



Review of policies and current situation in Bulgaria

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VELIKO TURNOVO MUNICIPALITY, Bulgaria (PP10)

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1. POLICY ON NATURAL AREAS IN BULGARIA AND IN VELIKO TURNOVO

Map of Bulgaria



Source: European Commission <http://europa.eu/abc/maps/>

1.1 THE NATIONAL LEGISLATION OF BULGARIA GOVERNING THE FUNCTIONING OF NATURAL AREAS

List of policies (e.g. for UK the Environmental Protection Act 1990)

- LAW OF PRESERVATION OF ENVIRONMENT /amend. SG. 103/29 Dec 2009/;
- LAW FOR THE WATERS /amend. SG. 103/29 Dec 2009/;
- LAW FOR WASTE MANAGEMENT /amend. SG. 95/1 Dec 2009/;
- LAW OF THE PURITY OF ATMOSPHERIC AIR /amend. SG. 41/1 Jun 2010/;
- LAW OF PROTECTION FROM THE HARMFUL IMPACT OF THE CHEMICAL SUBSTANCES AND PREPARATIONS /amend. SG. 110/30 Dec 2008/;
- SOIL LAW /amend. SG. 80/9 Oct.2009/;
- LAW FOR THE BIOLOGICAL DIVERSITY /amend. SG. 103/29 Dec 2009/;
- LAW FOR THE MEDICAL PLANTS /amend. SG. 103/29 Dec 2009/;
- LAW ON THE GENETICALLY MODIFIED ORGANISMS /amend. SG. 25/30 Mar 2010/;
- LAW FOR THE PROTECTED TERRITORIES /amend. SG. 103/29 Dec 2009/;
- LAW OF PROTECTION FROM NOISE IN ENVIRONMENT /amend. SG. 41/2 Jun 2009/;

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LAW FOR THE ANIMAL BREEDING / amend. SG. 43/29 Apr 2008/;
LAW FOR PLANTS PROTECTION /amend. SG. 82/16 Oct 2009/;
LAW FOR ANIMAL PROTECTION /amend. SG. 80/9 Oct 2009/
LAW OF THE FISHERY AND AQUACULTURES /amend. SG. 82/16 Oct 2009/;
LAW FOR HUNTING AND PROTECTION OF THE GAME / amend. SG. 92/20 Nov 2009/
LAW OF THE FORESTS /amend. SG. 103/29 Dec 2009/

(up to 1000 characters)

Brief description

As the Law of preservation of the environment is the main in the sphere of environmental protection the emphasis will be put on it.

The Application field and scope of the Law are as follows: the Law shall provide the public relations, connected with:

1. the preservation of environment for the present and the future generations and the protection of human health;
2. the preservation of the biological diversity in compliance with the natural bio-geographic characteristic of the country;
3. the preservation and the use of the components of environment;
4. the control and the management of the factors, damaging the environment;
5. the implementing of control over the status of environment and the sources of pollution;
6. the prevention and the restriction of pollution;
7. the creating and the functioning of the National system for monitoring of the environment;
8. the strategies, the programmes and the plans for preservation of environment;
9. the collecting and the access to the information about environment;
10. the economic organisation of the activities for preservation of environment;
11. the rights and the obligations of the state, the municipalities, the corporate bodies and the individuals for preservation of environment.

The objectives of the law shall be achieved by:

1. regulating of the regimes for preservation and use of the components of the environment;
2. control over the status and the use of the components of the environment and sources for its pollution and damaging;
3. establishing of admissible standards for emissions and for quality of the environment;
4. management of the components and the factors of the environment;
5. implementing of environmental impact assessment (EIA);
6. issuing of permissions for prevention, restriction and control of the pollution;
7. announcing and management of territories with special regime of protection;
8. development of the system of monitoring of the components of the environment;
9. introduction of economic regulators and financial mechanisms for management of the environment;
10. regulation of the right and the obligations of the state, the municipalities, the corporate bodies and the individuals.

The preservation of environment shall be based on the following principles:

1. sustainable development;
2. prevention and reduction of the risk for human health;
3. priority of the prevention of pollution to follow-up removal of the damages, caused by it;

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4. participation of the public and transparency in the process of decision taking in the field of environment;
5. informing of the citizens about the status of the environment;
6. the polluter shall pay for the caused damages;
7. preservation, development and protection of the ecosystems and their intrinsic biological diversity;
8. restoration and improvement of the quality of environment in the polluted and damaged regions;
9. prevention of pollution and damaging of the clean regions and other unfavourable impacts on them;
10. integration of the policy for preservation of environment in the sector and the regional policies for development of economy and public relations;
11. access to justice on issues, referring to environment.

The components of environment are: the atmospheric air, the atmosphere, the waters, the soil, the earth bowels, the landscape, the natural sights, the mineral diversity, the biological diversity and its elements.

The factors, polluting or damaging the environment, can be: natural and anthropogenic substances and processes; different kinds of waste and their location; risk energy sources – noises, radiation, as well as some genetically modified organisms.

State policy and bodies for management of environment

The state policy for preservation of environment shall be implemented by the Minister of Environment and Waters. The state policy for preservation of environment shall be integrated in the sector policies – transport, power generation, construction, agriculture, tourism, industry, education etc., and shall be implemented by the competent bodies of the executive power. Competent bodies in the sense of the law shall be:

1. the Minister of Environment and Waters;
2. the executive director of the Executive Agency for Environment;
3. the directors of the Regional inspectorates for environment and waters (RIEW);
4. the directors of the basin directorates;
5. the mayors of the municipalities, and in the towns with district division – also the mayors of the districts;
6. the regional governors.

Competent to undertake the actions and activities, provided in the law, shall be:

1. on the territory of one municipality – the director of RIEW
2. on the territory of one region – the regional governor or the director of RIEW;
3. on the territory of several municipalities within the scope of one RIEW – the director of the respective inspectorate;
4. on the territory of several municipalities within the scope of different RIEW – the Minister of Environment and Waters.

The Minister of Environment and Waters shall:

1. develop with the above-mentioned bodies of policy and the strategy for preservation of environment in the Republic of Bulgaria;
2. manage through the Executive agency for Environment the National system for monitoring of environment;
3. control the status of environment on the territory of the country;
4. co-ordinate the control authorities of the other bodies of the executive power with regard to the environment;
5. issue orders, permissions, instructions and approve methods;

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6. together with the interested bodies of the executive power:
 - a) issue standards for maximum admissible emissions from kinds of pollutants and standards for maximum admissible concentrations of harmful substances for components of the environment in regions;
 - b) approve methods for EIA;
 - c) issue standards for rational use of renewable and not renewable natural resources;
 - d) ensure the collecting and the conceding of information about the status of the environment;
 - e) approve methods for control of the components of the environment;
7. implement other activities, connected with the preservation of environment in compliance with the special laws;
8. prepare the annual report about the status of environment;
9. organize and coordinate the activities related to collection, preliminary assessment and forwarding of project proposals to the European Commission pursuant to the Regulation (EC) No. 614/2007 of the European Parliament and of the Council of 23 May 2007 concerning the financial instrument for the environment (LIFE+) (OB, L 149/1 of 9 June 2007) and implement other powers, arising out of application of the Regulation;
10. prepare and submit to the European Commission reports on application of legal acts of the European Union legislation in environmental field.
11. The procedure and the requirements of reporting to the European Commission regarding the application of legal acts under shall be set out in an Ordinance, adopted by the Council of Ministers.

With the Minister of Environment and Waters shall be created:

1. High expert ecological council;
2. consultative councils for the policy for management of the components of the environment.

At the RIEW and the Executive agency on environment shall be created expert ecological councils. The functions, the tasks and the members of the councils shall be determined with a regulation by the Minister of Environment and Waters. The Executive agency for environment at the Minister of Environment and Waters shall implement the management of the National system for monitoring of the environment. The Executive agency for environment /EAE/ shall be a corporate body. It shall be represented by an executive director. The activity, the structure, the organisation of work and the staff of the EAE shall be determined with a structural regulation, approved by the Council of Ministers. The regional inspectorates for environment and waters, the directorates of the national parks and the basin directorates shall ensure the conducting of the state policy for preservation of environment at regional level. The above-mentioned bodies shall be corporate bodies at the Minister of Environment and Waters at budget maintenance and shall be represented by the respective directors or officials, authorised by them. The chiefs of these bodies shall be secondary administrators with budget credits at the Minister of Environment and Waters. The directors of RIEW, the directors of the national parks and the directors of the basin directorates shall compile warning and fact finding records, issue prescriptions, orders for implementation of compulsory administrative measures and penalty provisions. The number, the territorial scope of activity, the functions and the structure of RIEW, the authorities of their directors, as well as the activity of the directorates of the national parks and of the basin directorates shall be determined with regulations, issue by the Minister of Environment and Waters. The mayors of municipalities shall:

1. inform the population about the status of the environment about the requirements of the law;
2. develop and control together with the other bodies plans for liquidation of the consequences of accident and volley pollution on the territory of the municipality;
3. organise the management of waste on the territory of the municipality;
4. control the construction, the maintenance and the correct exploitation of the treatment

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- stations for waste water in the urban territories;
5. organise and control the purity, the maintenance, the preservation and the expansion of the local green systems in the settlements and the surrounding territories as well as the preservation of the biologic divergence, of the landscape and of the natural and the cultural heritage in them;
 6. determine and announce publicly the persons, responsible for the maintaining of clean streets, pavements and the other places for public use on the territories of the settlements, and control the fulfilment of their obligations;
 7. organise the activity of eco-inspectorates, created with a decision of the municipal council, including these, having right to compile acts for establishing administrative offences;
 8. determine the officials, who can compile acts for establishing administrative violations under this law;
 9. implement their authorities according to the special laws inn the sphere of environment.
 10. determine the persons of the municipal administration, having the necessary professional qualification for implementation of the activities for management of environment. The mayors of municipalities can also assign the fulfilment of the functions to the mayors of mayoralties and regions.

(up to 4000 characters in total)

1.2 THE EXISTING MANAGEMENT STRUCTURES OF NATURAL AREAS

Brief description of the designation (e.g. for UK National Parks, in France – Grand Sites)

The categories of protected territories are:

1. reserve;
2. national park;
3. natural landmark;
4. maintained reserve;
5. natural park;
6. protected area.

Reserves - As reserves shall be declared species of natural ecological systems including characteristic and/or extraordinary wild vegetation and animal kinds and their habitats. The reserves shall be managed with the purpose of:

1. protecting their natural character;
2. scientific and educational activity and/or ecological monitoring;
3. preservation of the genetic resources;
4. preservation of the natural habitats and of the populations of protected rare, endemic and relict kinds;
5. development of network of ecological systems and endangered habitats representative for Bulgaria and Europe.

All activities are prohibited in the reserves with the exception of: their guarding; visits with scientific purpose; passing of people along marked paths, including with educational purpose; collection of seed material, wild plants and animals with scientific purpose or for their recreation in other places in quantities, ways and time excluding violation in the ecological systems, extinguishing fires and sanitary measures in the forests damaged as a result of natural disasters and calamities. The visits shall be made after coordination with the Minister of

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environment and waters or officials authorized by him. The sanitary measures shall be carried out after coordination with the Minister of Environment and Waters or officials authorized by him issued on the basis of a positive scientific statement of the Bulgarian Academy of Science and a positive decision of the National Council for the Biological Diversity.

National parks - Declared as national parks shall be territories within whose limits there are no populated areas and settlements and which include natural ecological systems with great variety of vegetation and animal species and habitats, with characteristic and extraordinary landscape and sites of the non-living nature. The national parks shall be managed with the purpose of:

1. maintaining the variety of the ecological systems and protection of the wild nature;
2. preservation and maintenance of the biological variety in the ecological systems;
3. providing possibilities for development of scientific, educational and recreational activities;
4. creation of preconditions for the development of tourism, ecological means of living of the population and other activities

The following zones shall be formed in the national parks:

1. reserves and maintained reserves;
2. tourist zone;
3. zones of the huts, the administrative centres and the sport installations;
4. other zones complied with the concrete conditions in the parks.

The reserves and the maintained reserves within the limits of the national parks shall retain their regimes determined by the order for their declaring.

Prohibited in the national parks shall be:

1. construction, except of tourist shelters and huts, water catching for drinking water, purification installations, buildings and installations for the needs of the management of the park and services for the visitors, underground communications, repair of existing buildings, roads, sport and other installations;
2. industrial activities with exception of maintenance and restoration activities in the forests, lands and water basins;
3. taking out clear felling;
4. using artificial fertilisers and other chemical substances;
5. introduction of vegetal and animal kinds not typical for the region;
6. grazing of goats, as well as grazing in the forests, outside the meadows and pastures;
7. picking herbs, wild fruits and other plants and animals in definite places;
8. collecting fossils and minerals, damaging rock formations;
9. damaging the natural condition of water basins, water streams, their banks and adherent territories;
10. game breeding and hunting except in cases of regulation of the number of animal kinds;
11. sport fishing and fish breeding in definite places;
12. pollution of the waters and of the terrain with household, industrial and other waste;
13. camping and building fire outside the defined places;
14. intervention in the biological variety;
15. collection of rare, endemic, relict and protected kinds, except for scientific purposes;
16. other activities determined by the order for declaring the protected territory and the management plan.

The zones, the regions, the places, the ways and other conditions of carrying out the activities in the national parks shall be determined by their management plans.

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Natural landmarks - Declared as natural landmarks shall be characteristic or exceptional sites of the non-living nature, such as rock formations, rock findings of scientific value, land pyramids, caves, pot-holes, water falls, fossils and mineral fields, sand dunes and others of exceptional value due to their inherent rarity, representative and aesthetic value or of importance for the science and culture. The natural landmarks shall be managed with the purpose of preserving their natural particularities. The natural landmarks shall be declared with adherent territories necessary for their preservation. Prohibited in the natural landmarks shall be activities which can damage their natural condition or reduce their aesthetic value. Measures for preserving, strengthening and restoration of the natural landmarks shall be admitted by a permit of the Ministry of environment and waters in coordination with the owners of the natural landmarks and other interested institutions.

Maintained reserves - Declared as maintained reserves shall be ecological systems including rare and/or endangered wild vegetal and animal species and their habitats. The maintained reserves shall be managed with the purpose of:

1. maintaining their natural character;
2. scientific and educational purposes and/or ecological monitoring;
3. restoration of populations of vegetal and animal species and/or conditions of their habitats;
4. preservation of the genetic resources.

Any activities shall be prohibited in the maintained reserves with the exception of:

1. their guarding;
2. visits with scientific purpose;
3. passing of people along marked paths, including with educational purpose;
4. collecting seed material, wild plants and animals with scientific purpose or for their restoration in other places;
5. carrying out maintaining, directing, regulatory or restoration measures.

Natural parks - Declared as natural parks shall be territories including various ecological systems with a variety of vegetal and animal species and their habitats, with characteristic and exceptional landscape and sites of the non-living nature. The natural parks shall be managed with the purpose of:

1. maintaining the variety of the ecological systems and preserving the biological variety in them;
2. providing possibility of development of scientific, educational and recreational activities;
3. steady usage of the restorable natural resources with preservation of traditional forms of ways of living, as well as for providing conditions for the development of tourism.

Within the limits of the natural parks there can be populated areas, settlements and resorts, as well as production and activities which do not pollute the environment. The protected territories of other categories, falling within the limits of the natural parks shall retain their regimes determined by the order for their declaring.

Prohibited in the natural parks shall be:

1. taking out clear felling in the high-stem forests, with exception of the poplars, and in the offshoot forests with area larger than 3 hectares;
2. introduction of vegetal and animal species not characteristic of the region;
3. grazing of goats except in definite places;
4. collecting fossils and minerals, damaging rock formations;

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5. pollution of the waters and terrain with household, industrial and other waste;
6. camping and building fire outside the determined places;
7. extraction of ores and minerals by the open-air method;
8. extraction and primary processing (dressing) of underground metal resources by applying chemical and chemical-bacteriological methods and cyanides;
9. activities and construction which are not permitted by the order for declaring the park, the management plan of the park and the structural and technical plans and projects;
10. collecting rare, endemic, relict and protected species except for scientific purposes;
11. extraction of resources from the sea through dragging and trailing;
12. other activities determined by the order for declaring the protected territory and the management plan.

Protected areas - Declared as protected areas shall be:

1. territories of characteristic or remarkable landscapes, including such as a result from harmonic coexistence of man and nature;
2. habitats of endangered, rare or vulnerable vegetal and animal species and communities;

The protected areas shall be managed for the purpose of:

1. preserving the components of the landscape;
2. preserving, maintaining or restoring conditions in the habitats corresponding to the ecological conditions for the species and communities - subject of protection;
3. providing possibility for scientific studies, educational activity and ecological monitoring;
4. providing possibility for tourism and for spiritual enrichment.

Prohibited in the protected areas shall be activities contradicting the requirements for preserving the concrete sites subject of protection.

Pirin National Park - Extending over an area of 27,400 ha and lying at an altitude of 1,008–2,914 m in the Pirin mountains, in south west Bulgaria, Pirin National Park has a limestone Balkan landscape, with lakes, waterfalls, caves and pine forests. The rugged mountains, with some 70 glacial lakes scattered throughout them, are home to hundreds of endemic and rare species, many of which are representative of the Balkan Pleistocene flora. The mountains also have diverse and unique landscapes of great aesthetic value.

The Rila National Park is with:

- Area: 81,046 ha
- Forests cover 53,481 ha
- Mountain treeless area 27,565 ha
- 90% of ecosystems are natural
- There are four reserves with a total area of 16 222.1 hectares
- Highest peak: Musala - 2925 m altitude
- Lowest point: over Blagoevgrad, about 800 m altitude.

Rila National Park is the largest national park in Bulgaria. It is situated 100 km. south of Sofia, in the central and highest parts of the Rila Mountains. It protects: self-regulating ecosystems that have significant biodiversity, habitats and communities of rare and endangered species, historical monuments of world importance of science and culture. Hence spring the most deep and long rivers of the Balkan Peninsula. Rila National Park is

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one of the most valuable and largest protected areas in Europe - the second category according to the International Union for Conservation of Nature (IUCN). The park and the four reserves in it are included in the List of representative protected areas of the UN. The Parangalitsa reserve, former "Marichini Lakes (which is included in the territory of the Central Rila Reserve) are part of the World Network of Biosphere Reserves under the Programme Man and Biosphere of UNESCO. On the territory of Rila National Park is located also the largest reserve in the country - the Central Rila Reserve with an area of 12 393.7 hectares, and one of the oldest reserves in Bulgaria - Parangalitsa, announced in 1933 .

The Central Balkan National Park lies in the heart of Bulgaria, nestled in the central and higher portions of the Balkan Range. The Park contains rare and endangered wildlife species and communities, self-regulating ecosystems of biological diversity, as well as historical sites of global cultural and scientific significance.

The Central Balkan National Park was established in 1991 to conserve the unique natural scenery and heritage of this area and protect the customs and livelihood of the local population. The Park has:

- Area: 71,669.5 hectares
- Total length: 85 kilometers
- Average width: 10 kilometers
- Highest peak: Botev at 2,376 meters above sea level
- Lowest elevation: near Karlovo, about 500 meters above sea level
- Wooded area: 44,000.8 hectares
- Treeless area: 27,668.7 hectares
- 70% of all ecosystems are natural
- There are 9 nature reserves, with a combined area of 20,019 hectares

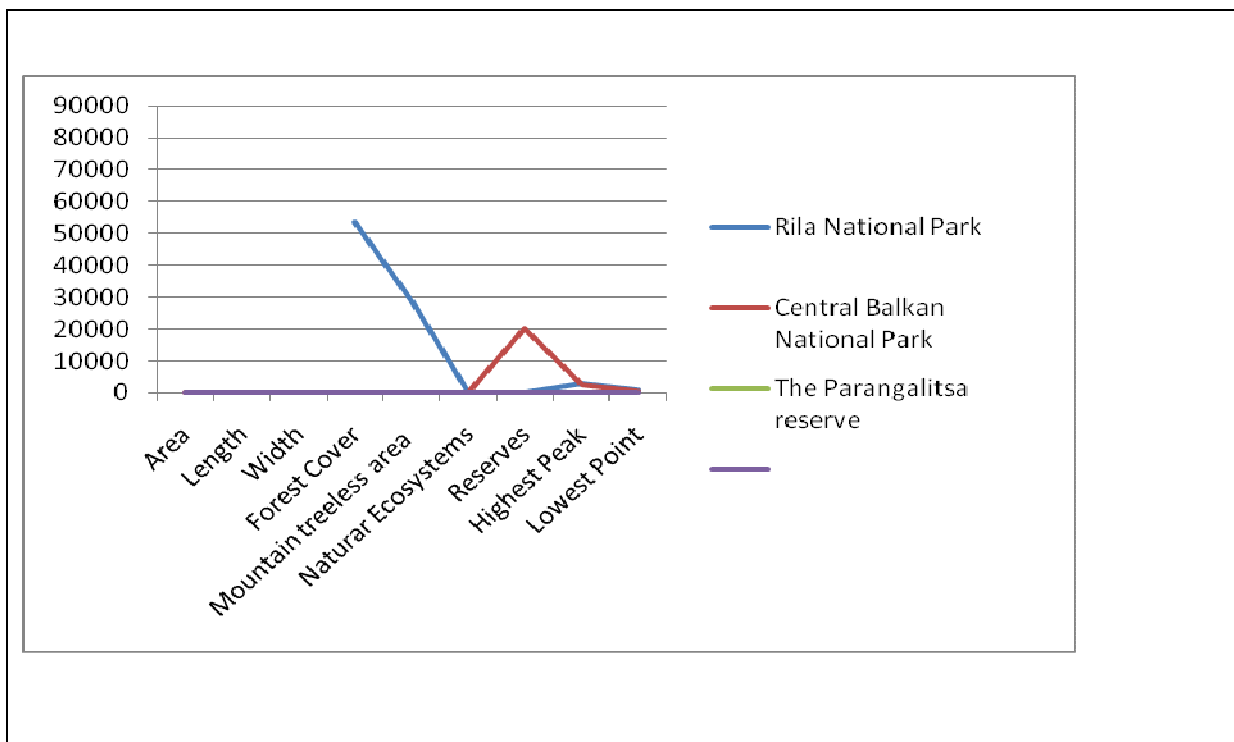
The Central Balkan National Park is one of the largest and most valuable of the protected areas in Europe. The World Conservation Union has listed the Park as Category 2. The Park and eight of its nature reserves are on the UN List of Representative Protected Areas, and four of its nature reserves are included in the World Biosphere Reserves Network under the Man and Biosphere UNESCO Program. In 2002, Central Balkan National Park became a candidate for membership into the PAN Parks European Network.

(text limit: 2000 characters by designation)

How it relates to other administrative structures (hierarchy of responsibility)?

Graphics1: Comparative characteristic in Protected areas: The Rila National Park – Central Balkan National Park, Parangalitsa Reserve

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(up to 2000 characters)

How is it governed?

The Bodies of management_ The Ministry of environment and waters and its regional bodies carry out:

1. the management and control in the protected territories;
2. the management, the assigning of the activities on the maintenance and restoration, the assigning of tourist activities, the guarding and the control in the forests, the lands and the water areas in the protected territories - exclusive state property. The above-mentioned activities shall be carried out under conditions and by an order determined by regulations approved by the Minister of environment and waters.

In fulfillment of his legal capacities the Minister of environment and waters shall:

1. work out strategies, plans, programmes, draft laws and by-laws for the development of the system of protected territories;
2. create the system of protected territories;
3. organise the gathering, maintaining updated and storing of the data for the protected territories for the creation of a specialised map, register and information system for them;
4. assign the working out and present for approval at the Council of Ministers plans of management of the national and natural parks;
5. assign the working out and approve the plans of management of the remaining protected territories;
6. assist activities of owners or users, associations, non-government organisations and others, aimed at the preservation, maintenance or restoration of protected territories;
7. organise control over the activity of all owners and users in the protected territories;

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8. coordinate the activities of other ministries, administrative bodies, municipalities, public organisations, scientific and academic institutes and others, related to the protected territories;
9. represent the state before international institutions and organisations in the field of protected territories;
10. extend proposals to international institutions for inclusion of protected territories in the "List of the biosphere reserves", in the "List of the world heritage" in the "List of the humid zones of international importance" and others.
11. organise the guarding of the protected territories - exclusive state property;
12. order the construction and maintenance of visiting centres in the protected territories with informational and educational purposes;
13. establish specialised structures of management of the protected territories.

The Regional bodies of the Ministry of environment and waters for the protected territories are the directorates of the national parks and the regional inspections for the environment and waters.

The directorates of the national parks are independent corporate bodies at budget support and directly subordinated to the Ministry of environment and waters. In fulfillment of their legal capacities the directors of the regional bodies of the Ministry of environment and waters in the protected territories in their regions shall:

1. carry out or organise the management of the protected territories;
2. organise the working out of management plans;
3. apply the management plans in the protected territories, exclusive state property, and provide their guarding;
4. assign the fulfillment of maintaining, directing, regulating or restoration activities, tourist activities in the protected territories - exclusive state property;
5. issue annual permits for pastures and permits for using wood by the local population within the frames of the maintaining and restoration activities in the forests, in the national parks and in the maintained reservations;
6. issue permits for picking mushrooms and wild fruits with exception of those from medical plants in the national parks for commercial purposes;
7. control the activities of the owners or users of forests, land and water basins;
8. coordinate and control the implementation of the plans of management in the field of the scientific and research activity, the maintaining and restoration measures for endangered species and habitats, the educational ecological programmes and other nature protection activities carried out by other state bodies, municipalities, non-governmental organisations and persons;
9. organise monitoring of the quality of the components of the environment;
10. organise the functioning of visiting centres;
11. sanction the offenders in the stipulated cases.

The functions, the tasks and the structure of the directorates of the national parks shall be settled by regulations for the structure and activity approved by the Minister of environment and waters. The Ministry of Agriculture and Food, the Executive Agency of Forests as well as individual, corporate bodies and the municipalities, owners of forests, land and water basins in the protected territories other than those which are exclusive state property, shall carry out their using and guarding according to the provisions of this and other special laws.

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The Executive Agency of Forests shall establish special directorates of natural parks for fulfillment of the plans of management of the natural parks.
The functions, the tasks and the activities of the directorates shall be determined by regulations approved by the Minister of Agriculture and Food.

(up to 2000 characters)

Is there a link to the legislation mentioned above?

Yes. The link is to the Law for the protected territories, which settles the categories of protected territories, their designation and regime of preservation and usage, announcement and management. The law aims at the protection and preservation of the protected territories as a national and human wealth and property and as a special form of preservation of the national environment, contributing to the development of the culture and science and to the welfare of the society. The preservation of the nature in the protected territories is of advantage before the other activities in them. The state shall establish and provide the functioning and preservation of a system of protected territories as a part of the regional and world network of such territories in compliance with the international agreements on the protection of the environment, party to which is the Republic of Bulgaria. The protected territories are designated for preservation of the biological varieties in the ecological systems and of the natural processes ensuing from them, as well as of characteristic or important sites of the non-living nature and landscapes.

(up to 1000 characters)

Highlight activity that is good and why (e.g. partnerships working, management plans, autonomy of activity)

Worked out for the protected territories are management plans under conditions and by an order determined by an ordinance approved by the Council of Ministers. The management plans for national parks are worked out within a period of up to three years and those for the reserves and maintained reserves - within two years from their declaring. The plans shall be updated every ten years. The management plans complied with:

1. the requirements for the category of protected territory;
2. the regime of the protected territory determined by the order for its declaring;
3. the requirements of international agreements.

The management plans contain:

1. general characteristics of the protected territory and of its components;
2. the purposes of the management in the protected territory;
3. norms, regimes, conditions or recommendations for carrying out: the activities in the forests, land and water basins; the development of the infrastructure and the construction; the organisation of the management and others, providing the achievement of the set goals;
4. short-term and long-term programmes for activities related to the scientific and research work and monitoring of the components of the environment, the maintenance of endangered species, communities and habitats, the ecological education and others. The management plans for the protected territories are assigned by the Ministry of environment and waters. The management plans for the protected territories can also be assigned by the owners, municipalities, non-governmental organisations or associations and others, upon coordination with the Minister of environment and waters or an official authorized by him. In the process of working out the management plans for national parks and maintained reserves the executors organise public

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discussions with the participation of representatives of the interested central and local authorities, of the owners or their associations, of scientific, academic and non-governmental organisations and other. The general statements, recommendations and notes from the public discussions shall be entered in a written statement to be attached to the draft management plan. The management plan shall take account of the statements, recommendations and notes.

The described in p. 2.3 parks are part of PAN Parks, which organization is set out to protect Europe's wilderness by creating a network of large well-managed wilderness protected areas which would provide a unique experience for visitors; and benefits for local communities. These certified parks all include a significant wilderness area in their core. The benefit of this certification for the Bulgarian National Parks, as well as for the Bulgarian State are as follows:

- Independent audit - Certification demonstrates that the protected area is managed with high standards of quality management and practice;
- Easier access to funding - PAN Parks can assist parks to acquire funding and can also provide direct support for projects ensuring verification.;
- Expertise exchange in a living network - Being part of a network brings access to collective knowledge and support mechanisms.;
- Co-operation with rural communities - PAN Parks facilitates real dialogue between local stakeholders to help alleviate unnecessary conflict.;
- Tools to control and monitor tourism - PAN Parks provides professional support and tools to help develop effective sustainable tourism and visitor management.;
- Support in lobbying at decision makers - PAN Parks supports protected areas in their efforts to influence key decision makers for more park friendly policies.;
- International recognition - PAN Parks provides support and promotional activities for certified protected areas.

(up to 2000 characters)

2. POLICY ON ENTREPRENEURSHIP AND SMES DEVELOPMENT IN BULGARIA AND VELIKO TURNOVO

2.1 JUDICIAL FORMS OF BUSINESS CONDUCT IN BULGARIA

I. According to the Commercial Law the business registration structures and their peculiarities are the following: **NATURAL PERSON MERCHANT** - Any natural person possessing capacity whose domicile is in the country may register as a sole entrepreneur. Ineligible to be a sole entrepreneur shall be a person:

1. who is bankrupt and his rights have not been restored;
2. who has intentionally gone bankrupt and has left unsatisfied creditors.
3. who has been convicted for bankruptcy.

A sole entrepreneur shall be registered on the basis of an application which shall state:

1. the name, domicile, address and Unified Civil Code (EGN);
2. the trade name under which the activities shall be carried on;
3. the seat and the address of the registered office;
4. the purposes of the business.

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A specimen of the merchant's signature and an affidavit stating that the person has not been deprived of the right to carry on commercial activities shall be attached to the application. Entered in the register shall be the above-mentioned data. A person may register only one trade name as a sole entrepreneur.

Trade Name of Sole Entrepreneur - A sole entrepreneur's trade name shall incorporate without abbreviation the person's given name and either the surname or patronymic by which he is generally known.

Transfer of Trade Name - A sole entrepreneur's trade name may be transferred to a third party only together with his enterprise. A sole entrepreneur's heirs, on acquiring the enterprise, shall be free to retain its trade name. In cases under the preceding paragraphs the new owner's name shall be added to the trade name. The transfer shall be registered in the commercial register.

Deletion from the register - The entry of the sole entrepreneur shall be deleted from the commercial register:

1. in case of termination of his activity or establishing his residence abroad - upon his application;
2. in case of his death - upon application by the successors;
3. for placing under judicial disability – upon application by the guardian or trustee.

II. STATE - OWNED AND MUNICIPAL ENTERPRISES

PUBLIC ENTERPRISE MERCHANT - A state-owned and municipal enterprise shall be either a single person limited liability company or a single person joint stock company. State-owned and municipal enterprises may also form other companies or groups of companies. State-owned enterprises shall be formed as or transformed into single person limited liability companies or single person joint stock companies pursuant to a procedure to be established by a law. Municipal enterprises shall be formed as or transformed into single person limited liability companies or single person joint stock companies through a resolution of the municipal council. State-owned enterprises which are not companies may be formed with a law.

III. COMPANIES - A company is an association of two or more persons for effecting commercial transactions with joint means. In cases provided by a law a company may be incorporated by one person. Companies shall be legal persons.

Types of Companies - The types of companies are:

1. general partnership;
2. limited partnership;
3. limited liability company;
4. joint stock company;
5. partnership limited by shares.

The trade companies under p. 1 and 2 shall be personal, and those under p. 3 - 5 - capital.

Partners in a Company - A company's founders shall be Bulgarian or foreign individual or corporate bodies possessing capacity. A person may participate in one or more companies to the extent such participation is not prohibited by law. When a trade company participates in another company its rights as a partner or sole owner shall be exercised by the person who has the right to represent it or by an explicitly authorised person.

Preliminary Agreement to Form a Company - Persons wishing to form a company may reach agreement on the acts which must be performed so that the incorporation may be prepared. For a breach of obligations based on that agreement the parties shall be liable only for the actual damages caused.

Formation of a Company - A company shall be deemed formed on the date of its registration in the commercial register. The application for registration shall be filed by the appointed managing organ.

IV. BUSINESS STRUCTURES UNDER THE LAW OF THE CO-OPERATIONS are co-operations. The co-operation shall be an association of natural persons with changeable capital and changeable number of members who with mutual help and co-operation implement commercial activity for satisfying their economic, social and cultural interests. The co-operation shall be a corporate body. The state can support and encourage the co-

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operations in their activity under conditions and by order, determined in the respective special laws.

Order for establishment - A co-operation shall be able to establish at least 7 legally able individuals who take decision at a foundation meeting. The foundation meeting shall approve statutes and elect chairman of the co-operation, management council and control council. The statutes of the co-operation shall provide:

1. the name, the headquarters, the address of management and the subject of activity;
2. the conditions for accepting members, their rights and obligations;
3. the bodies of the co-operation and their rights and obligations;
4. the order for decision making;
5. the extent of the entering and the share payment;
- 5a. the order for conceding of farm land for cultivation and lands of the forest fund for usage upon coordination with the respective state forests husbandry;
6. the order for distribution of the profit and the loss;
7. the kinds of funds and dividends and the way for defining their extent;
8. the order for disposing with the possessions of the co-operation;
9. the grounds and the order for terminating of membership.

In the statutes shall be possible to be regulated employment and insurance relations between the co-operation members and the co-operation in compliance with the labour and social legislation in effect. In the statutes shall be possible to be regulated also other issues as far as they have not been provided by the law. The record of the foundation meeting of the co-operation and the statutes shall be signed by the founders.

V. BODIES UNDER THE LAW FOR THE NON-PROFIT CORPORATE BODIES

Associations: Founding

The association shall be founded by three or more persons, uniting for the purposes of carrying out non-profit activity. An association defined for carrying out socially useful activity shall be founded by at least 7 able individuals or 3 corporate bodies.

Contents of the statutes - The founders shall adopt statutes which shall contain:

1. the name;
2. the headquarters;
3. the goals and the means of their achievement;
4. the definition of the type of activity according to art. 2;
5. the subject of activity;
6. the bodies of management;
7. the branches;
8. the authority of the bodies of the association;
9. the rules for the ways of representation of the association;
10. the rules for the occurrence and termination of the membership, as well as the order of settlement of the proprietary relations in termination of the membership;
11. the term for which the association is founded;
12. the order of determining the size and the way of making the proprietary instalments;
13. the order of distribution of the remaining property upon indemnification of the creditors.

Foundations: Founding - A foundation shall be founded during lifetime or on the occasion of a death by a unilateral founding act which gratuitously concedes property for achieving non-profit goal. For founding the foundation during lifetime it shall be necessary for the act to have notary certified signatures. When real rights are transferred on a real estate, the founding act shall be entered by the judge for the entries at the regional

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court at the location of the real estate. The property submitted by a founding act shall be considered property of the foundation at the time of its occurrence from the date of the founding act during lifetime or of opening the last will and testament in case of death. The founder shall have the right to revoke the founding act until the establishment of the foundation, and this right shall not be passed on to the legatees.

Contents of the founding act - The founding act shall indicate:

1. the name;
2. the headquarters;
3. the goals;
4. the type of the activity;
5. the submitted property;
6. the bodies of the foundation;
7. the branches;
8. the rules regarding the authority of the bodies;
9. the rules regarding the way of representation;
10. the term for which the foundation is founded.

The request for entry shall be made by the founder or by a person or a body authorised by him, the executive of the inheritance, the legatee or by some of the persons who would benefit from the activity of the foundation according to the founding act. If activities are necessary for the amendment or supplement of the founding act and it is impossible to be carried out by the founder or by an order established by him or by the law the amendments shall be introduced by the district court at the headquarters of the foundation upon request of the interested applicants. The court shall be obliged to carry out the activities in compliance with the will expressed by the founding act.

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2.2 ENTREPRENEURSHIP IN BULGARIA

1.1. NUMBER OF SMEs IN BULGARIA

The total number of enterprises with 1-249 persons employed in 2008 is **282.6** thousand. The total number of **enterprises in the population surveyed** in 2008 amounts to 253 971 and is 23.7 per cent more over 2001. Subject of analysis in this report are private enterprises only, which represent 99.8 per cent of the total number of enterprises in the population surveyed.

The total number of private enterprises in the population surveyed in 2008 is 253 338. Of these, **SMEs are 252 682**, which is a 24.3 per cent increase over 2001. SMEs represent 99.5 per cent of all 253 971 enterprises in the population surveyed.

Micro-enterprises (with 1 to 9 persons employed) are the dominant size class – in 2008 they are 88.9 per cent of all surveyed private enterprises and 89.2 per cent of all SMEs. While in the period between 2004 and 2006 their number only registered a modest increase - a little over per cent per year, in 2008 they increased considerably - by 10.2 per cent, and are already 19.6 per cent more than they were in 2001.

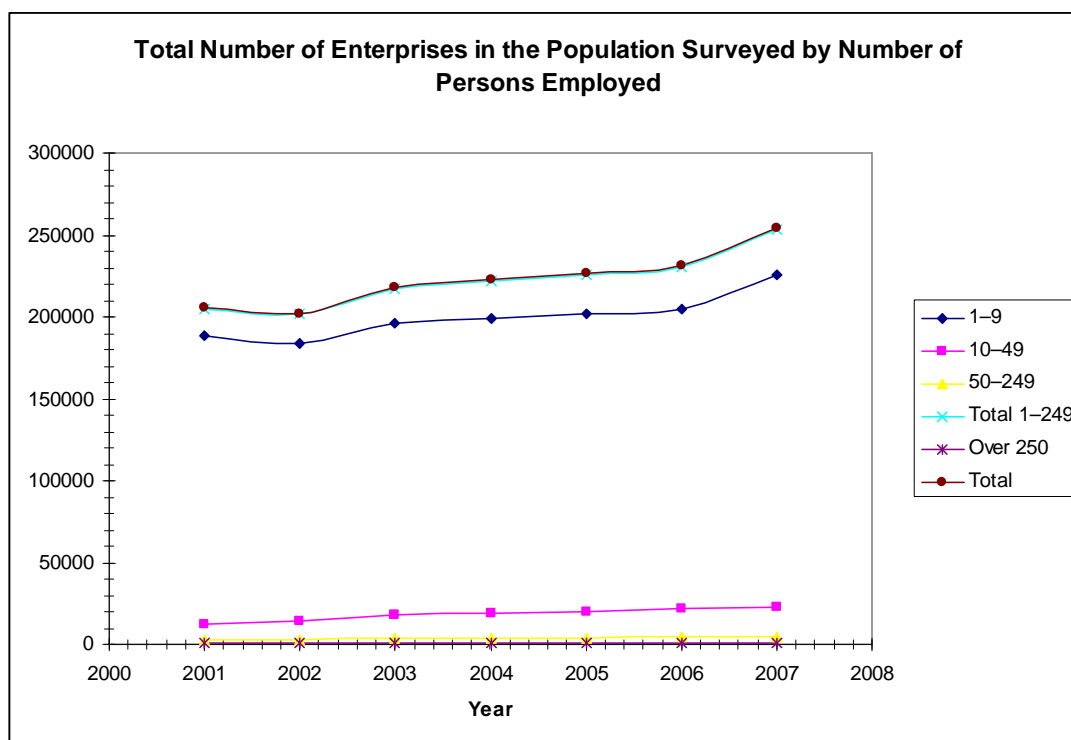
Small enterprises (with 10 to 49 persons employed) are almost 10 times less in number than micro-enterprises – 22 745 in 2008. Over the entire 2001-2008 period, their number has been growing at the fastest rate (by 86.7

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per cent) as compared to the remaining size classes. In 2002-2003, the annual increase reached a double-digit number. For 2007 the increase in their number was 6.7 per cent, and they amount to about 9 per cent both of the total number of surveyed private enterprises, and of SMEs.

Medium-sized enterprises (with 50 to 249 persons employed) are almost 5 times less than small enterprises and their share has been kept for some time under 2 per cent of the total number of SMEs and private enterprises, in spite of the fact that between 2005 and 2006 the annual increase in their number was the fastest when compared to remaining size classes. In 2008, they were 67 per cent more over 2001, and 8.2 per cent more over the preceding year 2007.

Table 2



2. ENVIRONMENT FOR SME DEVELOPMENT

European Commission Recommendations towards Creating a Favorable Business Environment. The Small Business Act for Europe adopted in 2008 envisages the promotion of entrepreneurship in Member States. It is intended to help create an environment which encourages citizens to set up and develop their own businesses. The role of SMEs should be appreciated at the political level and supported by the administration. The document provides for cooperation between the Commission and Member States by applying the principles of proportionality and subsidiarity. The document proposes that 10 principles be applied in the SME policy: 1. Create an environment in which entrepreneurs and family businesses can thrive and entrepreneurship is rewarded; 2. Ensure that honest entrepreneurs who have faced bankruptcy quickly get a second chance; 3. Design rules according to the "Think Small First" principle; 4. Make public administrations responsive to SMEs' needs; 5. Facilitate SMEs' participation in public procurement and State Aid; 6. Facilitate SMEs' access to finance and develop a legal and business environment; 7. Wider opportunities for SMEs to benefit from the Single Market; 8. Promote the upgrading of skills in SMEs and all forms of innovation; 9. Enable SMEs to turn environmental challenges into opportunities; 10. Provide access to new markets.

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The Commission envisages legislative changes (a set of regulations), to allow for the application of these principles in respect of SMEs:

- regulations related to State Aid;
- regulation providing for a Statute for a European Private Company;
- directive on reduced VAT rates;
- a legislative proposal to further modernize, simplify and harmonize the existing rules on VAT invoicing to alleviate the burden on businesses.

The Act proposes a set of specific measures and initiatives for the application of the 10 principles (measures at Commission level and at the level of individual countries). Some of the specific measures include:

- promote entrepreneurial culture and facilitate exchanges of best practice in enterprise education;
- launch a “European SME Week” initiative;
- launch the “Erasmus for Young Entrepreneurs” initiative in (2008);
- establish an EU network of female entrepreneur ambassadors and promote entrepreneurship among women graduates;
- stimulate innovative and entrepreneurial mindsets among young people;
- introduce entrepreneurship as a key competence in school curricula (particularly in general secondary education);
- step up cooperation with the business community and research institutions in order to develop systematic strategies for entrepreneurship education;
- simplify the scheme for transferable businesses;
- simplify tax legislation;
- provide support for immigrants who wish to become entrepreneurs.

3. ACCESS TO FINANCE is a decisive factor for SME start-up, development, and growth. For this reason, all countries in the EU have been working on improving the opportunities for access to financing of SMEs, and since 1993 the Commission has been organizing regular meetings between banks and companies. They are used to discuss good practices and make recommendations for improving access to financial resources for small companies and improve their relationship with banks.

In 1998, the Community introduced a set of financial instruments (guarantees and venture capital), to increase the volume of funding available to SMEs. For the last 11 years, about 360 000 enterprises have been provided with support using government instruments. For the period 2007-2013, these instruments were integrated into the Competitiveness and Innovation Framework Program (CIP) which has a budget of € 3621 b. The main target group of the program is SMEs, and its activity aims to improve their access to funding and provide services in support of businesses. The program is expected to provide support to about 400 000 enterprises for the entire period. Two other initiatives also aimed at supporting SMEs, are the European Regional Development Fund, which will use € 23 b for assistance to businesses by 2013, and the European Investment Bank, which will provide financial assistance worth € 30 b in the period 2008-2011.

In order to improve access to funding of SMEs, National Strategy for Encouragement of Small and Medium-Sized Enterprises plans for:

- Establishment of a Bulgarian Development Bank, National Guarantee Fund and support the development of existing guarantee funds.
- Support for the development of venture capital funds.
- Providing better conditions for foreign investment and encouraging domestic investments.
- Encouraging the development of capital market and listing SMEs on the stock exchange.
- Establishing a database of the credit history and credit rating of enterprises.

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- Decreasing the tax and social security burden.
- Information campaigns about funding opportunities for SMEs.

Methods for measuring business registrations and closures

The Registry Agency at the Minister of Justice keep and maintain register BULSTAT as unified national administrative register and implement activities for the entries in it as well as the issuing of references and certificates about the entered circumstances. The information in register BULSTAT is preserved in unified information system maintaining national data base. In register BULSTAT are entered:

1. the corporate bodies which are not traders;
2. the branches of foreign persons, who are not traders;
3. foreign corporate bodies:
 - a) who implement economic activity in the country, including also through place of economic activity or defined base or object, or
 - b) whose effective management is on the territory of the country, or
 - c) who own immovable property in the country;
4. unregistered partnerships under the Law of obligations and contracts and insurance funds;
5. other persons who are insurers and are not individuals;
6. the branches and the divisions of the persons, as well as the branches of the inscribed in the commercial register traders;
7. individuals, exercising free lance profession or craft activity;
8. foreign individuals who have no unified civil number or personal number of a foreigner and:
 - a) implement commercial activity or render independent personal services in the country, including also through place of economic activity or defined base or object, or
 - b) own immovable property in the country, or
 - c) are insurers;
9. other individuals – insurers.

In register BULSTAT may be registered also foreign persons, who are subject to special registration by force of material tax law, including also when they are exempt from tax according to international agreement entered into force to which the Republic of Bulgaria is a party. Foreign persons from a Member State of the European Union or another contracting state to the European Economic Area Agreement, carrying out economic activity solely pursuant to the freedom of provision of services, shall not be entered into the BULSTAT register. In the documents, issued by the bodies of the state authorities, of the local government and of the judicial power, shall be pointed out obligatory the code of BULSTAT of the persons.

In register BULSTAT shall be recorded the following data and circumstances:

1. UIC (code of BULSTAT);
2. acts for establishing/occurrence, change, closing/deletion;
3. date of registration in BULSTAT;
4. date of termination of the registration;
5. legal-organizational form;
6. full and short name;
7. headquarters and address of management;
8. address for correspondence on the territory of the country with all state institutions as well as telephone, fax, e-mail address;
9. address of implementing of the activity or of the property;
10. subject of activity/basic economic activity;

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11. term of existence;
12. status;
13. capital;
14. distribution of the capital;
15. legal succession;
16. bodies of management and representation:
 - a) manager and/or representative – names, citizenship, UCN, PNF or another identification number of foreign person, way of representation, position of the representative;
 - b) kind and members of the collective body of management;
17. partners and/or stock holders:
 - a) partners – UCN/UIC, names/name, citizenship/state and percentage participation in the assets;
 - b) stock holders – the state and the municipal stock holding participation and about the persons with over 10 percent participation in the capital - UCN/UIC, names/name, citizenship/state;
18. data, necessary for the Register of the statistical units, determined with order by the executive director of the Registry Agency upon proposal by the chairman of the National Statistics Institute.

For the individuals, exercising free lance profession or craft activity in register BULSTAT shall be entered the following data and circumstances:

1. UIC (code of BULSTAT);
2. data about the person – date of birth for the foreign individuals, citizenship, names, identification document;
3. grounds for entering;
4. addresses for correspondence, telephone, fax, e-mail address:
 - a) for the Bulgarian citizens and the foreigners staying permanently in the country – permanent and present address;
 - b) for the foreign individuals – address for correspondence on the territory of the country with all state institutions;
5. address of implementing of the activity or the property;
6. exercised activities/professions;
7. documents, certifying the implementing of defined activity;
8. date of starting, termination, renewal of the activity.

The data shall be entered in Bulgarian language and with Roman letters according to the rules for transliteration.

The registration shall be implemented in the offices for entering of the Registry Agency, located at the headquarters of the regional courts. The offices for entering shall fulfil their functions on the territory of the court region of the respective regional court.

The registration of the foreign persons:

1. implementing economic activity in the country, including through place of economic activity or defined base, or which effective management is on the territory of the Republic of Bulgaria, shall be implemented at the office for entering at the place of implementing the activity, respectively the management;
2. implementing economic activity in the country through more than one place of economic activity, shall be implemented at the office for entering at the location of the first occurred place of economic activity or in some of the offices for entering at the place of implementing the activity by choice of the foreign person in case more than one places of implementing of the activity occur simultaneously; in case the foreign person does not exercise choice it shall be considered that the

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registration has been implemented at the office for entering who first implements activity for entering in register BULSTAT;

3. acquired immovable property, who are not included in the cases, shall be implemented by the office for entering at the location of the property; in case more than one properties are acquired simultaneously the registration shall be implemented in one of the offices for entering at the location of the property by choice of the foreign person; in case the foreign person does not exercise choice the registration shall be implemented at the office for entering at the first acquired property.

Registration according to LAW ON VALUE ADDED TAX - The National Revenue Agency creates and maintains special register. Along with the entry in the register the persons shall acquire identification number for the purposes of VAT, in front of which is placed the sign "BG". **Registration with respect to deliveries, carried out on the territory of the state** - Subject to registration under this law shall be every tax liable person, settled on the territory of the state who carries out leviable deliveries of goods or services. Subject to registration is also any tax liable person, who is not settled on the territory of the state, and carries out leviable deliveries of goods or services, different from the ones, regarding which the tax is exigible from the recipient.

Compulsory registration - Any tax liable person, which has leviable turnover of 50 000 BGN or more, for a period, not exceeding the last 12 consecutive months prior to the current month, shall be obliged to submit an application for registration under this law within 14-days term from the expiry of the tax period, during which he/she has reached this turnover. The leviable turnover shall be the sum of the tax bases of the carried out by the person:

1. leviable deliveries, including the ones, leviable with zero rate;
2. deliveries of financial services;
3. deliveries of insurance services.

The deliveries shall not be included in the leviable turnover, in case they are not related to the main activity of the person, the deliveries of long-term material and non-material assets, used in the person's activity, as well as the deliveries, regarding which the tax is exigible from the recipient. In the leviable turnover also shall not be included advance payments with regards to deliveries, except for the advance payments received prior to occurrence of the tax event.

The obligation for registration shall arise regardless of the term, for which the leviable turnover has been reached, however, not within a period, longer than the one. At assessment of the leviable turnover shall be taken into account the tax regime of the deliveries by the date of arising of the tax event or by the date of the payment, before the tax event regarding the delivery has occurred.

The income authority may refuse to register a person, with regards to whom the revenue administration has terminated or refused registration until the drop out of the grounds for refusal of registration, respectively the grounds for de-registration, or till expiry of 24 months, considered from the beginning of the month, following the month of the deregistration or the refusal of registration.

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2.3 ENTREPRENEURSHIP IN VELIKO TURNOVO

The consumer survey carried out in July 2010 registers an increase of the total consumer confidence indicator by 4.5 percentage points in comparison with April. The indicator goes up both for the urban and for the rural population (an increase of the indicators by 3.9 and 6.1 percentage points respectively). As a whole the July inquiry reports on a decrease of pessimism in consumers' assessments and expectations in comparison with April. The consumers' opinions of the development of the general economic situation in the region over the last 12 months and the expectations about the next 12 months are less negative than they were in the previous survey, which is why the balance indicators increase by 3.5 and 2.0 percentage points. Less pessimistic in comparison with April are also the assessments of the changes in the financial situation of households over the last 12 months and the expectations about the next 12 months.

The consumers living in the villages of the region considered that their financial situation currently is relatively worse than it was 3 months ago (a decrease of the balance indicator by 4.8 percentage points), while the urban population' situation is almost unchanged - the balance indicator decreases by 0.3 percentage points.

The total assessment of the conditions for saving in the present economic situation in the region continues to be unfavourable, but there is a certain positive change in the urban population's opinions. With regard to the next 12 months a minimal improvement of the conditions for saving is expected. The consumers' opinion is that over the last 12 months there has been an increase of consumer prices but with a lower rate, and over the next 12 months a slight acceleration of inflation is expected. The consumers' expectations about the unemployment are that the process of reduction of personnel is going to be more moderate (a decrease of the balance indicator by 9.7 percentage points). In comparison with April the last inquiry registers an increase of optimism in the total assessment of the present situation to make major purchases of durable goods. In July a slight increase of the balance indicator regarding the intentions of such purchases over the next 12 months is also recorded.

The balance assessments of the intentions of "buying a car", "making expenditures on home improvements" and "buying or building a home (villa)" over the next 12 months have also improved.

Labour Cost Index is a short-term indicator measuring the quarterly development of hourly labour costs incurred by the employers as a result of engaging the labour work force. The Quarterly Survey on employees, hours worked, wages and salaries and other expenditures paid by the employer is the main source used for the labour cost index data calculation.

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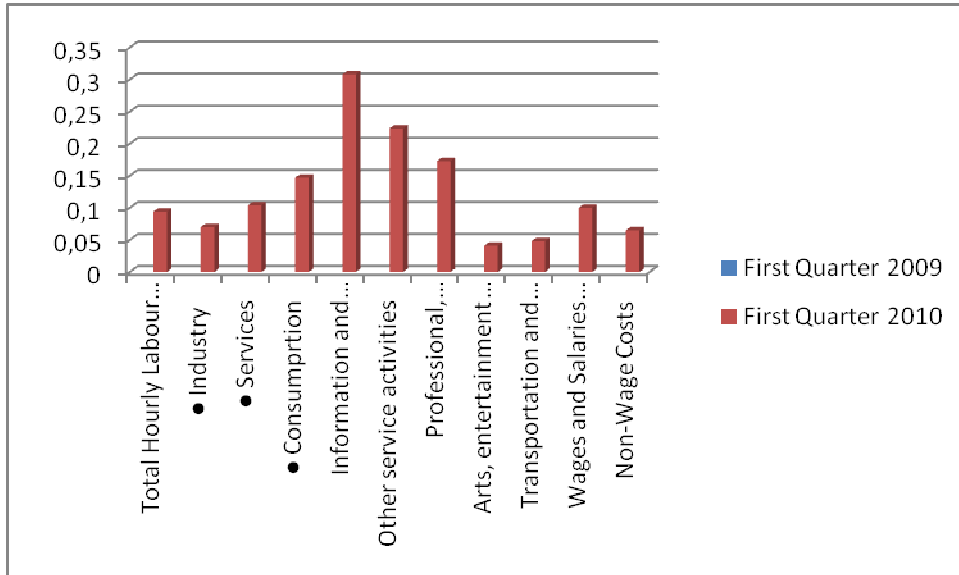
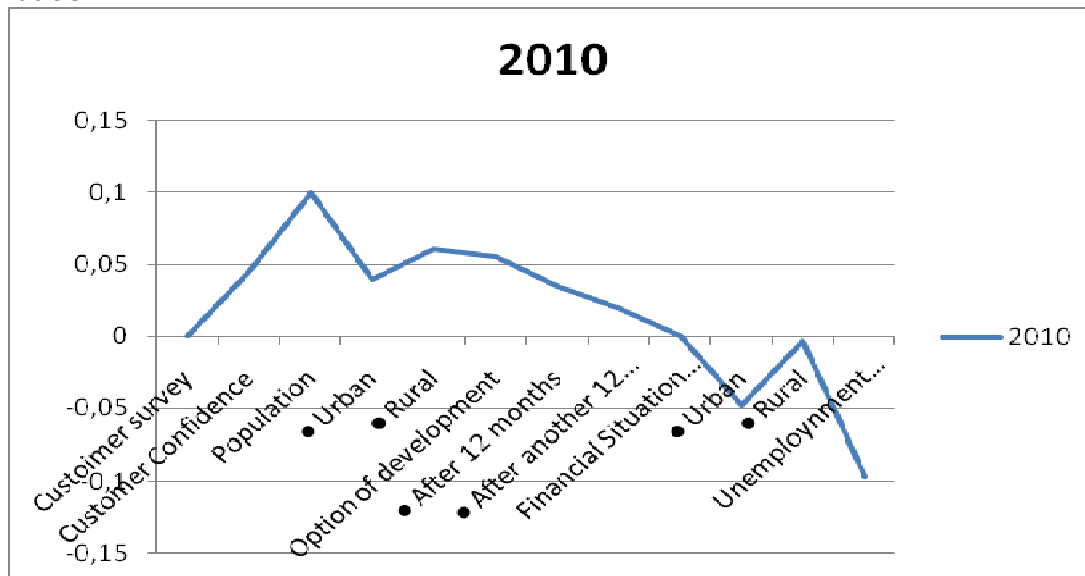


Table4

Table 3



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The data for the first quarter of 2010 indicated that the total hourly labour cost rose by 9.4% compared to the first quarter of 2009. The total hourly labour cost grew by 7.0% in industry, by 10.4% in services and by 14.7% in construction. The breakdown by economic activities showed that the highest annual growths were recorded in 'Information and communication' - 30.8%, 'Other service activities' - 22.4% and 'Professional, scientific and technical activities' - 17.3%, while the lowest were in 'Arts, entertainment and recreation' and 'Transportation and storage' respectively 4.1% and 4.8%. In the structure of the total labour costs, the wages and salaries costs per hour worked grew by 10.0% in comparison with a year earlier, while the other (non-wage) costs rose by 6.5%. Among the economic activities in first quarter of 2010 compared to the first quarter of 2009 the growth rate of wages and salaries component ranged from 4.2% in 'Arts, entertainment and recreation' to 31.1% in 'Information and communication'.

Investment - The average capacity utilization in industry in the region in April 2010 increased by 4.4 percentage points in comparison with January and it reached 68.9%. In the first quarter of 2010 the gross fixed capital formation decreased in real terms by 14.9% in comparison with the same period of the previous year.

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