State budget
- European funds and instruments

• 3.2 Technological intensity and innovation environment

The main goal of the sub-priority is to create prerequisites for increasing the technological level of Bulgarian products and exports through targeted support for increasing specialization in products and sectors characterized by high technological and R&D intensity. Actions will be taken to develop the innovation ecosystem in the country and promote technological modernization of enterprises. Highlights of the policy will be the start-up ecosystem, as well as increasing the attractiveness of Bulgaria as an investment destination. The implementation of the measures aims at developing an institutional environment conducive to innovation and investment, including the development of the SME sector. The measures will aim at stimulating the development of innovation in enterprises; creating and developing a high-tech industrial base; increasing specialisation in high-tech intensity and innovative products and services; and stimulating R&D and cooperation between business and science.

Indicators

name	source	current value	target value	EU average
Innovative enterprises,% of all enterprises	Eurostat	27.2	35.0	42.0
Gross fixed capital formation, % of GDP	Eurostat	18.3	21.3	21.3
Opportunity-driven entrepreneurship	EC, EIS	23.9	30.0	122.3
Intellectual Assets	EC, EIS	77.9	83.0	82.6
Innovative SMEs collaborating with others	EC, EIS	29.9	35.0	125.8

R&D expenditure in the business sector	EC, EIS	40.9	50.0	79.2
Innovation linkages	INSEAD, Cornell University, WIPO; GII	36.3	45.0	38.7

Areas of impact

o 3.2.a Innovation network

In order to increase the innovation activity in the country, measures will be taken to provide an appropriate environment and increase cooperation between business and science by expanding the network of innovation centres and building on existing ones. The creation of innovation clusters, Centres of Competence, Centres of Excellence, Digital Innovation Hubs, Regional Innovation Centres, Centres for the Approbation of New Developments and Technology Parks, incl. development and upgrading of the science and technology park Sofia Tech Park, will be stimulated. The Digital Innovation Centres, which will function as one-stop-shops through which companies will have access to technology testing, will be a platform that can be used as a starting point for testing new technologies and solutions to enable the creation of innovative business models. The Policy focus will be on the strategic planning at regional level, including through the establishment of regional innovation strategies, in order to bridge an increasing gap between regions. They will focus on smart specialisation and enable direct involvement of local communities in the planning process and participation in the implementation of the innovation measures. The measures include the creation of a regional network of digital innovation hubs supporting the deployment of digital innovation at regional level.

The construction of a new generation high-tech computing complex, which will be located in Sofia Tech Park and which will be one of the 5 petascale supercomputers in Europe, will also be supported. The main goal of the supercomputer is to support a range of research and innovation activities, to stimulate industry based on the use of technology and computing resources. The system will be optimized to work in many scientific fields, including bioinformatics, pharmacy, molecular dynamics and mechanics, quantum chemistry and biochemistry, artificial intelligence, etc.

Together with the newly built infrastructure, specialized training centres will start working, which will serve the development of high-performance computing management personnel and will support capacity building in industry representatives to generate automation and high-speed computing tasks.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.2, 8.3**

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.2, 9.4, 9.c**

Assessment of the financial resources required Sources of financing

BGN 1,889,827,000

- State budget
- European funds and instruments

o 3.2.b Technological modernisation

The measures will continue the policy of increasing the modernization of the technologies used in enterprises, as well as the implementation of innovative solutions in production processes. Investment in industry and in high-tech manufacturing and services will be stimulated and supported. Priority will be given to sectors characterised by high technological and R&D intensity.

Support for the construction of technical infrastructure elements for projects certified under the Investment Promotion Act will continue and increase. Special emphasis will be placed on the creation and development of industrial zones and parks, with a view to multiplying the effect of the support provided.

The development of industrial parks is a strategic state priority. In order to create the conditions for encouraging investments through the construction of key industrial parks of strategic importance in different regions of the country to reduce the pronounced disproportions in regional economic development, a Programme for Public Support for the Development of Industrial Parks and Improvement of their Infrastructure Connectivity will be implemented, which includes the identification of key industrial parks, the construction of a leading infrastructure for each of them and the establishment of a strategic investor in industry (anchor investor). It is envisaged to build elements of the technical infrastructure and finance activities to attract, provide conditions and retain strategic investors that can contribute to the reindustrialization of Bulgaria, close the cycle of existing production, increase the added value and productivity in production. Proactive investment marketing will attract investors from targeted sectors and countries.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- Sub-goal 8.2, 8.3

Goal 9 Industry, innovation and infrastructure

- Sub-goal 9.2, 9.4, 9.c

Assessment of the financial resources required Sources of financing

BGN 1,810,690,000

- State budget
- European funds and instruments

o 3.2.c Entrepreneurship and start-up ecosystem

The measures will aim at providing appropriate financial instruments for risk financing and improving access to financing through guarantee instruments, collateral and microfinancing and support for the preparation and implementation of projects under European programmes.

In order to support entrepreneurship and start-ups, measures will be developed as a key link in generating innovative ideas and products to support their activities at all stages of their lives. Innovative start-ups will be given access to the infrastructure necessary for their activities, to increase entrepreneurial culture and to acquire know-how, start-ups and staff from abroad will be attracted.

Support for start-ups and entrepreneurs will be prioritised for enterprises in the high-tech and medium-high-tech industries as well as knowledge-intensive services. Support will be provided to ensure a well-functioning entrepreneurial ecosystem of technology parks, business incubators, venture and mezzanine funds, shared spaces, crowdfunding platforms and business angels.

The Science and Technology Park “Sofia Tech Park” will actively expand its toolkit to support start-ups, including upgrading activities in the incubator, creating shared spaces, providing access to risk financing and also establishing its own investment fund in 2021, conducting training and access to research services to verify concepts and innovations, etc.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.2, 8.3**

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.2, 9.4, 9.c**

Assessment of the financial resources required Sources of financing

BGN 518,883,000

- State budget
- European funds and instruments

o **3.2.d Internationalisation of the innovation process in enterprises**

The policy will aim to stimulate the participation of enterprises in international initiatives and programmes in the field of innovation and R&D, which will create prerequisites for accelerating the transfer of innovative ideas and practices and increasing the intensity of the innovation process. At the same time, targeted efforts will be made to increase the attractiveness of the country as an investment destination in high-tech industries and services. Particular attention will be paid to stimulating participation in projects for interregional cooperation and internationalization of local enterprises/clusters in priority areas of the National Strategy for Promotion of Small and Medium Enterprises and the Innovation Strategy for Smart Specialization.

Measures to assist Bulgarian companies to sell successfully on the international market and export their products through the realization of the activities of the Export Hub Bulgaria will be encouraged.

The measures will include providing conditions for the presentation of Bulgarian products and services on international markets, through participation of small and medium-sized enterprises in international exhibitions, forums, etc.

The measures also include providing access to the European space market for development and strengthening Bulgaria's industrial expertise and capacity to build national space infrastructure.

The result will transfer new knowledge to businesses, increase the visibility of individual regions, improve access to new markets, and achieve better cooperation to address common economic and environmental challenges.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.2, 8.3**

Goal 9 Industry, innovation and infrastructure

- **Sub-goal 9.2, 9.4, 9.c**

Assessment of the financial resources required **Sources of financing**

BGN 158,291,500

- State budget
- European funds and instruments

P4 Circular and low-carbon economy

• 4.1 Transition to a circular economy

The main goal of the sub-priority is to reduce the resource intensity of the country's economy and increase the efficiency of the materials used.

Action will be taken to increase resource productivity throughout their life-cycle and the rate of circular (secondary) use of materials in the economy, to stimulate product life extension, to reduce waste and control the need to extract new resources.

The measures will be aimed at supporting enterprises for the introduction of non-waste technologies, reducing the amount of waste generated in the production process, the development of industrial symbiosis. Implementation of business models that allow interaction between products and services throughout the supply chain as well as design, reuse and recycling strategies ensuring longer product use will be promoted. A special focus will be on R&D and innovation related to the circular economy and support for the development and implementation of green business models.

Indicators

name	source	current value	target value	EU average
Circular material use rate, %	EC	4.7	11.7	11.7
Eco-innovation index	EC	50	83	100
Generation of waste excluding major mineral wastes per GDP unit, kg per thousand euros	Eurostat	418	205	65
Recycling rate of packaging waste, %	Eurostat	66 (2017)	70	80 (2017)
Share of disposed (including landfilled) waste of waste submitted for treatment, %	Eurostat	65 (2017)	35	46 (2016)

Areas of impact

○ 4.1.a Material efficiency

The measures will aim at sustainable use of raw materials and supplies, reducing the amount of raw materials and supplies used in production, stimulating the use of alternative raw materials and increasing the use of recyclable materials.

A particular focus of the interventions will be to improve the knowledge base on the circular economy, the monitoring of waste and material flows, as well as the introduction of new forms of interaction between producers and consumers to support the circular economy.

The measures will aim at supporting resource-efficient businesses and overcoming their difficulties in implementing the requirements related to staff classification, waste collection and treatment.

Digital technologies will be used to track, control, analyse and optimise supply, production and data collection on the use of the product.

A particular focus will be on R&D and innovation related to the circular economy, with interventions that will be oriented towards supporting companies in introducing low-carbon and non-waste technologies, reducing production waste and developing industrial symbiosis. Action will be taken to increase the circular (secondary) use of materials in the economy, as well as to promote resource efficiency throughout their life cycle.

The efforts of the state will be directed towards assisting enterprises in carrying out waste flow analysis and reviewing production activities to implement industrial symbiosis, introducing environmental standards, implementing eco-innovations to reduce environmental pollution and use resources more efficiently, developing clean technology demonstration projects and providing start-up capital to encourage the development of new businesses, including building new capacities in the field of circular economy.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.4**

Goal 11 Sustainable cities and communities

- **Sub-goal 11.6**

Goal 12 Responsible consumption and production

- **Sub-goal 12.5, 12.8**

Assessment of the financial resources required Sources of financing

BGN 775,813,027

- State budget
- European funds and instruments

○ 4.1.b Waste management

The sustainable waste management policy will aim at transforming waste into a resource and implementing a waste management hierarchy.

The efforts will focus on fostering the efficient use of waste as resource in enterprises, raising awareness on the benefits of the circular economy and promoting the application of clean technologies and the deployment of new green business models. The measures will aim to support the introduction of recycling and recovery technologies and the implementation of the extended manufacturer responsibility regime. Regulatory measures and economic instruments will be implemented to promote the use and market development of recycled raw materials and supplies. The measures will aim at facilitating access, communication, exchange of product and production databases, as well as encouraging manufacturer responsibility for the transition to an informed green choice of goods, developing partnerships for data sharing, good practices and technologies.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

- **Sub-goal 11.6**

Goal 12 Responsible consumption and production

- **Sub-goal 12.5**

Assessment of the financial resources required	Sources of financing
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BGN 1,083,981,116

- State budget
- European funds and instruments

o **4.1.C Eco-innovations**

The measures aim to promote the deployment of eco-innovation in enterprises, increasing efficiency at all stages of production and creating competitive advantages, protecting the environment and optimising resource consumption. Businesses will be supported in developing both new and improved solutions to reduce the negative environmental effects and make more responsible and economical use of resources. Innovative changes to processes and products to comply with the growing environmental and social standards and regulatory requirements will be supported. The general goal is to stimulate patterns of more sustainable production and consumption. A special focus of the interventions will be the development of products and services that facilitate the transition to a low-carbon, resource-efficient and circular economy.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.4**

Goal 12 Responsible consumption and production

- **Sub-goal 12.5**

Assessment of the financial resources required	Sources of financing
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BGN 145,454,584

- State budget
- European funds and instruments

• 4.2 Transition to a low-carbon economy

Efforts will focus on sustainable management and use of natural resources to meet the needs of the economy and society while preserving environmental sustainability. Efforts will also continue to reduce the energy intensity of the economy through the implementation of measures aimed at improving energy efficiency in enterprises and households and encouraging the growth of the share of energy from renewable sources.

The process of transition to low-emission energy requires increased energy efficiency, increased use of renewable energy, green hydrogen production, improved energy management.

Indicators

name	source	current value	target value	EU average
Greenhouse gas emissions per capita, t CO ₂ eq./p.	European environment agency	8.67	7.90	8,46
Greenhouse gas emission intensity, Mt CO ₂ eq/GDP (PPS)	European environment agency	0.586	0.330	0.281
Intensity of greenhouse gas emissions in energy consumption (ton CO ₂ GHG equivalents per unit of energy consumed)	European environment agency	99.2	90.0	84.9
Share of coal in gross electricity production, %	Eurostat	39.9	33.0	20.2

Areas of impact

○ 4.2.a Energy efficiency

The measures will aim to improve the energy efficiency in enterprises and households, as well as to promote the use of electricity, heat and cooling produced from renewable sources. Support will be provided for an integrated approach to implementing energy efficiency measures across all economic sectors. Sustainable use of raw materials and supplies, reduction of the amount of raw materials and supplies used in production, use of alternative raw materials, deployment of innovative production materials and increased use of recyclable materials will be promoted.

Support will be provided for measures to make efficient use of energy sources in enterprises in all economic sectors. Innovative technologies will be promoted, combining energy efficiency measures with the use of renewable energy for own consumption.

Demand optimisation is an important element in improving the energy efficiency and in this respect the implementation of system services by transmission and distribution

system operators for energy management will be encouraged. In order to implement the full liberalization of the electricity market, Bulgaria will endeavour to encourage the participation of final customers in demand response through aggregation, as well as to allow the participation of final customers in all electricity markets, together with producers (including those offering demand response through aggregation).

Achieving the energy efficiency targets is strategically linked to improving the energy efficiency of buildings in enterprises and housing and non-residential buildings. Priority will be given to combining energy efficiency with renewable energy, aiming to achieve energy savings in final consumption and in energy generation, transmission and distribution activities, as well as improving the energy performance of buildings.

Relevant UN Sustainable Development Goals

Goal 7 Affordable and clean energy

- **Sub-goal 7.2, 7.3**

Goal 12 Responsible consumption and production

Assessment of the financial resources required Sources of financing

BGN 4,892,831,869

- State budget
- European funds and instruments
- Private investments

o **4.2.b Low-carbon technologies**

The measures will aim to increase the share of energy from renewable sources in the gross final consumption, which will be achieved by promoting the use of renewable energy in the electricity, heat and cooling and transport sectors. Green hydrogen production is an opportunity to stimulate innovative technologies and the gradual uptake of hydrogen as an energy carrier.

To stimulate the decentralised renewable energy production, the end-users, in particular households, will be given the opportunity to participate in “renewable energy communities” that can produce, consume, accumulate or sell renewable energy. An important element in this process will be the implementation of the micronetworks model in the grid architecture.

In the heating and cooling sector, priority will be given to the use of high-efficiency heating and cooling systems, innovative technologies using geothermal, hydrothermal and solar energy and the recovery of waste heat and cold.

The introduction of a new generation biofuels and renewable electricity supplied to road and rail transport will be promoted in the transport sector. The consumption of these fuels and energy should contribute to the goals of diversification and decarbonisation. Efforts will focus on developing the electrical mobility, developing and stimulating the use of public electric transport, as well as accelerating the deployment of modern technologies in the railway sector.

Relevant UN Sustainable Development Goals

Goal No 7 Renewable energy

- **Sub-goal 7.2**

Assessment of the financial resources required Sources of financing

BGN 4,630,000,000	- State budget
	- European funds and instruments
	- Private investments

○ **4.2.c Decarbonisation of regions**

The goal of the impact area is to achieve a climate-neutral economy without undermining the competitiveness and loss of employment, carbon leakage, deepening regional imbalances, energy poverty and demographic problems.

The measures will focus on developing specific policies to make the transition to a climate-neutral economy. The decarbonisation policy poses a number of socio-economic challenges, including the risk of loss of wealth and employment, and requires targeted measures. Action will be taken to develop country-specific plans tailored to social, economic and environmental challenges. Regional territorial plans will identify the needs and offer solutions for the necessary economic diversification, retraining and environmental restoration. The preparation of the plans provides for active participation of local, regional and national stakeholders in accordance with the Integrated Energy and Climate Plan of the Republic of Bulgaria 2021-2030.

Relevant UN Sustainable Development Goals

Goal 7 Affordable and clean energy

- **Sub-goal 7.2**

Assessment of the financial resources required Sources of financing

BGN 4,830,200,000	- State budget
	- European funds and instruments

○ **4.2.d Gas network**

In the context of the European goals for building an interconnected and single pan-European gas market, Bulgaria's policy for gas infrastructure development is directly linked to the positioning of the country as one of the main gas distribution centres in South East and Central Europe. For market integration by 2030, actions will be taken to build the Greece-Bulgaria gas interconnection (IGB), the Bulgaria-Serbia gas interconnection (IBS), participation in the construction of an LNG terminal to Alexandroupolis, in the project to build a transport corridor through the territories of the Republic of Slovakia, the Republic of Hungary, the Republic of Romania, the Republic of Bulgaria; Planning and construction of the necessary infrastructure for the Balkan gas distribution centre. The natural gas storage infrastructure will be expanded by expanding the capacity of the Chiren UGS, as well as looking for opportunities to build a new gas storage facility. Rehabilitation, modernisation and expansion of the national gas transmission network, including to new regions, as well as accelerated expansion of gas distribution networks and promotion of gasification to households and small and medium-sized businesses will be undertaken. Measures will be taken to provide the necessary quantities of natural gas to meet the country's consumption and trade in the region, as well as to develop the trade with natural gas on a market basis for free negotiation. In addition, the possibility of injecting hydrogen into the gas

transmission network will be explored as an extremely effective and promising alternative for transporting green hydrogen and reducing the carbon footprint of natural gas,

The implementation of these projects will provide an opportunity to guarantee the security of natural gas supply to the country and the region, while creating real conditions for diversification of natural gas supply sources and routes, as well as the possibility of transporting additional quantities of natural gas to and through Bulgaria. The expansion of the gas transmission infrastructure will also create an opportunity for a larger number of municipalities on the territory of Bulgaria and final customers to gain access to natural gas, which in turn will create conditions for improving air quality, quality of life and increasing energy efficiency.

Relevant UN Sustainable Development Goals

Goal No 7 Renewable energy

Assessment of the financial resources required	Sources of financing
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BGN 3,343,000,000

- State budget
- European funds and instruments

○ **4.2.e Electricity infrastructure and energy security**

The country's policy is aimed at achieving a competitive energy market and its full liberalisation and integration into the regional and pan-European market. Measures will be implemented for the efficient use of local energy resources as well as to increase the system interconnection. The construction of 2,000 MW of new nuclear capacity is envisaged, which, together with the operation of the 5th and 6th units of Kozloduy NPP EAD, will contribute to the energy security of the country and the region. The need for the commissioning of natural gas replacement capacity, the possibilities for doing so and the necessary measures to stimulating such investments will be analysed, taking into account the circumstances and prospects for the operation of coal-fired thermal power plants, including progress towards the realisation of the intention to build 2,000 MW of new nuclear capacity. The commissioning of natural gas replacement capacities may prove essential not only to cover the maximum loads in the system, but also to ensure basic consumption. The commissioning of capacities for the production of electricity from natural gas using high manoeuvrability gas turbines provides additional opportunities for balancing the electricity system. These opportunities are of particular importance in the context of an increasing share of renewable and nuclear base capacity.

Measures related to the development of energy infrastructure, support for the integration of electricity produced from renewable sources into electricity networks and the wider use of smart energy storage systems are foreseen. Measures will be implemented to improve the resilience of regional and national energy systems and to increase the network information security of the country's energy system. The implementation of such measures will lead to a fuller use of electricity produced from renewable sources, thanks to its easier integration into the electricity system. In order to achieve the goals of increasing the interconnection and development of a competitive electricity market and its integration into the common European energy market, the construction of a new overhead interconnector between the Republic of Bulgaria and the Hellenic Republic will be implemented; an interconnector between the Republic of Bulgaria and Romania, including the construction of a new 400 kV

power line between the Dobrudzha substation and the Burgas substation; the construction of a new 400 kV double interconnector between the Republic of Bulgaria and the Republic of Serbia; a hydro-pumped storage project in Bulgaria - Yadenitsa. Energy storage facilities and hydrogen power plants (Power to X) will be implemented.

Relevant UN Sustainable Development Goals

Goal No 7 Renewable energy

Assessment of the financial resources required Sources of financing

BGN 10,327,000,000

- State budget
- European funds and instruments

P5 Clean air and biodiversity

• 5.1 Ambient air quality

The policy is aimed both at ensuring the achievement of ambient air quality standards and at reducing emissions of harmful substances by meeting international commitments and national targets on pollutant emissions and by achieving ambient air quality standards in over-pollution settlements in terms of PM10.

Indicators

name	source	current value	target value	EU average
Registered exceeding of PM ₁₀ content values, including:				
- Daily average values, number of monitoring points	EEA	22	0 ⁹	-
- Average annual value, number of monitoring points	EEA	8	0 ⁹	-
Emissions of main air pollutants:			No more than:	

⁹ For each monitoring point where PM₁₀ is controlled, no more than 35 exceedings of the daily average rate of protection of human health of 50 µg/m³ and at the same time an annual average rate of protection of not more than 40 µg/m³ shall be met.

- SO ₂ , kt	EEA	89	171 ¹⁰	-
- NO _x , kt	EEA	83	98 ¹⁰	-
- NMVOC, kt	EEA	61	60 ¹⁰	-
- NH ₃ , kt	EEA	45	47 ¹⁰	-
- ФПЧ ₁₀ , kt	EEA	30	24 ¹⁰	-

Areas of impact

o 5.1.a Particulate matter

Excess levels of particulate matter (PM₁₀) are a major problem at national level in terms of ambient air quality. The National Ambient Air Quality Improvement Programme 2018-2024 is the main strategic tool for addressing the problem of excess pollution with PM₁₀. Its measures are aimed at reducing air pollution from domestic heating and transport, including the creation of low emission zones. In addition, interventions are envisaged to improve the efficiency of urban transport, to provide green vehicles for urban transport and to stimulate electromobility by building infrastructure for this type of vehicles, to promote the gradual replacement of the outdated car fleet of individuals with electric motor vehicles, which will also reduce greenhouse gas emissions, reduce noise and vibration in the environment. Green measures will be implemented in urban environment, incl. construction of “green belts/zones”. Efforts will continue to strengthen the capacity of municipalities to ensure the implementation of the necessary measures to improve ambient air quality, as well as training and information-education initiatives aimed at a wide range of stakeholders.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

- **Sub-goal 3.9**

Goal 11 Sustainable cities and communities

- **Sub-goal 11.6**

Assessment of the financial resources required Sources of financing

BGN 1,680,000,000

- State budget
- European funds and instruments
- National Trust Eco Fund

o 5.1.b Pollutant emissions

In order to improve the quality of ambient air in settlements and reduce cross-border transfers of pollutants, as well as to meet the requirements of Directive (EU) 2016/2284

¹⁰ Those emission values are indicative because, according to the requirements of Directive (EU) 2016/2284 for the reduction of national emissions of certain atmospheric pollutants, the national emission reduction commitments for each year from 2020 to 2029 compared to 2005 are expressed as a percentage.

to reduce national emissions of certain atmospheric pollutants, efforts will be focused on reducing by 2030 the total annual anthropogenic emissions of the following air pollutants: SO₂, NO_x, NMVOC, NH₃ и PM_{2.5}. The National Air Pollution Control Programme 2020-2030 provides for measures in sectors that are more significant sources of air emissions, such as domestic heating, road transport and agriculture. A policy of protecting the ozone layer and reducing emissions of fluorinated greenhouse gases will continue.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Sub-goal 3.9

Goal 11 Sustainable cities and communities

Sub-goal 11.6

Assessment of the financial resources required **Sources of financing**

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• 5.2 Ecosystems and biodiversity

The policy shall address the elimination of biodiversity loss through interventions related to:

- *The National Ecological Network - to ensure effective management of the network and protection of natural habitats and species of European and national importance and conservation, strengthening and restoration of ecosystems, habitats and species, including birds and genetic material;*
- *Biodiversity outside Natura 2000 - to ensure connectivity of the Natura 2000 network by building “green” and “blue” infrastructure to achieve good conservation status of species and natural habitats.*

Indicators

name	source	current value	target value	EU average
Number of assessments showing at least preservation of the state of the species and habitats under Art. 17 of the Habitats Directive (HD)	National reports under Art. 17 of the HD	311 ¹¹	190	6 067
Number of assessments showing at least	National reports under	95 ¹¹	169	508

¹¹ For the period 2013-2018 - <https://www.eea.europa.eu/themes/biodiversity/state-of-nature-in-the-eu/article-17-national-summary-dashboards/conservation-status-and-trends>

Areas of impact

o 5.2.a National ecological network

For the effective and efficient management of the National Ecological Network of Protected Areas and Natura 2000 Protected Areas and the territorial protection of biodiversity, taking into account the need to adapt regions to climate change and mitigate the effects of climate change in order to protect/restore and maintain ecosystems and their services, measures will be implemented as a priority aimed at: ensuring the management authorities of Natura 2000; improving knowledge of species and habitats subject to conservation in Natura 2000 protected areas; conservation measures for the conservation of species and habitats in Natura 2000 and protected areas; building the capacity of stakeholders to participate effectively in the management process of Natura 2000; improving public awareness of Natura 2000 and providing community support for Natura 2000; developing management plans for protected territories and areas and action plans for plant and animal species; mapping and assessing the status of ecosystems and their services.

Relevant UN Sustainable Development Goals

Goal 13 Climate action

Goal 14 Life below water

Goal 15 Life on land

Assessment of the financial resources required Sources of financing

BGN 2,140,000,000

- State budget
- European funds and instruments
- Enterprise management activities for environmental protection

o 5.2.b Biodiversity outside Natura 2000

Measures aimed at improving the biodiversity outside Natura 2000 aim at ensuring the connectivity of Natura 2000 through the construction, reconstruction and rehabilitation of green and blue infrastructure to improve the status of the species' populations and will cover terrestrial and aquatic (freshwater, marine and wetland) ecosystems. They will also contribute to combating climate change and disaster adaptation and resilience. In addition, specific measures are planned, offering solutions for improvement and/or conservation of species and natural habitats from Natura 2000, beyond the boundaries of the network, to solve specific cases/problems.

Relevant UN Sustainable Development Goals

Goal 14 Life below water

Goal 15 Life on land

Assessment of the financial resources required

BGN 150,000,000

Sources of financing

- State budget
- European funds and instruments
- Enterprise management activities for environmental protection

P6 Sustainable agriculture

• 6.1 Structural and sectoral balance of agriculture

Establishing a more rational structure for agriculture will improve its economic, social and environmental sustainability. The main focus of the agricultural policy will be the acceleration of restructuring processes in the sector - strengthening small family farms, striking the right balance between plant-growing and animal husbandry and their sub-sectors, the introduction of young people into the agricultural business. This will contribute to improving the viability of business structures and ensuring food security.

Performance indicators

name	source	current value	target value	EU average
Final production of vegetables and fruit, % of final output of agricultural products	Eurostat	11.3	20.0	20.3
Final livestock output, % of final agricultural output	Eurostat	25.6	30.0	45.2
Proportion of farm managers aged under 40, % of all managers	Eurostat	14.0 (2016)	17.0	10.6 (2016)

Areas of impact

○ 6.1.a Plant production

The existing imbalance between the different production strands of plant-growing will be addressed through targeted support (linked to the production support, investment and market support) for the development of intensive sub-sectors with higher added

value production potential - vegetable production, fruit and wine production, for which the country has favourable conditions for development.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 1,500,000,000

Sources of financing

- State budget
- European funds and instruments

○ **6.1.b Livestock farming**

Efforts will focus on improving the sustainability, efficiency and profitability of the animal husbandry farms. Particular attention will be paid to sensitive sectors such as dairy and meat cattle-breeding, buffalo-breeding, sheep-breeding and goat-breeding, as well as bee-keeping. The breeding of animals of high productivity will be encouraged, which will contribute to optimising production and create conditions for better marketing of production.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 2,500,000,000

Sources of financing

- State budget
- European funds and instruments

○ **6.1.c Economic potential of small agricultural farms**

In order to reduce the disproportions in the development of economically diverse farming structures in the agriculture, measures aimed at increasing the economic potential and improving the competitiveness of small farms are foreseen. Investment will be encouraged to modernise and deploy innovative solutions, improve their market access, increase the knowledge and professional skills of holders, and mechanisms for more balanced income support will be implemented.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 1,200,000,000

Sources of financing

- State budget

- European funds and instruments

○ 6.1.d **Age structure of farmers**

The retirement of older farmers and the declining interest of young people in agricultural business can have negative consequences for sustainable food production in the medium and long term. To counter the adverse demographic trends in agriculture and rural areas, additional income support will be provided, investment in the introduction of innovative products and digital technologies on young farmers' farms, the acquisition of new knowledge and skills, and the launch of new economic activities will be encouraged.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 428,000,000

Sources of financing

- State budget
- European funds and instruments

○ 6.1.e **Areas with natural or other constraints**

Farmers in areas with natural or other specific constraints face additional difficulties and should therefore be supported and encouraged to continue their activities. Tools will be applied to compensate for additional costs and income foregone related to negative aspects in the area concerned. This will counteract the processes of abandonment of agricultural land and depopulation of rural areas.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 400,000,000

Sources of financing

- State budget
- European funds and instruments

• 6.2 **Farmers' incomes**

The dependence of agricultural production on factors such as adverse environmental and climatic conditions, spread of diseases and enemies of plants and animals, price volatility on international markets, etc. does not allow the market principles to be fully and purely applied to it. Income support motivates farmers to continue their agricultural activities, supports the sustainability of production structures and contributes to increasing their market power and competitiveness.

Performance indicators

name	source	current value	target value	EU average
Agricultural entrepreneurial income, BGN/AWU	EC, Agri-food data portal	10,636	13,800	27,549
Agricultural entrepreneurial income, % of the average for the economy	EC, Agri-food data portal	77	85	44.9

Areas of impact

o 6.2.a Direct support mechanisms

Lower incomes in agriculture than in other economic spheres make agricultural work unattractive, lead to abandonment of agricultural activity and deterioration of the employment structure in the sector. This requires the implementation of a set of direct support mechanisms aimed at ensuring the economic security of agricultural holdings and the sustainability of production.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- Sub-goal 2.3

Assessment of the financial resources required

BGN 9,800,000,000

Sources of financing

- European Funds and Instruments

o 6.2.b Agricultural risk management

To effectively address the increasing risks to agricultural production associated with extreme adverse climatic events and the spread of diseases and enemies to plants and animals, an integrated approach will be applied, combining prevention mechanisms and loss reduction tools for farms and for the industry as a whole following crises of a different nature. Farmers will be encouraged to implement tools to manage their individual risk.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- Sub-goal 2.4

Assessment of the financial resources required

Sources of financing

BGN 635,000,000

- State budget
- European funds and instruments
- Operators in the sector

• 6.3 Competitiveness of the agricultural sector

The basis for increasing the competitiveness of agriculture is the increased production efficiency, the accelerated uptake of innovation, the productivity growth, the improved marketing and market organisation of supply, the access to new markets. The improved competitiveness will contribute to increasing the added value of agriculture, create greater resilience of the industry and increase its capacity to respond to environmental and social challenges and commitments.

Performance indicators

name	source	current value	target value	EU average
Index of total factor productivity in agriculture, 2005=100	EC, Agri-food data portal	111.2 (2017)	115.0	109.5 (2017)
Labour productivity in agriculture (BGN/AWU)	EC, Agri-food data portal	14,979	19,473	37,446
Gross fixed capital formation, % of agricultural GVA	EC, Agri-food data portal	8.3 (2017)	12.4	30.7 (2017)

Areas of impact

○ 6.3.a Modernisation, innovation and digital technologies in agricultural holdings

Investments to modernise agricultural holdings and processing enterprises aimed at improving their productivity and competitiveness will continue to be encouraged. Particular focus will be given to interventions aimed at the uptake of innovation and digital solutions, including precision farming. The application of modern information and communication technologies in agriculture will increase its potential for more productive, environmentally friendly and less resourced food production. It is envisaged to build a comprehensive Electronic Information System in agriculture, which will allow the electronization of information flows from and to carry out administrative activity and electronization of services provided to farmers. Automated data exchange will ensure optimization of the decision-making process both in the administration's policy-making and in the management of the activities of the farms themselves.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 1,240,000,000

Sources of financing

- State budget
- European funds and instruments

o **6.3.b Market position of farmers**

Strengthening farmers' market positions will contribute to a fairer distribution of the added value created along the food chain, allow them to more easily overcome food price volatility crises, reduce the processing industry's dependence on imports of raw materials. Measures are foreseen to encourage farmers' association, promote vertical integration between producers and processors of agricultural products, shorten food supply chains.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.3**

Assessment of the financial resources required

BGN 260,000,000

Sources of financing

- State budget
- European funds and instruments

o **6.3.c Qualification and knowledge of farmers**

The challenges the farms are facing in enhancing their efficiency, productivity, market and environmental sustainability require a continuous renewal of farmers' knowledge and skills. To meet these needs, knowledge transfer and the provision of information on agricultural research and innovation, including in the bio-economy aspect, will be encouraged. Advisory services will be provided aimed at improving the economic, environmental and social aspects of agricultural activity.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.a**

Assessment of the financial resources required

BGN 30,000,000

Sources of financing

- State budget
- European funds and instruments

• 6.4 Role of the agricultural sector in environmental protection

In addition to food security, the agricultural sector also provides a number of societal benefits in the field of environmental protection. In order to strengthen this contribution, the implementation of environmentally friendly practices in agricultural production will be encouraged, contributing to the protection of water, soil, air and biodiversity. Emphasis will be placed on using solutions to adapt agriculture, forests and rural areas to changing environments and those contributing to mitigating the effects of climate change.

Performance indicators

Name	source	current value	target value	EU average
Share of areas under greening practices, % of utilised agricultural area (UAA)	EC, Agri-food data portal	72.6 (2017)	Reaching the EU average	78.1 (2017)
Irrigated area, % of UAA	EC, Agri-food data portal	2.1	3.5	6.5
Forests certified for sustainable management, % of state forest areas	EAF	50	80	-

Areas of impact

○ 6.4.a Agri-environmental commitments

In response to increased ambitions for contribution of agriculture for the environment and climate, a set of instruments will be used to stimulate farmers to undertake annual and multiannual agri-environmental commitments and to implement agricultural practices aimed at adapting and strengthening agri-environmental ecosystems.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.4**

Assessment of the financial resources required

BGN 2,600,000,000

Sources of financing

- State budget
- European funds and instruments

○ 6.4.b Organic production

The appropriate conditions for organic production and the persistent trend of demand for healthy and proven food quality, and hence an increase in consumers' expectations for the supply of organically produced products, require addressing tools to accelerate the development of the sub-sector. Measures will be implemented to promote organic plant-growing, animal husbandry and bee-keeping and their transition, aiming to increase the production and consumption of clean and high quality food.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.4**

Assessment of the financial resources required

BGN 170,000,000

Sources of financing

- European funds and instruments

○ 6.4.c Irrigation farming

Through a set of activities aimed at investments in hydro-melioration, irrigation and drainage systems for agricultural land will be improved and developed in connection with the adaptation of agriculture to climate change. The planned reconstruction and modernisation of hydro-melioration infrastructure is expected to improve the use of water resources through the introduction of new technologies, effectively reduce water losses and consumption in agriculture, increase irrigation areas and improve the efficiency of irrigation processes, contribute to protecting agricultural land from the harmful effects of water and prevent disaster risk. Investment related to irrigation and the deployment of water-saving technologies on agricultural holdings will also be encouraged.

Relevant UN Sustainable Development Goals

Goal 2 Zero hunger

- **Sub-goal 2.4**

Assessment of the financial resources required

BGN 1,080,000,000

Sources of financing

- State budget
- European funds and instruments

○ 6.4.d Forest resource management

Efforts will focus on supporting the successful adaptation of forestry management to climate change and ensuring its sustainable development by maintaining a balance between the environmental, social and economic functions of forests. Measures will be implemented to ensure sustainability in the renewal, creation of new forests and increase of forest resources. Smart forestry practices for forest management, maintenance of functional diversity in biomass production, assessment and provision of other ecosystem services will be promoted. Investments in preventive and support

activities aimed at protecting forests from fires, preventing damage from natural disasters and catastrophic events, as well as restoring damaged forests will be supported.

Relevant UN Sustainable Development Goals

Goal 15 Life on land

- **Sub-goal 15.2**

Assessment of the financial resources required

BGN 35,000,000

Sources of financing

- State budget
- European funds and instruments

• 6.5 Fisheries and aquaculture management

Fisheries and aquaculture in Bulgaria face the challenge of reaching a European level based on improved competitiveness and sustainability. They must be based both on traditional forms of production and on modern technologies and innovation. The economic scope of the sector provides an opportunity to create new niches, such as employment, more efficient use of local resources and opportunities for investment in production and processing.

Performance indicators

name	source	current value	target value	EU average
Aquaculture production, t	EAFA	15,758	20,000	-
Annual average consumption of fish and fishery products, kg/person	NSI	5.2	7.0	-

Areas of impact

○ 6.5.a Fisheries and aquatic biological resources

The measures included in this area relate to the provision of support for the first acquisition of a fishing vessel or a partial ownership right therein, as well as for permanent cessation of fishing activities. Activities will be carried out to collect and process data for fisheries and aquaculture management and scientific purposes, with a view to better and effective management in the sector. Interventions and measures contributing to the conservation and restoration of fishery resources and aquatic ecosystems will be implemented.

Relevant UN Sustainable Development Goals

Goal 14 Life below water

Assessment of the financial resources required

BGN 42,000,000

Sources of financing

- State budget
- European funds and instruments

○ 6.5.b Competitiveness of the fisheries and aquaculture sector

In order to strengthen the competitiveness of the fisheries and aquaculture sector and to ensure the diversity of fishery and aquaculture products offered to consumers, measures are foreseen to support the sustainable development of aquaculture, to promote higher quality and added value of fishery and aquaculture products, as well as investments in the processing of these products.

Relevant UN Sustainable Development Goals

Goal 14 Life below water

Assessment of the financial resources required

BGN 77,000,000

Sources of financing

- State budget
- European funds and instruments

○ 6.5.c Blue economy and fishing communities

Actions implemented through community-led local development will be supported to strengthen and develop communities in coastal and inland fisheries and aquaculture. Local communities engaged in fisheries or aquaculture activities will be encouraged to make better use of their opportunities, making them the basis for the development of environmental, cultural, social and human resources.

Relevant UN Sustainable Development Goals

Goal 14 Life below water

Assessment of the financial resources required

BGN 52,000,000

Sources of financing

- State budget
- European funds and instruments

P7 Transport connectivity

• 7.1 Rail transport

The goal of this sub-priority is to achieve higher quality and wider scope of rail services as passenger and freight share increases. Action will be taken to improve the connectivity of the country's regions, as well as to achieve a positive effect on air quality and traffic safety. Efforts will continue to better integrate the national rail network into the European rail system, which will contribute to accelerating the country's economic development and cross-border cooperation.

Performance indicators

name	source	current value	target value	EU average
Completion of the TEN-T conventional rail core network, %	EC	11 (2016)	Reaching the EU average	51.5 (2016)
Share of rail passengers, %	NSI	4.5 (2019)	6.5	-
Share of goods carried by rail, %	NSI	15.5 (2019)	22	-

Areas of impact

○ 7.1.a Management of the railway sector

The rail transport will remain a priority area in the transport policy, developing and managing the sector in such a way as to enable it to compete effectively on the transport market, ensuring quality passenger and freight transport, investing reasonably and maintaining the necessary assets in good condition.

Effective management of public financing for rail transport will continue, through the conclusion of a multiannual contract for the development of railway infrastructure and a contract for the operation of public passenger rail services.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required **Sources of financing**

BGN 5,600,000,000

- State budget

○ 7.1.b Railway infrastructure

Efforts to build the country's core Trans-European Railway Network by 2030 will continue. The actions will be aimed at completing the railway corridor from the Bulgarian-Serbian border to Burgas/Svilengrad (Turkish border) and construction along the directions Karnobat-Sindel and Sofia-border with the Republic of North Macedonia. Efforts will also be made to implement the remaining sections of the country's Trans-European Railway Network (Vidin-Sofia-Kulata, Sofia-Mezdra-Varna, Ruse-Varna, Ruse-Dimitrovgrad). The implementation of the European Rail Traffic Management System (ERTMS) will continue, contributing to further increasing traffic safety and increasing the efficiency of the sector. Efforts will continue to improve the quality of the network by effectively maintaining the country's railways.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required

BGN 15,100,000,000

Sources of financing

- State budget
- European funds and instruments

o 7.1.C Rolling stock

To improve the quality of the public rail passenger service, measures will be taken for the renewal of the rolling stock of BDZ Passengers Services EOOD.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required

BGN 1,200,000,000

Sources of financing

- State budget
- Debt financing
- European funds and instruments

• 7.2 Road transport

Efforts to improve the quality of the country's road infrastructure, as well as to provide more efficient transport services, will continue. Our aim will be to effectively integrate the national transport network into the European transport network. The priority will be the timely construction of the Trans-European Road Network, including through the completion of highways along the most important directions of the country.

Performance indicators

name	source	current value	target value	EU average
Quality of roads	EC	3.52	Reaching the EU average	4.78
Share of motorways in the total road network, %	NSI, RIA	4 (2019)	7	-

Areas of impact

o 7.2.a Road infrastructure

Work will continue on the construction of the Trans-European Transport Infrastructure, with a focus on the completion of the motorway connections in Northern Bulgaria, with a view to increasing road safety in this part of the country and providing conditions for the passage of traffic along the direction Sofia-Varna and north-south along the directions Danube Bridge 1-Ruse-Veliko Tarnovo-tunnel under Shipka-Southern Bulgaria and Danube Bridge 2-Vidin-Sofia-Southern Bulgaria, as well as Varna-Burgas. An opportunity will also be sought for the construction of a third bridge over the Danube river. Efforts will continue to improve the quality of the network by effectively maintaining the roads in the republican road network.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required **Sources of financing**

BGN 4,600,000,000

- State budget
- European funds and instruments

o 7.2.b Traffic safety

In the field of road safety, efforts will focus on achieving safe universal mobility that integrates vital knowledge and skills to protect human life and health when interacting with the road system, does not create preconditions for traffic risk situations, minimises human errors on the road and mitigates their consequences. Full integration of road safety in the management of road infrastructure will contribute to limiting the negative effects of the transport sector, effective development of human error-tolerant republican road infrastructure, ensuring universal mobility in the “safe system” approach, including the implementation of measures for securing sections with concentration of road accidents and roadside space, update of the current

organization of priority traffic to motorways, construction of complex parking lots and buffer parking lots near border crossing points, increase of border crossing capacity of the BCPs, etc.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

- **Sub-goal 3.6**

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required **Sources of financing**

BGN 3,500,000,000

- State budget
- European funds and instruments

○ 7.2.c Intelligent transport systems

Efforts will focus on upgrading the road infrastructure by deploying and integrating smart transport systems and providing coverage with Wi-Fi connectivity. To a large extent, smart transport systems will be deployed to serve traffic along the main transit routes. Work will also be actively undertaken on the establishment of single platforms providing real-time traffic information services, safe and secure parking places, multimodal transport, etc., as well as on the introduction of electronic communication in freight transport. Efforts will also be focused on building smart transport systems on sections of republican roads that are outside the Trans-European Road Network, with the aim of increasing traffic safety and timely signalling of road conditions to drivers.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required **Sources of financing**

BGN 80,000,000

- State budget
- European funds and instruments

• 7.3 Water and air transport

Efforts are aimed at improving port and airport infrastructure in order to achieve high quality services. It is envisaged to strengthen the digitalisation by building on existing and new information systems. For inland waterway transport it is essential to maintain and improve the characteristics of the waterway in the common Bulgarian-Romanian section of the Danube River. The efficiency of the work carried out in water transport will increase and the environmental footprint of shipping will be reduced.

Performance indicators

name	source	current value	target value	EU average
Efficiency of seaport services	EC	4.23	Reaching the EU average	5.00
Efficiency of air transport services	EC	4.43	Reaching the EU average	5.19

Areas of impact

○ 7.3.a Port infrastructure and inland waterways

Port infrastructure development will continue through a public-private partnership. Port facilities (quay walls, quay facilities, anti-flooding facilities, breakwaters, ice caps) will be constructed for safe, efficient and secure inland waterway and maritime transport, as well as the technical characteristics of access infrastructure will be improved with a view to the sustainable development of ports. Measures will also be implemented to reduce the harmful environmental impact of port activities and ships, which will lead to an improvement in the environmental parameters of port aquatories and air.

To solve the problems in the free-flowing section of the Danube river it is planned to implement engineering solutions within the common (with Romania) section of the river. Equipment for carrying out dredging activities will be delivered for ongoing maintenance of the waterway.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required **Sources of financing**

BGN 1,340,000,000

- State budget
- European funds and instruments
- Private Financing

○ 7.3.b Airport infrastructure

The process of concession of civil airports for public use will be finalised. Effective control over the implementation of the concession contracts will continue.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Share of renewable energy in transport fuel consumption, %	HCI	8.1	14.2	8.3
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Areas of impact

○ 7.4.a Passenger terminals

Convenient links between different modes of transport (rail-metro, rail-airport, rail-port) will continue to be established to increase mobility and facilitate citizens and encourage them to make more active use of public transport services. Building more buffer parking lots will predispose people to leave their private cars and use more environmentally friendly transport, such as the metro. Efforts to build key railway station complexes will continue, and this will predominantly be in the less infrastructurally developed Northern Bulgaria. This will create prerequisites for reducing inter-regional disparities in the country.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required Sources of financing

BGN 373,000,000

- State budget
- European funds and instruments

○ 7.4.b Freight terminals

The policy will continue to support activities for the development of intermodal freight transport, the construction of modern intermodal terminals and the introduction of incentives for the development of combined/rail transport. Maritime and river ports handling containers and ro-ro cargo also play the role of multimodal terminals. The award of concessions to intermodal terminals will continue to be applied as an effective instrument for their development.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required Sources of financing

BGN 1,600,000,000

- State budget
- European funds and instruments
- Private Financing

○ **7.4.c Impact of transport on the environment and human health**

To limit the harmful impact of transport on the environment, climate and quality of life of people, it is envisaged to introduce and promote the use of fuels and energy from alternative and renewable energy sources, to develop and increase the share of environmentally friendly modes of transport, as well as to achieve an optimal balance in the use of the potential of different modes of transport by shifting transport to more environmentally friendly modes (rail, water). This will achieve the policy goals of energy diversification and decarbonisation of transport.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 11 Sustainable cities

- **Sub-goal 11.2**

Assessment of the financial resources required

BGN 121,000,000

Sources of financing

- State budget
- European funds and instruments

P8 Digital connectivity

• 8.1 Digital networks

The aim of the sub-priority is to build very high capacity networks, which will provide a platform for providing a variety of digital value-added services, while ensuring that no part of the country or group in society will be left without adequate digital connectivity. Measures will be taken to support digital connectivity in remote and sparsely populated areas by stimulating investment by private Internet operators to provide internet access to end-users in these areas. The actions will also be concentrated in the development of high-speed mobile internet in the country, including the timely release of a radio frequency sector allowing investments for the introduction of 5G mobile networks in the country. Gigabit connectivity for transport arteries and settlements will be ensured, facilitating access to and use of public services and improving synergies and coordination between different sectors through innovative applications.

Performance indicators

name	source	current value	target value	EU average
Fixed Very High Capacity Networks (VHCN) coverage, % households, DESI	EC, DESI	42	52	44

Fast broadband (NGA) coverage, % households	EC, DESI	77	86	90
Rural broadband (NGA) coverage, % households	EC, DESI	28.4	60	59.3

Areas of impact

○ 8.1.a High-speed connectivity

A key policy goal will be to stimulate the deployment and upgrading of existing networks to ensure access to ultra-high speed networks and the use of digital technologies with a guaranteed high level of security as a key factor in the realisation of the digital transformation. Work will continue to develop the state support network by building optical connectivity to all municipalities and increasing its transmission capacity to ensure the functioning of digital governance.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

- Sub-goal 9.c

Assessment of the financial resources required

BGN 550,000,000

Sources of financing

- State budget
- European funds and instruments

○ 8.1.b Fifth generation mobile networks (5G)

5G networks will be enabled and made easier to deploy through infrastructure sharing policies and supporting the construction of complementary infrastructure. Conditions will be created for the establishment of low-bandwidth wireless access points, as well as the promotion of infrastructure sharing. Work will be done to provide 5G connectivity along transport corridors, develop smart transport systems, build “smart” settlements, etc.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 206,300,000

Sources of financing

- State budget
- European funds and instruments

• 8.2 Digital infrastructure

The aim of this area is to build effective cloud infrastructure, data sharing tools, architectures and mechanisms for managing thriving ecosystems for data sharing and artificial intelligence. Investments should cover actions with a significant impact on data spaces covering data sharing architectures (including data exchange standards, best practices, tools) and governance mechanisms, as well as energy-efficient and reliable cloud infrastructures and associated services, with a view to facilitating combined investments.

Performance indicators

name	source	current value	target value	EU average
Electronic information sharing, % enterprises	EC, DESI	23	50	34
Cloud computing, % enterprises	EC, DESI	6	24	18
Big data, % enterprises	EC, DESI	7	21	12

Areas of impact

○ 8.2.a Data centres

To exploit the full potential of data, the free flow of data between Member States and across sectors will be provided by ensuring the protection of personal data and the protection of consumers. Users and service providers will benefit from clear rules on access to and use of data forming a fair and practical framework of reliable data management mechanisms.

Data will be prioritised in key sectors such as education, health, transport, public administration.

Steps will be taken to: building and developing the necessary data centres; and creating conditions for open access to data and results, as well as access to large databases generated by public organizations to be used by businesses.

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 96,000,000

Sources of financing

- State budget
- European funds and instruments

○ 8.2.b Cloud infrastructure

The aim of the impact area is to migrate key cloud systems and registers, to expand the capacity and productivity of the state hybrid private cloud to cover almost all server ICT resources of administrations. This will place them on centralized platforms, reliably secured and resilient under all conditions, with 24/7 availability and protection from cyber attacks.

Priority will also be given to ensuring and maintaining high-speed and secure communication connectivity as a basis for offering educational services, further developing a cloud-based educational environment for service provision, including software as a service (SaaS), infrastructure as a service (IaaS) and platform as a service (PaaS).

Relevant UN Sustainable Development Goals

Goal 4 Quality education

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

Assessment of the financial resources required

BGN 120,000,000

Sources of financing

- State budget
- European funds and instruments

• 8.3 Digital inclusion

The goal of this sub-priority is to address the territorial imbalances associated with broadband penetration. This will also help to reap the economic and social benefits of information and communication technologies (ICT) in overcoming distance and development bottlenecks, especially in backward areas. Efforts will be made to support digital connectivity in remote and sparsely populated areas as well as in centres of social life. The scope of the initiative providing free public internet access will be extended.

Performance indicators

name	source	current value	target value	EU average
At least 100 Mbps fixed broadband take-up, % households	EC, DESI	11	33	26
Internet users, % persons	EC, DESI	67	85	85
People who have never used the Internet, % persons	EC, DESI	24	4	9

Areas of impact

○ 8.3.a Connectivity for centres of social life

Gigabit internet connectivity in places such as enterprises, schools, libraries, research and various public centres will provide access to the best services and applications for businesses and citizens.

Gigabit Internet connectivity will support innovative teaching and learning methods to provide access to up-to-date learning materials, tools and techniques, and to enable learners to acquire e-skills while ensuring effective distance learning. The access of enterprises and industrial sectors, especially those that actively use digital technologies, will be stimulated to create new applications and new business models for the production and distribution of their goods and services in more competitive conditions.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities and communities

Goal 12 Responsible consumption and production

Assessment of the financial resources required

BGN 36,800,000

Sources of financing

- State budget
- European funds and instruments

○ 8.3.b Free Internet access

Awareness and demand for gigabit internet access will be stimulated by the opportunity for citizens to test state-of-the-art digital tools, including wireless internet access in public places and places such as libraries, railway stations or employment services and training centres.

The period before 2030 will prioritise the continuation of the goal to better integrate local communities into the Digital Single Market, to give users an overview of the Gigabit Internet society, to improve digital literacy and to extend the range of services provided at these locations by continuing the proactive use of tools at EU level.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

Goal 8 Decent work and economic growth

Goal 9 Industry, innovation and infrastructure

Goal 12 Responsible consumption and production

Assessment of the financial resources required

BGN 59,000,000

Sources of financing

- State budget
- European funds and instruments

P9 Local development

• 9.1 Competitiveness and development of regions

The aim of the sub-priority is to provide prerequisites for increasing the competitiveness and sustainable development of the regions of the country, as well as to promote local development, building on the specific local potential and addressing local problems and challenges. This will be achieved through the integrated development of resource bound and complementary economic sectors in order to increase the added value for the regions and the development of the country and the implementation of combined measures, including in the field of tourism, support for cultural and historical heritage, modernization of educational infrastructure, development of social infrastructure, etc.

Performance indicators

name	source	current value	target value	EU average
Number of Bulgarian regions (NUTS 2) outside the group of 20 regions with the lowest GDP per capita in the EU	Eurostat	1	≥2	-
Variation in the Business sophistication pillar by region, %	EC, Regional Competitiveness Index	0.44	Below the EU average	0.50
Variation in the labour market efficiency pillar by region, %	EC, Regional Competitiveness Index	0.49	Below the EU average	0.56
Variation in the Infrastructure pillar by region, %	EC, Regional Competitiveness Index	0.85	Below the EU average	0.91
GDP per capita in predominantly urban	Eurostat	106	135	100

Areas of impact

○ 9.1.a Integrated development of Level 2 planning regions

The basis for implementing the Integrated Territorial Development/Investment Approach in Level 2 planning regions are the Integrated Territorial Development Strategies of Level 2 regions. At the heart of the approach is a shift in focus from supporting settlements to supporting territories and from sector-oriented investments to integrated territorial investments. The measures to be supported under this area of impact are defined on the basis of the priorities, goals, activities and measures set out in the Regional and Spatial Development Strategy Papers at Region Planning Level 2 (Integrated Territorial Development Strategies for Regions Planning Level 2) as well as on the basis of a mapping of needs at national level with regard to sectoral policies prepared by the state institutions and agencies responsible for their development.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 9,668,000,000

Sources of financing

- State budget
- European funds and instruments
- International Financial Institutions
- Private investments
- Civil society organisations
- Other sources

○ 9.1.b Urban development and polycentric urban network

The main goals of the sub-priority include achieving sustainable urban development of the most important for the development of a balanced polycentric model urban municipalities by creating competitive city centres in Sofia with attractive opportunities for investment, employment, education, recreation, life career. The sub-priority includes the urban municipalities of Sofia, Plovdiv, Varna, Burgas, Ruse, Stara Zagora, Pleven, V. Tarnovo, Blagoevgrad and Vidin. Focused interventions will take into account the specific local needs and potentials based on integration of measures from different sectoral policies, multi-level governance, involvement of a wide range of stakeholders and active citizenship. The measures to be supported under this sub-priority are determined on the basis of the priorities, goals, activities and measures set by the local authorities in the strategic documents for regional and spatial development at municipal level, as well as on the basis of mapping of the needs at national level with regard to sectoral policies prepared by the state institutions and agencies responsible for their development.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 12,800,000,000

Sources of financing

- State budget
- European funds and instruments
- International Financial Institutions
- Private investments
- Civil society organisations
- Other sources

○ 9.1.c Strategic planning and monitoring of regional and spatial development

Development, implementation, monitoring and evaluation of the system of documents for strategic planning of regional and spatial development. Implementation of a roadmap for a new approach in state policy for regional development. Provide homogeneous geodetic infrastructure, geodetic, cartographic and cadastral information to meet state needs in the field of strategic planning, the development of sustainable development measures and investment planning. Strategic planning of measures that take into account local specificities in different sectors of the economy, as well as creation and/or improvement of the regulatory conditions for providing green infrastructure and improvement of the rules and norms for the design, construction and operation of water supply and sewerage systems. The NGO sector and local communities will be widely involved in shaping and implementing local policies. Intermunicipal cooperation will be expanded, as well as PPPs for joint implementation of infrastructure, social and cultural projects, as well as for facilitating and supporting contacts and initiatives of local businesses.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 275,000,000

Sources of financing

- State budget
- European funds and instruments

○ 9.1.d Community-led local development

Community-led local development (CLLD) is carried out through integrated and multi-sectoral local development strategies based on the characteristics of the specific territory and developed on the basis of local needs and potential. The territorial scope of this area of impact includes all rural areas and other territories of the country, which will be included in the regulatory act for the implementation of CLLD. Measures related to promoting social inclusion, preserving and protecting the environment and promoting resource efficiency, including activities for risk prevention and management and exploiting the potential of cultural heritage, encouraging the introduction of innovations in practice, sustainable and quality employment and

labour mobility, increasing the competitiveness of local economies and opportunities for local business creation, improving the quality of education and increasing the qualifications of the population will be supported.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 1,266,000,000

Sources of financing

- European funds and instruments

o 9.1.e Cross-border, transnational and interregional cooperation

Measures will be funded to promote cross-border links, competitiveness and innovation of the economy; environmental protection, adaptation to and mitigation of climate change, joint management and monitoring of natural resources, including river and sea basins; risk management and prevention, and improvement of the capacity to protect the population from natural and man-made disasters; improvement of transport and communication connectivity; increasing the attractiveness of cross-border areas through improved social, educational, youth activities, exploitation of natural and cultural assets, and the creation of integrated tourism products; partnerships between universities, research centres and businesses; various activities such as "people for people" and other activities aimed at enhanced social integration in the program area by overcoming physical and cultural barriers to cooperation.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 572,000,000

Sources of financing

- State budget
- European funds and instruments

• 9.2 Quality of life in rural areas

The implementation of this sub-priority aims at socio-economic development of rural areas, providing new jobs, poverty reduction, social inclusion and better quality of life, as well as protecting ecosystems and ensuring sustainable management and use of natural resources.

Performance indicators

name	source	current value	target value	EU average
Relative share of the rural population with improved access to	The Managing Authority of the Strategic Plan for	0	15	-

constructed and/or reconstructed infrastructure, %	the Common Agricultural Policy of the Republic of Bulgaria for 2021-2027			
GDP per capita in predominantly rural areas, % of the EU average	Eurostat	35	50	100
Population at risk of poverty in rural areas (after deduction of housing costs), %	Eurostat	55.9	40.0	31.6

Areas of impact

○ 9.2.a Infrastructure and public services in rural areas

Focused interventions in rural municipalities will address investments in construction and/or reconstruction of technical infrastructure, municipal road and street network, reconstruction and modernization of the water supply network and sewerage system, as well as in other public infrastructure. This will improve the access to and quality of public services in rural areas of the country.

Relevant UN Sustainable Development Goals

Goal 6 Clean water and sanitation

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 15,400,000,000

Sources of financing

European Agricultural Fund for Rural Development (EAFRD)

○ 9.2.b Mobile forms of youth work in rural areas

Targeted actions in this area will aim at providing innovative and alternative forms of mobile youth work to reach all young people in rural areas to develop skills for employment and entrepreneurship. Address the problems for young people in rural areas to access the internet and digital technologies and build skills for their use including providing opportunities for civic participation

Relevant UN Sustainable Development Goals

Goal 9 Industry, innovation and infrastructure

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 3,000,000

Sources of financing

- State budget
- European and international funds

• 9.3 Water and natural disaster risk management

The main goal of the sub-priority is to achieve integrated and sustainable water management: protection and improvement of water status, achievement and maintenance of good quantitative, chemical and ecological status of water bodies on the territory of Bulgaria and good environmental status in marine waters, as well as prevention or reduction of adverse effects of harmful effects of water. At the same time, the policy goal will also be to prevent and reduce the extent of erosion-landslide hazard, to limit and quickly eliminate the consequences of these processes, to protect the population, material resources and the environment from their impacts.

Performance indicators

name	source	current value	target value	EU average
Share of water lost in distribution, %	NSI	48	40	26
Residents with access to constructed and/or reconstructed sewerage infrastructure, %	Reporting on Urban Wastewater Treatment Directive 91/271/EEC	63.2 (2017)	70	-
Relative share of the population at risk of flooding benefiting from envisaged protection and information measures, %	Flooding risk management plans	0	67	-
Population with water supply restrictions, %	NSI	3	2	-

Areas of impact

○ 9.3.a Water supply and wastewater treatment

The goal of the measures is to achieve sustainable water consumption for the needs of the population and the economy of the country, to reduce inefficient use of water resources and pollution of groundwater and surface water from wastewater discharges, and to improve the ecological and chemical status of surface water. It is envisaged to continue the construction and reconstruction of WSS infrastructure in

accordance with the normative framework, as a priority in agglomerations with more than 10,000 PE and, where possible, in agglomerations with less than 10,000 PE.

Relevant UN Sustainable Development Goals

Goal 6 Clean water and sanitation

Assessment of the financial resources required

BGN 12,780,000,000

Sources of financing

- European funds and instruments
- Enterprise management activities for environmental protection
- State budget

○ 9.3.b Risk prevention and management of floods, landslides and droughts

The increased frequency of extreme weather and climate events in Bulgaria related to water in recent years requires further measures to prevent and manage flood risk, from processes related to land movement - landslides, collapses, erosions, abrasions (including green infrastructure (if applicable) in combination with grey infrastructure) and droughts. In addition to infrastructure investments, it is planned to build new and optimise and/or expand existing warning, monitoring, reporting, forecasting and signalling systems, as well as develop digital models. Efforts will also be directed towards effective actions to restore the design parameters of the water retention facilities and to control the condition and conductivity of the river beds.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

- **Sub-goal 11.5**

Goal 13 Climate action

- **Sub-goal 13.1**

Assessment of the financial resources required

BGN 1,576,000,000

Sources of financing

- European funds and instruments
- State budget

○ 9.3.c Water resources and ecosystems

A key goal is the integrated management of surface, groundwater, coastal and marine waters and associated ecosystems, reducing the impact of climate change - reducing the effects of flooding and drought. Emphasis will be placed on improving the reliability of assessments for the classification of water status and improving management by developing models, conducting studies, developing strategic documents (water management plans, flood risk management plans, marine strategy, drought management plans), guides, expanding water monitoring and introducing innovative methods for monitoring and assessments, upgrading and expanding existing information systems, improving the conditions for the protection of the quality of

water intended for drinking and domestic water supply and the cessation of discharges of certain hazardous substances, addressing old pollution problems, protecting marine waters, reducing the marine litter and pollution of the marine environment from diffuse sources, studying of the impact of pharmaceutical substances on water quality, etc.

Relevant UN Sustainable Development Goals

Goal 6 Clean water and sanitation

Goal 11 Sustainable cities and communities

- **Sub-goal 11.5**

Goal 13 Climate action

- **Sub-goal 13.1**

Goal 14 Life below water

- **Sub-goal 14.1, 14.2**

Assessment of the financial resources required

BGN 2,230,000,000

Sources of financing

- European funds and instruments
- National Trust Eco Fund
- State budget

○ **9.3.d Capacity of local authorities to cope with emergencies**

Actions will be taken to increase the capacity of municipalities to cope with disasters, fires and emergencies. Technically, the voluntary formations established under the Disaster Protection Act will be secured with the necessary assets. At the same time, the participation of citizens in the voluntary formations will be encouraged through information awareness campaigns and media appearances. It is envisaged to build the TETRA system of the Ministry of Interior, including all elements of the Unified Rescue System, at all levels while preserving public order. Action will be taken to develop Early Warning and Information Systems and the Aerospace Monitoring Centre for Disaster, Accident and Disaster Risk Management to ensure citizens' security.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 361,000,000

Sources of financing

- State budget
- European funds and instruments
- Municipal budgets

P10 Institutional framework

• 10.1 Good governance in the public sector

The public sector will develop through the basic principles of good governance. Efforts will focus on tools to improve the existing governance system, effectiveness and sustainability of solutions. The focus is on the quality of management decisions, monitoring their implementation and the involvement of society in both phases.

Performance indicators

name	source	current value	target value	EU average
Future orientation of government	World Economic Forum, GCI	63 (2019)	70	64.3
Governance	The Legatum Prosperity Index	27th place in the EU (2019)	13th place in the EU	-
Executive capacity	Bertelsmann Stiftung, SGI	4.7 (2019)	6	6 (2019)
Government effectiveness	World Bank, WGI	63	82	81.3

Areas of impact

○ 10.1.a Sustainable and coherent policies

Public sector planning and development will focus on building a stable and tight strategic and institutional framework at all administrative levels. With integrated and consolidated institutions, public governance will be more efficient and freeing public resources.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

-

Sources of financing

-

○ 10.1.b Implementation management and accountability

A clear mechanism for targeting and cascading goals at all levels (policies > responsible institutions > units > employees) will be established. On the basis of the set goals, monitoring and evaluation of the implementation linked to budgetary policies will be

organised. Findings and evaluations will serve to improve policy accountability to society.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 3,400,000

Sources of financing

- State budget
- European funds and instruments

○ **10.1.c Open governance**

Open governance will be expanded by improving the existing digital tools available to the administration. Digital tools for civic participation in a broad sense will also be expanded. Regular open door practices and joint events with civil society will be established.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6, 16.7**

Assessment of the financial resources required

BGN 1,000,000

Sources of financing

- State budget
- European funds and instruments

○ **10.1.d Adaptive governance**

Emphasis will be placed on adaptive governance practices, as a continuation of the principle of responsive administration. The management decisions will be updated after qualitative changes in society, which will be established with statistic data, recognized factual situations, economic analyses and forecasts, sociological surveys, etc. The administration will implement transformation measures according to new realities and new expectations in society.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 3,000,000

Sources of financing

- State budget
- European funds and instruments

• 10.2 Regulatory policy in favour of economic development

The quality of the regulatory framework is crucial for boosting economic growth, improving the efficiency of the public sector and increasing trust between citizens, businesses and institutions. Correct regulation and the promotion of new regulatory approaches will be key in the coming period.

Performance indicators

name	source	current value	target value	EU average
Doing Business	World Bank	24th place in the EU (2020)	13th place in the EU	-
Regulatory Quality	World Bank, WGI	72.6	84.0	83.6
Burden of government regulation	World Economic Forum, GCI	10th place in EU (2019)	6th place in the EU	-
Regulatory enforcement	World Justice Project, RLI	0.53 (2020)	0.70	0.71 (2020)

Areas of impact

○ 10.2.a Intelligent regulatory policy

The OECD's basic standards of good regulation will be introduced. Main Policy Goal: a substantial reduction in administrative burdens for businesses, combined with e-government tools.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 1,000,000

Sources of financing

- State budget
- European funds and instruments

○ 10.2.b Administrative control

The administrative control framework for reducing regulatory pressure on businesses will be improved. Joint inspection tools will be developed to reduce the frequency of checks by the administration.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- Sub-goal 16.6

Assessment of the financial resources required

-

Sources of financing

-

• 10.3 E-Government

E-Government is the main driver for the digital transformation of public institutions. Modern digital technologies will support the transition from an institutionally centred approach in government to citizen- and business-centred governance. At the heart of this transformation will be data as the core capital of e-Government, as well as their availability and protection.

Performance indicators

name	source	current value	target value	EU average
E-Government users, % of all internet users	EC, DESI	60.9 (2020)	70.0	67.3 (2020)
Pre-filled forms	EC, DESI	34.1 (2020)	55.0	59.4 (2020)
Online service completion	EC, DESI	79.4 (2020)	90.0	89.8 (2020)
Digital public services for businesses	EC, DESI	92.6 (2020)	95.0	87.6 (2020)

Areas of impact

○ 10.3.a Governance based on data

The digital transformation in e-Government will aim to increase added value by using the available data as government core capital. The development and implementation of a national smart data management framework will build a sustainable e-Government ecosystem that delivers the principles of good governance in a modern digital environment.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- Sub-goal 16.6

Assessment of the financial resources required

Sources of financing

- BGN 421,000,000
 - State budget
 - European funds and instruments

○ **10.3.b Digitalisation of the public sector**

Particularly important for the development of the Bulgarian economy and society is the digitalisation of the public sector, which includes the development of key systems in the public sector (social and financial sector, security, protection of the population in case of disasters, accidents and other emergencies and ensuring fast and easy access to emergency assistance). At the same time, the development of the necessary competences among key positions in the administration is the basis for the success of the digital transformation.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 363,000,000

Sources of financing

- State budget
- European funds and instruments

○ **10.3.c User-oriented electronic administrative services**

The model of interaction with citizens and businesses with regard to the provision of public services will change. Citizens and business are the main focus of the state government. They will receive by default proactive personalised electronic administrative services when they are entitled to them.

Particularly important priority is also the implementation of the national electronic identification scheme, as well as the expansion of alternative means to enable electronic identification.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 564,000,000

Sources of financing

- State budget
- European funds and instruments

○ **10.3.d Network and information security**

Network and information security is directly linked to consumer confidence in electronic services. The safe and widespread use of data-driven products and services will depend on the application of the highest standards of cybersecurity. An effective institutionalised uniform system for monitoring the general state of cyberspace, preventing and recovering from cyber incidents and for analysing and countering cyber threats is needed.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- Sub-goal 16.6

Assessment of the financial resources required

BGN 550,000,000

Sources of financing

- State budget
- European funds and instruments

○ 10.3.e Improving public services

Minimum standards for public services will be set. Public service providers (PSPs) will be integrated into the principles of e-Government by joining its horizontal components allowing for the official exchange of information.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- Sub-goal 16.6

Assessment of the financial resources required

BGN 2,000,000

Sources of financing

- State budget
- European funds and instruments

○ 10.3.f E-Justice

The aim is to facilitate the construction of the overall digitalisation of Bulgarian justice, as well as the completion of infrastructure and connection of separate electronic registers and digitisation of acts in the course of notarial proceedings.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- Sub-goal 16.6

Assessment of the financial resources required

BGN 68,900,000

Sources of financing

- State budget
- European funds and instruments

• 10.4 Development of the legal environment

For the development of the legal environment, existing legislation, existing instruments for participation in decision-making processes, the framework of free expression, instruments to meet citizens' expectations of accountability of institutions and opportunities for civic and institutional education will be improved.

Performance indicators

name	source	current value	target value	EU average
Safety and security	The Legatum Prosperity Index	27th place in the EU (2019)	13th place in the EU	-
Personal freedom	The Legatum Prosperity Index	26th place in the EU (2019)	13th place in the EU	-
Governance	The Legatum Prosperity Index	27th place in the EU (2019)	13th place in the EU	-
Social capital	The Legatum Prosperity Index	24th place in the EU (2019)	13th place in the EU	-
Democracy	Bertelsmann Stiftung, SGI	5.6 (2019)	7	7.1 (2019)
Executive accountability	Bertelsmann Stiftung, SGI	6.2 (2019)	6.7	6.7 (2019)
Rule of Law Index	World Justice Project	0.55 (2020)	0.73	0.73 (2020)
Rule of Law	World Bank, WGI	53.4	81	81
Voice and accountability	World Bank, WGI	59.1	83.0	82.8
Press freedom index	Reporters Without Borders	111th place in the world (2020)	50th place in the world	28 (2020)

Areas of impact

○ 10.4.a Quality of the regulatory framework

A new common legislative framework for regulations will be proposed, taking into account the accumulated case-law and EU accession. Emphasis will be placed on ex-ante control of draft laws for consistency with important principles and guiding policies. Digital tools will be introduced to create dossiers of regulations with the possibility of tracking the main events of the adoption process. Provision of usable versions of the published acts.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6, 16.7**

Assessment of the financial resources required

BGN 4,000,000

Sources of financing

- State budget
- European funds and instruments

○ 10.4.b **Protection of civil rights**

The role of the case-law of the European Court of Human Rights (ECHR) in the regulatory framework and administrative practice will be strengthened. Emphasis will be placed on ex-ante control of compliance with laws initiated by the executive authorities. Institutions will be more active in implementing ECHR decisions. Transparency will be increased for cases before the ECHR to which Bulgaria was a party.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.10**

Assessment of the financial resources required

BGN 1,800,000

Sources of financing

- State budget
- European funds and instruments

○ 10.4.c **Legal certainty**

The legal framework for challenging administrative acts and decisions will be developed and mechanisms will be provided to address cases of non-compliance in administrative cases. Relevant programmes will be included in schools and universities to clarify citizens' rights and protection mechanisms. Strengthening the responsibility of the state for frequently changing basic legal structures. Increasing transparency in the activities of quasi-judicial authorities.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.3**

Assessment of the financial resources required

BGN 900,000

Sources of financing

- State budget
- European funds and instruments

○ 10.4.d **Administrative and criminal policy**

A new common framework for administrative infringements and sanctions and for their establishment/enforcement and the mechanisms for challenging them will be

established. A register of administrative and criminal activities will be established to clearly track sanctioned acts and abolished and enforceable penalties. The training framework for officials to overcome the defects in the detection of violations and the imposition of penalties will be strengthened. Special administrative and penal provisions will be inventoried.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 5,000,000

Sources of financing

- State budget
- European funds and instruments

○ 10.4.e **Media environment**

A debate will be initiated on the role of the state through its active and passive actions for the development of the media environment in the context of democratic values, the rule of law and media pluralism. Debate will be initiated on the development of public media, public spending on coverage of global events (e.g. in the field of sport). Efforts will be directed towards increasing transparency in private media ownership. The concept of “public advertising” (including municipalities and public enterprises) will be defined and a mechanism for transparency of public spending on advertising will be established.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.10**

Assessment of the financial resources required

-

Sources of financing

-

○ 10.4.f **Civil society and civic education**

Co-management instruments will be developed and new tools for civic participation introduced. Civic education in schools and universities will be developed.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.10**

Assessment of the financial resources required

-

Sources of financing

-

• 10.5 Public sector integrity

A common framework of conduct for public sector employees will be established. The link between breaches of good professional conduct and disciplinary responsibility will be strengthened. A framework will also be established to protect whistleblowers of non-professional conduct of public sector employees. A review of well-established practices will be carried out at the discretion of the administrative authorities. The selection of public administration employees will be improved.

Performance indicators

name	source	current value	target value	EU average
Conflict of interest regulation	World Economic Forum, GCI	6th place in the EU (2019)	5th place in the EU	-
Corruption perception index	Transparency International	43 (2019)	66	66 (2019)
Governance	The Legatum Prosperity Index	27th place in the EU (2019)	13th place in the EU	-
Control of corruption	World Bank, WGI	51	78	77.7
Absence of corruption	World Justice Project, RLI	0.44 (2020)	0.70	0.72 (2020)
Constraints on government powers	World Justice Project, RLI	0.46 (2020)	0.70	0.73 (2020)

Areas of impact

○ 10.5.a Integrity framework

The creation of a common Integrity Framework that includes standards, tools, good practices is a major focus of this IA. The ethical behaviour of public sector officials is regulated in 34 normative acts of national law, and its specificity depends to a large extent on the organisational, institutional and legal characteristics of the respective structure. There are also more than 20 specialized (branch, etc.) documents with similar content.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.5**

Assessment of the financial resources required

Sources of financing

-

-

○ 10.5.b **Judicial ethics framework**

The application of goal and transparent procedures for the appointment of both magistrates and judicial officials is essential to ensure and maintain an open and transparent justice system for the benefit of society. The permanent indicators of objectivity and quality of the attestations based on ethics, professional experience and qualifications achieved so far will be upgraded through the improvement of the system for monitoring and evaluation of the implementation of standards related to ethical regulation, as well as the development of a system for the development of the judicial officer with clear career rules and systematic periodic training.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.5**

Assessment of the financial resources required

Sources of financing

BGN 1,000,000

- State budget
- European funds and instruments

○ 10.5.c **Anti-corruption policy**

Preventing and combating corruption are key elements ensuring the quality of the rule of law and long-term economic growth, competitiveness and attracting more new investments throughout the country. To ensure functioning mechanisms, interventions will be envisaged regarding the independence of the judiciary and the reduction of the regulatory and administrative burden during the security proceedings, as well as more active anti-corruption measures will be taken.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.5**

Assessment of the financial resources required

Sources of financing

BGN 1,700,000

- State budget
- European funds and instruments

• 10.6 Judiciary

The goal of the sub-priority is to strengthen the independence of the judiciary, which is one of the main factors guaranteeing increased trust of society and business and respect for the principle of the rule of law. Transparency, efficiency, equal workload of courts, ethical regulation and the fight against corruption are key elements building an adequate justice process in an evolving European society.

Performance indicators

name	source	current value	target value	EU average
Judicial independence	World Economic Forum, GCI	24th place in the EU (2019)	21st place in the EU	-
Efficiency of legal framework in settling disputes	World Economic Forum, GCI	20th place in the EU (2019)	17th place in the EU	-
Property rights	World Economic Forum, GCI	27th place in the EU (2019)	21st place in the EU	-

Areas of impact

○ 10.6.a Transparency in the judiciary

The guarantees of security and transparency in the activities of the judiciary cover a wide range of elements, namely: in the delivery of decisions; in the budgetary procedure with regard to the judiciary; in the allocation of cases at random and in the determination of the staff of the individual chambers. Increasing the transparency and awareness of citizens will allow for a wider exercise of civil control over issues of public importance.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 2,700,000

Sources of financing

- State budget
- European funds and instruments

○ 10.6.b Effectiveness of the judiciary

A prerequisite for increasing confidence in the judiciary is the action to increase the efficiency of its activities, that is, the achievement of high-quality and timely

judgements. In doing so, the actions taken will be aimed at reducing the length of court proceedings; increasing the percentage of cases decided and pending; enforcement of court decisions; and reducing the proportion of decisions annulled by a higher court.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.6**

Assessment of the financial resources required

BGN 800,000

Sources of financing

- State budget
- European funds and instruments

○ 10.6.c **Balanced workload of courts**

Efforts will be undertaken to build on the model for assessing the workload of courts. It will build on the package of measures planned to reduce the workload in the Updated Strategy to continue the reform of the judiciary, including through the refinement of procedural rules and increased use of alternative forms of dispute resolution.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.3**

Assessment of the financial resources required

BGN 4,500,000

Sources of financing

- State budget
- European funds and instruments

○ 10.6.d **Assessment of the access to justice for citizens and businesses**

Professional, goal and regular conduct of opinion polls on the satisfaction of the judiciary and on the administrative and judicial process is important not only for increasing the trust in the Bulgarian courts and prosecutors' offices, but also for early identification of specific problems and their rapid control. Both the use of standards on the timeliness, quality and accessibility of justice activities and the introduction of measures to enhance citizens' participation in the justice process should be planned.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.3**

Assessment of the financial resources required

Sources of financing

- BGN 600,000
- State budget
 - European funds and instruments

o **10.6.e Penitentiary practice**

An essential unit for the implementation of effective reform of the judiciary of the country is the development and improvement of the penitentiary system. Providing for upgrading measures for the penitentiary system will ensure that the highest European standards for the enforcement of penalties are applied, while ensuring the highest level of respect for fundamental human rights.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.3**

Assessment of the financial resources required

BGN 42,000,000

Sources of financing

- State budget
- European funds and instruments

o **10.6.d Child-friendly justice**

Completing the reform of the child-friendly justice and focusing efforts on improving the quality and effectiveness of the legal and institutional framework in the field of guaranteeing the rights and protection of children victims and witnesses of crime. Performing an evaluation and analysis of judicial control of the acts of the institutions responsible for implementing the policy of the state towards children and overcoming the problems identified. Defining clear responsibilities of institutions and enhancing the skills of employees working with children and families. Introduction of restorative justice for juvenile offenders.

Relevant UN Sustainable Development Goals

Goal 16 Peace, justice and strong institutions

- **Sub-goal 16.3**

Assessment of the financial resources required

BGN 1,200,000

Sources of financing

- State budget
- European funds and instruments

P11 Social inclusion

• 11.1 Promoting employment

The sub-priority aims to increase the economic activity and employment of the population by activating economically inactive persons, providing mediation services for finding employment, inclusion of the unemployed people from vulnerable groups (including young people who are not in training and employment, long-term unemployed, unemployed persons with disabilities, unemployed persons over 50, etc.) in active labour market measures: training, internships, apprenticeships, employment, starting up an independent business, as well as creating conditions for longer stays in the labour market for older people. Provision of intermediary services to provide higher and quality employment to inactive and unemployed persons. Increasing the qualifications and skills of the workforce to better match labour market developments and employers' needs.

Performance indicators

name	source	current value	target value	EU average
NEET rate 15-29, %	Eurostat	16.7 (2019)	15.0	12.6 (2019)
Employment rate 15-64, %	Eurostat	70.1 (2019)	72.0	68.4 (2019)
Activity rate 15-64, %	Eurostat	73.2 (2019)	75.0	76.8 (2019)
Duration of working life, years	Eurostat	34 (2019)	35	35.9 (2019)

Areas of impact

○ 11.1.a Provision of employment services

Measures in this area of impact will aim at providing: mediation services for employment (according to the individual needs of jobseekers), including through external jobs, mobile labour offices, labour exchanges and fieldwork by Roma mediators, case managers, youth mediators and activation specialists. Implementation of the one-stop-shop model for citizens by providing integrated services in Employment and Social Assistance Centres. Strengthening the capacity of labour market systems; increasing employment security and mobility (territorial and professional) in the labour market.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 8 Decent work and economic growth

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 1,300,000,000

Sources of financing

- State budget
- European funds and instruments
- Other sources

o 11.1.b Extension of active work

This area of impact aims to achieve longer working lives after reaching retirement age by: upgrading the qualifications of persons in pre-retirement age, including digital skills training; encouraging employers to employ persons in pre-retirement/retirement age; encouraging employers to adapt working conditions to the characteristics of work in enterprises, including older workers.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 8 Decent work and economic growth

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 438,000,000

Sources of financing

- State budget
- European funds and instruments
- Other sources

o 11.1.c Promoting employment of vulnerable groups in the labour market

Measures in this area of impact will focus on: integrating vulnerable groups into the labour market through inclusion in employment (including subsidised employment); providing opportunities for the long-term integration into the labour market of young people who are neither in employment nor in education and training, as well as the long-term unemployed and people with disabilities; providing equal employment opportunities for jobseekers.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 8 Decent work and economic growth

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 3,899,000,000

Sources of financing

- State budget

- European funds and instruments
- Other sources

o **11.1.d Correlation between business needs and workforce skills**

Policies in this area of impact will aim at providing opportunities for the acquisition of qualifications by unemployed people and increasing their employability; increasing the competitiveness of the labour market for young unemployed people without work experience through training for qualifications and key competences (including apprenticeships, dual training, traineeships); training for employees in response to new demands on the knowledge and skills of the workforce and encouraging employers to increase the qualifications of their workers; enhancing the digital skills of the workforce, including through the establishment of a national programme for adult training.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 8 Decent work and economic growth

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 2,599,000,000

Sources of financing

- State budget
- European funds and instruments
- Other sources

11.2 Inclusion of vulnerable groups

The sub-priority aims to create prerequisites for promoting the social inclusion of vulnerable groups (people with disabilities, elderly people and children, disadvantaged persons and families, homeless people, etc.) through the implementation of measures in different policy areas - social entrepreneurship, support for people with disabilities, social services, provision of material support, improvement of housing conditions, etc. In the area of social services, the measures will aim at improving the quality and scope of social services provided, introducing integrated approaches in the provision of social services, and developing integrated services in line with the social services reform.

Performance indicators

name	source	current value	target value	EU average
Share of beneficiaries of community social services in relation to the total number	SAA, MLSP	70 (2020)	90	-

of users of social services, %				
Share of GDP of social and solidarity economy entities, %	NSI	0.4	3	-
Sites with accessible environment, annual average	MLSP, PDA	61	100	-
Employment rate for persons with a certain degree of disability ¹² aged 15-64, %	NSI	21.9 (2019)	24.0	-

Areas of impact

o 11.2.a Accessibility

This area is aimed at providing access to persons with disabilities and/or persons with functional limitations (as a result of physical, mental, intellectual or sensory disability, age-related disability or other causes related to their body's abilities - permanent or temporary), who, when interacting with the various barriers, cause their limited access to the physical environment of living (buildings, roads, transport and any other open and closed facilities, including workplaces, etc.), to information and communication systems and technologies, including markings and other easy-to-read forms, new technologies and systems, including the Internet, access to high-tech aids, access to facilities and sites for sports, leisure and leisure activities.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 251,000,000

Sources of financing

- State budget
- European funds and instruments

o 11.2.b Long-term care

Measures in this area of impact will aim at continuing the process of deinstitutionalising care for elderly and disabled people and developing quality, affordable and sustainable long-term care services. The focus will be on the integrated approach of support and integrated services, as well as on the implementation of measures for the provision of services in domestic environment and specialized

¹² According to the NSI questionnaire - those above 50%

environments, mobile services and the provision of personal assistance with a view to increasing autonomy. Efforts will also be directed at improving the planning of social services at the national level through the creation of a National Social Services Map, which are financed from the state budget. The existing homes for elderly will be reformed. New social and integrated health and social services for residential care will also be constructed and equipped, together with accompanying specialized and consultative social services for persons with disabilities.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 10 Reduced inequalities

Assessment of the financial resources required	Sources of financing
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BGN 14,470,000,000

- State budget
- European funds and instruments

○ 11.2.c **Social services for children and their families**

Measures in this area of impact will aim at continuing and finalizing the process of deinstitutionalization of child care, focusing on early childhood development and early intervention, prevention and reintegration, implementation of measures to prevent the reproduction of the institutional model of care and increase the quality and effectiveness of the network of social services to support children and their families, as well as the integrated provision of support and integrated cross-sectoral services. Improving service planning through the National Social Services Map is also essential.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 10 Reduced inequalities

Assessment of the financial resources required	Sources of financing
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BGN 1,790,000,000

- State budget
- European funds and instruments

○ 11.2.d **Supporting families with children**

This area of impact will be aimed at supporting families with children with family allowances for children, the main goal of which is to raise children in a family environment, including by integrating family allowances with other family support measures.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 6,500,000,000

Sources of financing

- State budget
- European funds and instruments

o 11.2.e Social entrepreneurship and corporate social responsibility

Policies in this area of impact aim to: (1) by hiring and preparing by social enterprises of persons from vulnerable groups for inclusion in the labour market and social inclusion, exiting a state of long-term unemployment and ending their dependence on state aid. The support in the field of social entrepreneurship will be expanded and modernized through the creation of a network of focus points with territorial coverage in the six regions of the country, which will apply an individualized approach to the needs of each individual social and solidarity economy entity.

(2) Through mechanisms of good interaction and negotiation with business and social partners, encouraging companies to develop and implement corporate social responsibility programmes, including for interaction and cooperation with social and solidarity economy entities, as well as organizing a production process enabling the recruitment of persons from vulnerable groups, their retention in employment and extension of their working life.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 8 Decent work and economic growth

Goal 10 Reduced inequalities

Assessment of the financial resources required

BGN 152,500,000

Sources of financing

- State budget
- European funds and instruments

• 11.3 Poverty reduction

The sub-priority aims to cover passive measures to mitigate and address the various consequences of poverty and social exclusion, including reducing the proportion of people living in severe material deprivation; improving housing conditions; and assisting the most deprived persons and families through social transfers and benefits.

Performance indicators

name	source	current value	target value	EU average
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Material deprivation rate ¹³ , %	Eurostat	19.9 (2019)	Reaching the EU average	5.9
Housing costs overburden rate ¹⁴ , %	Eurostat	17.9	Reaching the EU average	10.3
Share of population having neither a bath, nor a shower, nor indoor flushing toilet in their household, %	Eurostat	8.9	Reaching the EU average	2.0
Impact of social transfers (excluding pensions) on poverty reduction, %	Eurostat	23.7 (2019)	Reaching the EU average	32.8
In-work at-risk-of-poverty rate (aged 18-64), %	Eurostat	10.1	Reaching the EU average	9.6

Areas of impact

o 11.3.a Material support for disadvantaged persons and families

The measures in this area of impact aim at providing material support to disadvantaged persons and families. The support will be implemented through aids, benefits, services, etc., increasing the adequacy of targeted social transfers after reviewing the income of beneficiaries and applying a systematic approach, taking into account the possibilities of the budget.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 2 Zero hunger

Assessment of the financial resources required

BGN 14,736,000,000

Sources of financing

- State budget
- European funds and instruments

o 11.3.b Housing and support for the homeless

¹³ % of households with restrictions in at least four out of nine material deprivation indicators

¹⁴ % of the population in the country with housing costs, which occupy more than 40% of the disposable household income.

This area of impact aims to provide access to housing by: building social/municipal housing, creating integrated cross-sectoral services for the homeless, including begging children and adults; improving the material base and/or building a new one.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Assessment of the financial resources required	Sources of financing
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BGN 2,155,000,000

State budget, European structural funds

○ 11.3.c **Employment rights and minimum wage**

Measures in this area of impact will aim at establishing a mechanism for setting the minimum wage, guaranteeing and protecting workers' labour rights, etc.

Relevant UN Sustainable Development Goals

Goal 1 No poverty

Goal 5 Gender equality

Goal 8 Decent work and economic growth

Goal 10 Reduced inequalities

Assessment of the financial resources required	Sources of financing
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BGN 236,000,000

- State budget
- European funds and instruments

P12 Health and sport

• 12.1 Health promotion and disease prevention

Improving the health characteristics of the population is key to achieving growth, development and sustainability.

Statistics show that the main cause of death in Bulgaria are diseases of the organs of the circulation, neoplasms, diseases of the respiratory, digestive and endocrine systems. Greater emphasis is therefore needed on strengthening health promotion and disease prevention measures. The implementation of the activities will contribute to improving the quality of life, limiting the severity of chronic diseases, allowing early diagnosis of diseases and better management of health.

Performance indicators

name	source	current value	target value	EU average
Share of deaths due to behavioural risk factors	EC	51	Reaching the EU average	39
Treatable and preventable mortality, standardised death rate	Eurostat	425.14	Reaching the EU average	253.53
Registered annual incidence of tuberculosis (new cases and relapses), per 100,000 population	National Tuberculosis Prevention and Control Programme	18.4	Reaching the EU average	10.7
New HIV infection rate, per 100,000 population	European Centre for Disease Prevention and Control	4.4	Not exceeding the EU average	5.1.

Areas of impact

o 12.1.a Health risk factors

Interventions will include: raising public awareness of the main risk factors relevant to chronic non-communicable diseases; measures for healthy eating, physical activity, reduction of tobacco use and abuse of alcohol and drugs, health and sexual education among adolescents and young people; setting up a system for monitoring and assessing the nutrition and nutritional status of different population groups.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required

BGN 249,000,000

Sources of financing

- State budget
- European funds and instruments

o 12.1.b Disease prevention

Interventions in this area will be crucial to improve the quality of life of the population in terms of health status. The measures will target both chronic non-communicable and chronic communicable diseases.

The main measures would include: 1) implementing an interdisciplinary approach in the implementation of prevention policies and creating a database on determinants of health as a basis for the development of national and regional prevention and control programmes, 2) reorienting the structures of the national health system towards preventive activities, 3) strengthening the processes of elimination and eradication of socially significant communicable diseases such as poliomyelitis, tuberculosis, AIDS and viral hepatitis.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

- **Sub-goal 3.3**

Assessment of the financial resources required

BGN 2,576,000,000

Sources of financing

- State budget
- National health insurance fund budget
- Municipal budgets
- European funds and instruments

• 12.2 Health network and cost optimisation

Optimising costs in the healthcare system is key to its sustainable functioning. Bulgaria, like other countries, will continue to face strong pressure in the future to increase the public health resource. This is conditioned by many health demographic and economic factors, such as the ageing of population, the increase in the incidence of chronic non-communicable diseases, the adverse impact of the environment and the work environment, the development of high-tech methods of diagnosis and treatment, etc. Measures will therefore be taken to allocate financial resources effectively, focusing on the financing of early diagnosis and effective treatment of socially significant diseases, rational drug use and restructuring of the beds of medical institutions to develop long-term treatment and palliative care activities.

Performance indicators

name	source	current value	target value	EU average
Share of outpatient curative and rehabilitative care expenditure in total healthcare expenditure, %	Eurostat	13.9	25.0	23.5
Share of household out-of-pocket payments in total health expenditure, %	Eurostat	39.3	30.0	15.2 (2017)

Share of expenditure on medical goods in total healthcare expenditure, %	Eurostat	37.1	Reaching the EU average	18.2 (2017)
Long-term care beds in hospitals per 100,000 population	Eurostat	35.4	50	51.5

Areas of impact

o 12.2.a National health map

The toolkit of the National Health Map of Bulgaria will be used to optimize the structure of the health network to the needs of the population in order to provide affordable and quality health services at all levels in outpatient and hospital care. The mapping of health services will justify the need to ensure investments and/or redirection of resources to areas where there is an established need for certain health activities. Measures will be taken to stimulate the development of long-term treatment and palliative care services provided in healthcare facilities.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required

BGN 2,468,000,000

Sources of financing

- State budget
- National health insurance fund budget
- European funds and instruments

o 12.2.b Outpatient care

Quality primary care reduces the overall cost of healthcare and the need for more expensive hospital treatment, so that measures will be taken to improve the quality of the provision of health services by GPs. Emphasis will be placed on activities related to health education and building skills for healthy lifestyles, rational prescription of medicinal products, as well as on preventive activities through the introduction of a quality assessment system in preventive programmes and continuous monitoring of persons with socially significant diseases and risk groups. Measures will also be taken to develop the capacity of specialized outpatient care in terms of early diagnosis and timely treatment through the use of modern methods in outpatient settings, including through highly specialized activities and medical diagnostic research.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

- Sub-goal 3.8

Assessment of the financial resources required

Sources of financing

- BGN 20,228,000,000
- State budget
- National health insurance fund budget

○ 12.2.c **Emergency services**

Measures will be taken to ensure the sustainable financing of emergency medical facilities, ensuring that the necessary capacity is maintained and taking into account the volume and level of emergency services. In order to ensure the quality of the emergency medical care provided, efforts will be directed towards ensuring conditions for continuous training and assessment of the knowledge and skills of workers in the system, the development of telemedicine and the active inclusion of paramedical personnel in emergency teams.

The use of remote consultations and rapid data transfer to assist emergency teams and the improvement of the information connectivity between the EMAC information systems and the National Emergency Calling System 112 will also be prioritised. The evolving single communication and information platform will ensure a higher quality of service, in line with technological advances and developments.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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- | | |
|-------------------|--|
| BGN 3,150,000,000 | <ul style="list-style-type: none"> - State budget - European funds and instruments |
|-------------------|--|

○ 12.2.d **Effectiveness of hospital care**

Interventions in this area will include periodic updating of the package of health activities guaranteed by the budget of the NHIF in order to expand the volume and scope of activities carried out in hospital care and increase the activities that can be carried out in ambulatory conditions; improvement of the mechanisms for valuing medical activities and linking the funding to the results of hospital treatment. Interventions in this area will include strengthening the capacity of hospital facilities to address the challenges facing health systems in the context of communicable diseases, upgrading the material-technical base of state and municipal hospitals and providing innovative technologies and equipment for diagnosis and treatment. In addition, efforts will be directed to improve the material-technical base in the structures of the psychiatric care system to provide quality health service, to provide modern treatment and rehabilitation opportunities for patients, as well as to develop opportunities for their inclusion in society. Efforts will also be directed towards promoting donation and the development of transplantation activities in the country.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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- | | |
|--------------------|---|
| BGN 35,000,000,000 | <ul style="list-style-type: none"> - State budget - National health insurance fund budget |
|--------------------|---|

- European funds and instruments

○ **12.2.e Medicine policy and financial sustainability of the healthcare system**

Measures will be taken to ensure that patients have equal access to safe, quality, effective and efficient medicines at affordable prices. The main focus of the measures taken will be to ensure confidence in the system, to promote rational drug use, to promote and ensure the sustainable development of the activity of health technology assessment and to monitor the effect of the therapy of medicinal products for correct therapeutic solution and optimize the spending of public funds, to create and maintain a sustainable environment and to avoid unacceptable consequences for the health budget.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required

BGN 6,278,000,000

Sources of financing

- State budget
- National health insurance fund budget

○ **12.2.f Human resources in the healthcare system**

The main focus of the interventions will be aimed at creating incentives for work in the country in order to overcome the existing territorial imbalance of medical specialists, creating conditions for increasing the number of admitted students in medical professions with established shortages (mainly the profession of nurse) and supporting postgraduate training to acquire a speciality in the healthcare system in specialities that take into account negative trends. In addition, a unified information system for monitoring health personnel will be developed and implemented as part of the National Health Information System. The measures aimed at nurses will include: creating opportunities for the full realization of the potential and their wider and autonomous inclusion in medical care (possibility to carry out specific activities and services related to long-term care, palliative care, etc.).

In addition, a training and development centre in interventional neuroradiology will be established. The knowledge and skills of medical professionals in this field will be enhanced. This will improve the quality of medical services provided and reduce mortality and long-term disability of the population, respectively.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required

BGN 2,252,000,000

Sources of financing

- State budget
- National health insurance fund budget

• 12.3 E-Health

The aim of eHealth policy will be to carry out a digital transformation in the health sector, based on the development of the three technological pillars: cloud technology, development of wireless communications networks (4G/5G), mass deployment of high-speed optical data networks. An integrated electronic portal and application will be developed for citizens providing centralised eHealth services, including health information system, health profile, health record and condition monitoring, telemedicine, prescription and administrative services.

Performance indicators

name	source	current value	target value	EU average
General practitioners using ePrescriptions, %	EC, DESI	7 (2019)	100	50 (2019)
General practitioners who have access to healthcare data of patients from outpatient care and hospital care (Medical data exchange), %	EC, DESI	20 (2019)	100	43 (2019)
Citizens using online platforms for consultation with specialists (eHealth), %	EC, DESI	10 (2019)	25	18 (2019)

Areas of impact

○ 12.3.a National Health Information System

The National Health Information System (NHIS) will be established using state-of-the-art technological solutions focused on chronic and non-infectious disease risk prevention in order to provide effective and efficient care to achieve better health outcomes. It will integrate all software applications relevant to human health. As a result of the introduction of NHIS and other eHealth systems, transparency in financial expenditure management as well as organisational, control, planning and forecasting activities in the healthcare system will be improved. An opportunity will be provided to assess the quality and safety of medical care.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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BGN 23,000,000

- State budget
- European funds and instruments

○ **12.3.b Remote healthcare services**

Measures in this area include: development and implementation of telemedicine (especially for patients in hard-to-reach and remote areas, as well as for patients with special needs - patients with chronic diseases, elderly people, etc.) and introduction of innovative applications for mobile patient monitoring services. Online consultations will also be included in the services of telemedicine to clarify diagnoses and discuss the condition of patients based on the results of diagnostic tests, remote medical activities, etc. The ultimate goal is to contribute to improving the access of the population to quality health services.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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BGN 14,000,000

- State budget
- European funds and instruments

○ **12.3.c E-Health information systems**

Measures in this area include: building on and/or upgrading and integrating eHealth information systems with information systems in other areas, including drug supply, with a view to improving the prevention and quality of life of citizens. Upgrading the software applications of medical care providers and pharmacies related to the new reporting models to be imposed by the NHIS and to ensure interoperability in the exchange of medical data, with appropriate data protection and access to it, in accordance with the competences of the relevant healthcare professional.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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BGN 100,000,000

- State budget
- European funds and instruments

○ **12.3.d Security of information and personal data**

Measures in this area include: developing rules, procedures and measures to ensure cybersecurity of NHIS and other eHealth systems, as well as compliance with personal data protection legislation, including on anonymised and pseudonymised health data. A platform for monitoring, analysis and control of logs, network traffic, system files and incident management will be established.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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BGN 13,000,000	- State budget - European funds and instruments
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o 12.3.e Large health databases

Measures in this area include: establishing functionalities to analyse public health policy activities and outcomes on the basis of large health databases. An opportunity will be created to make better use of health data in research and innovation to support personalised healthcare, better health interventions and a more effective health and social care system.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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BGN 14,000,000	- State budget - European funds and instruments
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o 12.3.f Capacity to implement E-Health systems

Measures in this area include: improving the knowledge and skills of health professionals in collecting, analysing and protecting health data, including by setting requirements for digital health curricula for health professionals and establishing lifelong learning programmes covering specific digital skill sets. Providing resource, organizational and staffing security for the normal functioning of NHIS.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Assessment of the financial resources required	Sources of financing
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BGN 18,000,000	- State budget - European funds and instruments
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• 12.4 Sport

The main goals in the field of sport will be to provide conditions for physical activity and participation in sports activities for all age and social groups of the population with a special focus on learners. Efforts for learners will be focused on ensuring optimal conditions for physical education classes and sports activities through targeted interventions to renovate gyms and other school sports infrastructure, as well as by motivating healthy lifestyle and sports activities.

Performance indicators

name	source	current value	target value	EU average
Local availability of opportunities to practice physical activity, %	Eurobarometer	30 (2017)	40	74 (2017)
Prevalence of sufficient physical activity levels of:				
- Children (10-14 years), %	WHO	33	38	-
- Adolescents (15-19), %	WHO	39	45	-
- Adults (>20), %	WHO	26	30	-

Areas of impact

○ 12.4.a Physical activity and practice of sport

This area of impact is aimed at ensuring conditions and access to physical activity, exercise and sport for people of all ages and social groups of the population, with a view to improving health, improving life quality and expectancy.

Efforts will focus on the use of physical education and sport as prevention against diseases associated with inadequate physical activity and immobilisation.

Children will be subject to measures aimed at creating motivation for physical activity and practising sport in their leisure time through participation in sports activities and events, with a view to improving their health, physical fitness and sporting development, forming social qualities such as tolerance, self-control, confidence and teamwork skills.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 5 Gender equality

Goal 10 Reduced inequalities

Assessment of the financial resources required

Sources of financing

BGN 94,000,000

- State budget

○ **12.4.b Sports facilities in schools**

The repair and reconstruction of sports facilities in schools is a prerequisite for optimizing the motor regime in preschool and school establishments as an integral part of the intellectual and emotional development and upbringing of children. The availability of modern sports facilities in schools will create the necessary prerequisites for an effective educational process, as well as for organizing sports events during the school year and holidays.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 4 Quality education

Assessment of the financial resources required

Sources of financing

BGN 250,000,000

- State budget
- Municipal budgets
- European funds and instruments

○ **12.4.c Sports venues and sports facilities**

The provision of modern sports facilities is a prerequisite for attracting adolescents to systematic sports activities, getting used to a healthy lifestyle and addiction prevention.

The creation of conditions for accessibility to sports facilities for all, including people with motor and sensory deficits, leads to increased opportunities for sport, increased motor activity, support for motor skills and attendance at sports events.

Relevant UN Sustainable Development Goals

Goal 3 Good health and well-being

Goal 10 Reduced inequalities

Assessment of the financial resources required

Sources of financing

BGN 163,000,000

- State budget
- Municipal budgets
- European funds and instruments

P13 Culture, heritage and tourism

• 13.1 Cultural diversity and access to culture

The sub-priority aims at building a sustainable environment for the creation of diverse cultural content on the basis of existing cultural diversity and ensuring equal access to it, both within and outside regions and nation states. Promoting cultural and creative industries, including the audiovisual sector, will enhance their potential to foster creative partnership between the cultural sector and other sectors of society in the context of sustainable development. Creating the conditions for digitising the existing cultural content as well as new digital forms using modern technologies will facilitate access to new and diverse forms of cultural expression.

Performance indicators

name	source	current value	target value	EU average
Number of performances of touring theatres in the country and abroad	NSI	6 266	6 950	-
Number of performances of touring music collectives in the country and abroad	NSI	1 469	2 100	-
Number of mobile temporary exhibitions	NSI	2 222	3 000	-
Number of viewers of Bulgarian films	EA NFC-MC	448,777 (2019)	1,000,000	-
Number of public library readers	NSI	1,031,007	1,200,000	-

Areas of impact

○ 13.1.a Institutional infrastructure and technical equipment

Support and create the right conditions for the achievement of quality cultural products by providing the necessary financial, educational and social resources and ensuring equal access to culture, arts and heritage. The renewal of the institutional infrastructure of culture and the modernisation of facilities and technical equipment will ensure the realisation of inclusive cultural functions. An important focus in this

activity is the upgrading of the qualifications of professionals working in the field of arts.

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- **Sub-goal 4.4**

Goal 8 Decent work and economic growth

- **Sub-goal 8.2**

Goal 11 Sustainable cities and communities

- **Sub-goal 11.7**

Assessment of the financial resources required Sources of financing

BGN 750,000,000

- State budget
- European funds and instruments
-

○ 13.1.b **Mobility of artists and works**

The efforts will be aimed at creating mechanisms for more active mobility of artworks, collections and professionals, improving the system for providing state guarantees for museum exhibitions, promoting contacts and partnerships with related international organizations in order to promote Bulgarian culture in Europe and around the world.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

- **Sub-goal 11.a**

Assessment of the financial resources required Sources of financing

BGN 72,000,000

- State budget
- European funds and instruments

○ 13.1.c **Cultural and creative industries**

Cultural and creative industries contribute to improving people's lifestyles, create jobs, stimulate growth and benefit other economic sectors at national, regional and local level. Measures in this area shall aim at creating favourable conditions for their operation: an environment that stimulates creativity and innovation, easier access to finance for the independent sector; reduction of linguistic market fragmentation; opportunities for expansion and internationalisation, as well as entrepreneurial skills formation

Relevant UN Sustainable Development Goals

Goal 4 Quality education

- **Sub-goal 4.4**

Goal 8 Decent work and economic growth

- **Sub-goal 8.9**

Goal 11 Sustainable cities and communities

- **Sub-goal 11.4, 11.b**

Assessment of the financial resources required **Sources of financing**

BGN 295,000,000

- State budget
- Private investments
- European funds and instruments
- Financial instruments

○ **13.1.d Presentation of Bulgarian cultural content**

The presentation/promotion of cultural content from the arts as part of national policies in these areas will be stimulated by supporting the Bulgarian Cultural Institutes abroad, attracting the interest of international scientific and information institutions; supporting creativity, exchange of knowledge, ideas and good practices at national and international level, participation in international projects and activities, exchange of information on cultural policies through digital means, including virtual platforms.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

- **Sub-goal 11.7, 11.b**

Assessment of the financial resources required **Sources of financing**

BGN 667,000,000

- State budget
- European funds and instruments

• **13.2 Cultural heritage**

The sub-priority aims at an integrated approach to cultural heritage management by increasing the investment and professional qualifications of professionals working in the field of conservation and socialization of cultural heritage. The achievement of the goals is ensured by ensuring consistency between the funding and the needs of the sector, modernizing the infrastructure and facilities of the national museum network, the network of public libraries and the national community centre network, introducing innovations, modern design to provide access to heritage for stakeholders and organizations, applying the principles of integrated conservation in the modern environment and improving the quality of life. Creating conditions for digitisation of cultural heritage with a view to its preservation, presentation and promotion.

Performance indicators

name	source	current value	target value	EU average
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Number of visits to museums and art galleries	NSI	5,084,000	5,994,000	-
Number of museums with specialized museum programmes	NSI, MC	129	174	-
Digitisation of cultural assets	NICH	350 (2020)	40,000	-
Number of community centres offering specialised forms of preservation of intangible cultural heritage	MC	2,386 (2017)	2,800	-

Areas of impact

o 13.2.a Preservation of cultural heritage

An important aspect in the preservation of cultural heritage, on the one hand, is the preservation of its significance and sustainable development of the territories, on the other, the expansion and increase of the expert capacity of the workers in the municipalities, the museum, library and community centre network, guaranteeing its preservation and socialization. The principles of integrated conservation, whereby heritage is preserved in its physical and cultural context, ensure its preservation and presentation in the environment in which it is created, thereby preserving and enhancing its qualities. Priority funding of activities related to management of cultural heritage conservation processes - research, management models, archaeological studies, socialization and presentation.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

- **Sub-goal 11.4, 11.b**

Goal No 12 Responsible consumption and production

- **Sub-goal 12.b**

Assessment of the financial resources required Sources of financing

BGN 565,000,000

- State budget
- European funds and instruments

o 13.2.b Socialisation of cultural heritage

Enabling the involvement of all stakeholders, including professional and local communities, to find up-to-date solutions for the presentation and promotion of cultural heritage. Implement measures to incentivise owners, users and institutions aimed at preserving/conservation and presenting cultural heritage through a system of activities and various forms of protection with a view to improving citizens' access and public awareness of the importance of cultural heritage and the need to preserve and socialise it. Strengthening the principle of sustainable development in participatory cultural heritage management and related to the precise definition of the powers, responsibilities and commitments of the various actors involved. Improve the national system for monitoring cultural heritage and strengthen institutional and management capacity to ensure effective protection of cultural values. Preparation and implementation of national standards for the preservation and presentation of movable cultural values and monitoring of their compliance. Creating conditions for sharing information, experience and good practices, as well as knowledge and skills for preservation and socialization of cultural heritage.

Relevant UN Sustainable Development Goals

Goal 11 Sustainable cities and communities

- **Sub-goal 11.3**

Goal No 12 Responsible consumption and production

- **Sub-goal 12.8**

Assessment of the financial resources required Sources of financing

BGN 500,000,000

- State budget
- European funds and instruments
- Financial instruments

○ **13.2.c Extending the scope of electronic services related to cultural heritage**

Accelerating the process of digitisation of cultural valuables through financial, technical and personnel provision of cultural institutes, introduction of uniform standards for digitisation and creation of registers in accordance with national priorities for preservation and expansion of access to cultural heritage and electronic services. The development and introduction of unified software for digitisation of movable cultural heritage and training of specialists will ensure efficient use of resources for development of cultural and creative industries, will improve the interaction between cultural institutes and state and municipal authorities in the fight against crimes with cultural valuables, including their illegal trafficking.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

- **Sub-goal 8.9**

Goal 12 Responsible consumption and production

- Sub-goal 12.8

Assessment of the financial resources required

BGN 160,000,000

Sources of financing

- State budget
- European funds and instruments

• 13.3 Tourism and tourist regions

Efforts will focus on: imposing Bulgaria on the world tourism market as a recognizable and preferred, secure and nationally identical destination; diversifying the tourist product; and reducing seasonality in the sector. The active involvement of green and high technologies in the management, advertising, implementation and reporting of policies in the sector will be encouraged.

A unified approach will be applied in presenting destination Bulgaria on the target markets to achieve a unified and positive image of Bulgaria abroad. Product advertising, on the other hand, will be refined according to the specific interests and needs of each of the target markets. This will contribute to the diversification of demand and the expansion of activity beyond active seasons.

The balanced development of the tourist regions in the country requires each of them to develop, imposing its own unique offer for sale (or own brand), which on the one hand provides it with a competitive advantage so as to attract enough consumers, and on the other hand makes it an element of the overall tourist offer of destination Bulgaria. Measures will be taken for development and positioning of each region, on the basis of which strategic documents for development of the regions will be developed.

Performance indicators

name	source	current value	target value	EU average
Direct tourism sector to GDP, %	World Travel and Tourism Council	3.1 (2017)	3.5	
Total tourism sector contribution to GDP (together with related industries), %	World Travel and Tourism Council	11.5 (2017)	13.0	

Areas of impact

○ 13.3.a Dominant and priority tourism products

The policy will focus on solving problems related to the management of tourist attractions and ensuring a quality tourism experience with sustainable use of natural resources and cultural and historical heritage and focusing on the quality aspects of the tourism products offered.

Overcoming the territorial and seasonal disproportion in the development of tourism in Bulgaria will be achieved through pooling of resources and concerted actions for the development of a complex, diverse and competitive tourism product - through

regional interaction and complementarity to offer an attractive and quality product, which will lead to an increase in the number of tourists, an increase in tourism revenues and the development of local communities.

Activities are envisaged for development of infrastructure for specialized forms of tourism, construction and development of tourist attractions/landmarks in Bulgaria (e.g. improvement of tourist registers, conservation, maintenance and development of attractions/landmarks and related infrastructure, creation of modern visitor centres to the main attractions, etc.), as well as for improvement of dominant and priority tourism products and development of strategic documents (strategies and/or development plans) for their development.

The technological factors have a significant impact on the development of the tourism industry and, in particular, on the distribution system of tourism services and products. Technological innovations - booking of tourist services via the Internet and mobile devices and digital channels for their realization - are particularly influential. Bulgarian tourism needs to be technologically modernized, attractively and comprehensively presented on the Internet and offered in a digital environment through a range of electronic services. Providing the right conditions for digital transformation of the business, including staff training, and providing adequate support in this process will enable higher market shares to be gained in existing and emerging product niches. The green approach to tourism development will also be promoted, ensuring the sustainability of the sector.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

Goal 11 Sustainable cities and communities

Goal 12 Responsible consumption and production

Assessment of the financial resources required

BGN 200,000,000

Sources of financing

- State budget
- European funds and instruments

○ **13.3.b Marketing of the tourist product**

The main goal is to consolidate the image of Bulgaria as a year-round tourist destination with a well-recognizable high quality product, as well as to overcome the seasonality in the sector. Advertising activities, events and exhibitions are planned for both main and specialized forms of tourism that can be practised year-round. Innovative approaches will be implemented to promote the country and seek new forms of successful partnerships.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

Goal 11 Sustainable cities and communities

Goal 12 Responsible consumption and production

Assessment of the financial resources required

BGN 210,000,000

Sources of financing

- State budget
- European funds and instruments

o **13.3.c Tourist regions**

Tourism is one of the main means of supporting regional and local development and has a positive impact on the overall economic situation of the regions (accelerating and multiplying effect of tourism). This is of particular importance for peripheral areas where development opportunities are limited.

The aim of the tourism zoning is the development of competitive tourism, the implementation of a regionalized tourism policy, taking into account the territorial specificities and specifics of different parts of the country and the implementation of effective regional marketing that will make the tourist regions recognizable to potential tourists and successfully “sell” them - both on the domestic and international market. Support in the development of tourist regions will be aimed at pooling resources and concerted actions for the development of a complex, diverse and competitive tourism product, regionalization of national marketing and development of strategic documents for development of the regions.

Provision is envisaged for increasing the competitiveness and sustainable development of the regions of the country, promoting local development, building on the specific local potential and implementing environmentally sustainable management practices to overcome local problems and challenges.

Relevant UN Sustainable Development Goals

Goal 8 Decent work and economic growth

Goal 11 Sustainable cities and communities

Assessment of the financial resources required

BGN 270,000,000

Sources of financing

- State budget;
- European funds and instruments

Ex-ante Impact Assessment

The policies in the field of sustainable economic development, which are envisaged in the development of the National Development Programme BULGARIA 2030, have far-reaching consequences for the economy, including in terms of demand, production and employment, relative prices of producers and consumers and international competitiveness of local companies. Assessment of the impact of the implementation of the interventions provided for in the document plays a key role in supporting the informed choices and following the policies set out. A major limitation of the preliminary assessment of the net effect of BULGARIA 2030 is the high degree of uncertainty in forecasting the long-term drivers external to the Bulgarian economy that will have a major impact on the future, including the speed at which the transition to climate-neutral economies takes place, the development of international relations, demographic characteristics, etc. - reflecting on a number of macroeconomic indicators (energy prices, exchange rates, economic growth in the EU, etc.). It should be noted in advance that the quantitative analysis of the combination of measures shows that a significant improvement in the standard of living is expected, while not taking into account a number of qualitative or indirectly measurable improvements in living conditions and well-being of the population.

Methodology and input data

The macroeconomic model Simulation of Bulgaria's Investment in Long-Term Advance 2.0 (SIBILA 2.0) was used to quantify the macroeconomic effects of the full implementation of the policies set out in BULGARIA 2030. The assessed effects on the main macroeconomic indicators reflect the additional impact of the planned investments in BULGARIA 2030 for the period 2021-2030 compared to a scenario in which the public investment policy remains unchanged. For the calculation of this incremental effect, the necessary costs set in it, estimated at BGN 348.1 billion, have been adjusted with historical data on the expenditures of the General government sector under the corresponding activities in the Classifier of the functions of general government traditionally performed by the public authorities under the current policies (see Table 1 below). In addition, SIBILA 2.0 requires the breakdown of expenses (national and received from other sources) by main economic categories. The economic categories used in this case correspond entirely to the framework of the built model and include the following categories of aggregate supply (production factors):

- **Capital** - expenses for acquisition of machinery, equipment, buildings, expenses for construction of new and reconstruction of existing infrastructure, etc.;
- **Technologies** - expenses on research and development, technological development, information and communication technologies, as well as on improving the quality of the environment and productivity in the public and private sectors (including exchange of experience and total factor productivity);
- **Human capital** - training costs for the employed and unemployed, as well as those increasing the quality and level of education;
- **Labour** - expenses for the inclusion in the workforce of persons who have not been economically active so far, as well as expenses for the creation of new jobs.

The distribution by category of the aggregate supply is calculated on the basis of a detailed follow-up of the content of the policies in BULGARIA 2030 and the historical data established in the

course of the implementation of the NDP: Bulgaria 2020 and is presented in Table 1 below. Also, to ensure interoperability with the set parameters in the econometric model, the evaluated financial parameters have been transformed at constant prices with the gross domestic product deflator.

Table 1 - Input data in the SIBILA 2.0 model, BGN million

	Total financial resources needed	Categories of aggregate supply (production factors)			
		Technology	Human capital	Labour	Capital
Innovative and intelligent Bulgaria	75,456.2	18,366.2	37,507.1	10,856.0	8,726.9
Green and sustainable Bulgaria	51,265.4	10,296.0	2,392.4	2,209.8	36,367.2
Connected and Integrated Bulgaria	92,504.8	14,752.0	4,407.7	1.5	73,343.6
Responsive and fair Bulgaria	50,466.5	31,634.2	1,518.5	16,134.7	1,179.1
Spiritual and vibrant Bulgaria	78,379.0	12,527.0	47,910.6	452.2	17,489.2
Total NDP BULGARIA 2030¹⁵	348,071.9	87,575.4	93,736.3	29,654.2	137,106.1
Financial resources needed to follow current policies	286,495.2	72,082.6	77,153.6	24,408.1	112,850.9
Incremental financial costs for the implementation of NDP BULGARIA 2030 ¹⁶	61,576.7	15,492.8	16,582.7	5,246.1	24,255.1
Financial resources allocated by economic growth factors, % of total resources	100%	25.2%	26.9%	8.5%	39.4%

Source: Ministry of Finance

Results

In view of the simulation nature of the SIBILA 2.0 model, it is not so much the absolute values of the obtained indicators that are relevant for consideration, but the relative differences in the respective development scenarios (baseline and alternative). The overall effect of the measures and policies set out in the National Development Programme BULGARIA 2030 is expected to be strongly positive (see Table 2 below). The positive effects in the long term will be linked both to an increase in the extensive characteristics of production and to an improvement in the quality component of the inputs. Increasing the intensive characteristics of growth throughout the country will be based on the new technologies deployed and the increased skills and employability of the employed labour resource. As a result, the economy will position itself on a higher trajectory of economic growth. For the simulated time horizon 2021-2030, the calculated effects give reason to expect a significant

¹⁵ The sum of resources under the five axes of development of NDP BULGARIA 2030

¹⁶ The difference between the necessary financial resources under the five axes of development of NDP BULGARIA 2030 and the necessary financial resources in the implementation of the current policies

expansion of the country's production, with results indicating an additional GDP growth of 33.4% by the end of 2030 compared to the baseline scenario. This will allow the Bulgarian economy to achieve accelerated convergence of living standards as measured by the GDP per capita indicator in the SPS and in particular to reach 75% of the average GDP level in the Union.

As a result of the implementation of the policies set out in the strategic document, the economic activity of the working population is expected to improve and the number of unemployed people to fall by nearly 64% by the end of 2030 compared to the baseline scenario. In the short term, this will be due to job creation directly linked to investment and, in the long term, will be a consequence of improving the quality characteristics of the workforce and its productivity. As a result of reduced unemployment and increased production in the economy, there will be an acceleration of income growth, expressed in a cumulative increase of the average wage by 92.4% by 2030 above the baseline scenario, which in turn determines the increase in private consumption by 41.3% due to increased solvency of households. Higher employment of the working population and increased household consumption are expected to contribute to improving public welfare and a range of social aspects, including reducing poverty and inequalities. In turn, improved social characteristics would increase the country's resilience to shocks, becoming an unlocking transmission channel for sustained and sustainable economic growth in the longer term¹⁷.

The policies undertaken will have a positive impact on private sector investments, which grow by 45.7% compared to the baseline scenario by the end of 2030. The formation of a higher rate of capital accumulation and the prevalence of the Crowding in effect over the Crowding out effect of increased government investment is based on the exploitation of increased added value and return on production, increased competition on product and labour markets, and the complementarity of human capital with physical capital.

The increase in demand also implies an increase in imports of goods and services, estimated at 15.1% by the end of 2030 compared to the baseline scenario. Despite expectations of improved positioning in the global trading network as a result of policies, the economy will still have a relatively high marginal tendency to import in the medium term, both due to low current raw material security and the drive to increase production efficiency by importing more productive and raw material saving equipment and technologies. At the same time, exports also grow, albeit more modest - by 4.7% compared to the baseline scenario, resulting from increased production and its increased competitiveness through higher overall factor productivity and labour productivity. As a result, the overall effect on the trade balance is a decline in the current account of 8.1 p.p. of GDP compared to the baseline scenario, which in the long term is expected to decrease or even reverse both due to higher production and the improvement of the competitive positions of local producers.

Table 2 – Change in key macroeconomic indicators (simulation scenario)

Macroeconomic indicator	2030 effect compared to the baseline scenario
GDP	33.4%
Exports of goods and services	4.7%

¹⁷ Empirical evidence attributes the great positive impact of reducing inequalities and poverty on the economic growth of the human capital accumulation channel and the reduction of fertility rates among the low-educated population. See e.g. Ostry J., Berg, A., & Tsangarides, C.G. (2014). Redistribution, inequality, and growth, IMF Staff Discussion Notes 14/02. International Monetary Fund.

Imports of goods and services	15.1%
Current account, % of GDP	-8.1 p.p.
Private consumption	41.3%
Private investments	45.7%
Unemployed persons	-63.7%
Average salary	92.4%
Inflation by HICP	16.4%
Budget Balance, % of GDP	0.1 p.p.

The price level marks a moderate cumulative growth of 16.4% compared to the baseline scenario for the simulated ten-year period, which cannot be qualified as a significant risk of overheating the economy. The effects of an increase in solvent demand and a narrow labour market are partly offset by increased economic capacity and an acceleration in the growth of imports of relatively cheaper goods and services.

According to the analysis, the implementation of BULGARIA 2030 by the end of 2030 would have a positive effect on the fiscal position of the country, which is estimated at 0.1 p.p. of GDP. This assessment is based on the assumption of maintaining the ratio between the funded policies through European and national funds, using the relationship between the receipts to the “Aid and donations” account of the Consolidated Fiscal Programme and the expenditures of the General government sector under the 2030 activities corresponding to the priorities in the NDP BULGARIA in the Classifier of functions of general government¹⁸. Overall, the total simulated effect is a combination of several opposing directional influences. On the one hand, the implementation of interventions financed through the national budget directly increases government spending in absolute and relative terms (in % of GDP). At the same time, part of government expenses is reduced in relative terms (e.g. due to the fall in unemployment) through automatic stabilisers, and as a result of higher incomes and employment and better market conditions, there is a process of increasing budget revenues.

¹⁸ For the period 2009-2019 this ratio is estimated at 10.9%

Monitoring and control mechanism

The main task of the mechanisms for monitoring and control of the implementation of the strategic documents is the creation of prerequisites for achieving maximum effectiveness and efficiency of the implemented policies. In order to ensure effective and efficient implementation of BULGARIA 2030, as well as to ensure continuity, the already established mechanism for monitoring and control of the implementation of the National Development Programme: Bulgaria 2020 will be used.

In order to operationalize the process of managing the implementation of the National Development Programme BULGARIA 2030, the development of Triennial Action Plans as well as their annual updates will continue. The action plans will reflect the financial resources from EU funds, the national budget, as well as the funding opportunities from other international financial institutions and the private sector. In order to resource national funding for the relevant policies, the Action Plans should be linked to the medium-term fiscal framework and the national budget. The annual update of the Plans will be accompanied by an annual report on the implementation of the measures under the individual priorities and the information on this will be prepared by the leading departments. Following the already established mechanism for detailing the strategies under the individual priorities, as well as the mechanism of monitoring and control of the National Development Programme: Bulgaria 2020, under each priority the designated leading department will coordinate the process of preparing the annual update of the Triennial Action Plans, as well as the report on the implementation of the measures. In order to ensure consistency with the budgetary procedure, the annual update of the Triennial Action Plans will be prepared and proposed for adoption by the Council of Ministers by 31 December of the previous year. At the same time, synchronisation of the information submitted by the departments under the budgetary procedure with the data submitted in the preparation of the Triennial Action Plans regarding the financial resources provided for the implementation of the individual measures will be required.

The Development Council of the Council of Ministers will continue to be the responsible authority for monitoring, controlling and reporting the implementation of BULGARIA 2030. The specific functions and responsibilities of the Council with regard to BULGARIA 2030 will be set out in Decree of the Council of Ministers No. 110/2010, which should include:

- organizing and coordinating the process of monitoring, controlling and reporting the implementation of the National Development Programme BULGARIA 2030;
- preparation of Triennial action plans for the implementation of the National Development Programme BULGARIA 2030 and proposal for their approval by the Council of Ministers;
- ensuring linking the national funding of the National Development Programme BULGARIA 2030 with the Budget Act;
- coordination in ensuring compliance of the national and sectoral strategies, plans and programmes, as well as the programming documents prepared in connection with the membership of the Republic of Bulgaria in the European Union with the goals and priorities of the National Development Programme BULGARIA 2030.

At operational level, the existing Coordination Committee for the management, monitoring, control and reporting of the implementation of the NDP: Bulgaria 2020 will continue to perform its functions in relation to BULGARIA 2030. The Committee will ensure the preparation, implementation and reporting of the Triennial Action Plans for the Implementation of BULGARIA 2030 and their annual update, containing an annual implementation report, and will propose the projects for approval by the Development Council. It will also be the function of the Committee to monitor the progress in achieving BULGARIA 2030 goals and priorities, as well as to prepare recommendations for corrective measures in case of non-compliance.