

# Interreg

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### SocialCrafts

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## Preparatory studies with focus on traditional craftsmanship, employment of disadvantaged people and vulnerable groups, social economy, etc.). Contribution to the development of a Joint Guide for new Work Integration Social Enterprises

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THE CONTENTS OF THIS DOCUMENT ARE SOLE RESPONSIBILITY OF ASSOCIATION „BUSINESS CENTER - MARITZA“ AND CAN IN NO WAY BE TAKEN TO REFLECT THE VIEWS OF THE EUROPEAN UNION, THE PARTICIPATING COUNTRIES THE MANAGING AUTHORITY AND THE JOINT SECRETARIAT".

## ANALYSIS OF THE ECONOMIC AND SOCIAL SITUATION AND OF THE POTENTIAL FOR DEVELOPMENT OF CRAFTS IN HASKOVO REGION

Haskovo region is located in the south-eastern part of the South Central region. It includes 261 settlements, organized in 11 municipalities: Haskovo, Dimitrovgrad, Harmanli, Simeonovgrad, Svilengrad, Madzharovo, Ivaylovgrad, Lyubimets, Mineralni bani, Stambolovo and Topolovgrad with a total area of 5543 km<sup>2</sup>. There are 231,276 people in the controlled area of Haskovo region as of 31.12.2017, which represents 3.3% of the country's population. The ten cities of the district are inhabited by 167,516 people, or 72.4% of the area's population.

The geographic location of the region is extremely favorable and key. Two of the most important for Bulgaria and Europe transcontinental roads are crossed on the territory of Haskovo region. The geostrategic situation has had and has a beneficial impact on the overall development of the region and of the populated areas. It has a favorable impact on the development of transport and communication infrastructure.

200 years ago, the longest in Bulgaria, the Maritsa River, was floating and navigable. Many of the goods for the fairs and markets in the region were transported by rafts and small ships to the Aegean port of Enos, carried by the streams, but upstream drawn by animal harbors along the river-side wagon roads.

The relief of the region is very diverse. The northern and central part is occupied by the Upper Thracian Plain, characterized by the extensive lowland landscapes and high groundwater that favor the intensive use of agricultural land. The flat nature of relief and fertile soils positively influence the development of all branches and sub-sectors of agriculture, the construction of irrigation systems and transport arteries. To the south, a large area of the region is occupied by the low branches of the Eastern Rhodopes and the slopes of the Sakar Mountains. The Eastern Rhodopes are a unique territory characterized by a rich flora and fauna. The strong Mediterranean influence, the geological past of the mountain and the peculiarities of local life and culture have helped to form and preserve diverse habitats, which has led to extremely high biodiversity.

The useful minerals are represented by fuel-energy resources, non-ferrous ores and non-metalliferous minerals. A part of the Maritsa basin is located in Haskovo region in which geological reserves of lignite represent 18.3% of those of the country. Currently lignite mining in Haskovo region has been completed - the old mines are closed and such mining is done only by mines outside the region. In recent years the extraction of lead and zinc ores was terminated, but at the same time a deposit of gold ore is being developed.

Non-metalliferous sources are of greater economic importance. The region has proven large reserves of non-ore minerals: limestone, marble limestone, andesites, dolomites, rheolites and rock-cloths (gneissovists) and clays. Limestone has the greatest importance and reserves, and limestone mining has increased in recent years, both for the needs of the cement industry and as a raw material for the sulfur purification plants at TPP Maritza "Iztok". The mineral extraction for general and road construction is growing (marble limestones, andesites, dolomites, rheolites) and especially gneissovists in the area of Ivailovgrad.

Water resources are formed mainly at the expense of the flow of the Maritza River and its tributaries - Harmanliyska, Vurbitsa and Byala River. This water swelling represents 5.8% of the river flow of the country without the Danube River. Another source of water-resource potential is the underground ground water, which accounts for 7.3% of the total volume of the country.

There are several mineral springs on the territory of the region - in the area of Mineralni bani village, the town of Merichleri in Dimitrovgrad Municipality, Troyan village in Simeonovgrad Municipality, Dolno Botevo village in Stambolovo Municipality and others. Unfortunately, the potential of healing mineral waters and the development of balneological tourism is only used in Haskovski Mineralni bani (National Resort since 1952) and extremely weak in the town of Merichleri. The current state of balneological tourism is critical, due to obsolete material facilities and lack of active policy to attract investors.

Besides the advantageous transport geographic location, Haskovo region has a very favorable natural geographic and economicogeographic location, which has influenced the economic development of the territory since the Antiquity. On the main road arteries of the Roman Empire post offices with stables were built to improve communications between Europe and Asia, which often combined military garrisons and markets. The same system of communications and military organization was maintained in the Ottoman Empire. Tired horses of a road station changed with rested from one road station to the other and so without problems and delay sultan officers and soldiers traveled vast distances within the boundaries of the empires.

The geopolitical situation has also had an impact on the whole socio-economic life of the region. The interlacing of the European and Middle East economies has had a strong impact on the market mechanisms and processes in the region as of today, and was the basis for the emergence of the largest fair in the Ottoman Empire 600 years ago - Uzunjovski Fair which is only 10 km from Haskovo. Today, the largest market in the Balkans is located in Dimitrovgrad. But to what extent this potential affects the development of a modern economic sector - tourism, which alone was not affected by the global crisis and maintained, albeit slow, growth? The unique symbiosis



between the European and Middle Eastern economies has enormous economic potential. The geopolitical situation has a favorable impact on the development of the transport and communications infrastructure and in the future will influence the pace of construction of the transcontinental corridors.

Traditional industries are machine-building for the food industry, the production of air-conditioning and refrigeration techniques, metal-cutting machines and other. Chemical industry is traditionally covered on the territory of the municipality of Dimitrograd. Furniture, footwear, leather and food industry are also developed in the region. Wine production is rapidly developing. Small and medium-sized enterprises in Haskovo region play an important role in speeding up economic processes and optimizing the production structure of the regional economy. Most of them work in the services and trade, followed by tailors, knitwear companies, those for bread and bakery products, meat and dairy shops and others.

Agriculture is one of the leading industries in the region of Haskovo and creates employment for a large part of the population. There are exceptionally favorable soil and climatic conditions in the region for the development of plant production. A variety of agricultural crops are grown, including wheat, barley, corn. From industrial crops most widely cultivated are sunflower, cotton and tobacco. In Haskovo there are exceptionally favorable conditions for the cultivation of perennial crops - strawberries, raspberries, sour cherries, cherries, apricots, peaches and others.

Traditional vineyards are grown in the region. The region is famous for the good varieties Merlot, Cabernet Sauvignon, Pamid and Bolgar. The few wine centers on the territory of the region attract the supporters of the so-called "wine tourism". Livestock subsector was developed exclusively concentrated in the private sector. Cows, sheep, goats and pigs are mainly grown. In recent years there has been a significant increase in farms ducks and others.

The Eastern Rhodopes are a unique territory characterized by a rich plant world. The strong Mediterranean influence, the geological past of the mountain and the peculiarities of local life and culture have helped to form and preserve diverse habitats, which has led to extremely high biodiversity.

There are 46 protected areas in the area of 6 449,5 ha, of which 1 reserve, 16 protected areas and 29 nature landmarks. These are Boraka, Dolna Ova - along the Maritsa River, Oludere, Lozenski Kut, Patronka, Momina Skala, the natural landmark Kovankaja and others. There are still no natural parks in the area. There is a procedure for declaring the Eastern Rhodopes Nature Park, which will cover municipalities from the districts of Haskovo and Kardzhali.



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Along with the Rhodope Mountains in the region of Haskovo there is a part of the Sakar Mountain, where about 600 plants are found, 44 of which are included in the Red Book of Bulgaria<sup>1</sup>.

Despite the unique natural assets, the strongest image for Haskovo region is its cultural heritage. Besides the good accommodation base (a strong factor in the choice of destination), the region has a rich and multi-layered history, clean nature, conditions for balneotherapy and favorable climatic conditions for year-round vacation. The region is one of the richest in historical and architectural sites according to data of the National Institute of Immovable Cultural Heritage (NIICH) - more than 1000 cultural monuments are registered, the real cultural assets are 597, of which 66 are of national importance.

The region is extremely rich in real cultural assets from prehistory, especially from the Early Thracian era (11th - 6th centuries BC). In the valley of the Maritsa River there are traces of the Neolithic, Chalcolithic, Bronze Age, and in Sakar - from the Iron Age. A significant part of the monuments, especially the archaeologists, have not been thoroughly studied.

In the region of Sakar and the Eastern Rhodopes many megalith facilities, tombs, religious sanctuaries and dolmens are found. More than 100 Thracian mounds were excavated in the area near the village of Mezek (4th century BC), Alexandrovo near Simeonovgrad, in the land of the villages of Madzharovo, Tatarevo, Valche pole, Voyvodovo, Gorski Izvor. Medieval culture is reflected in rock churches, towers and temples found in the region. In the 18th-19th century, in the vicinity of the village of Uzundzhovo the largest fair in the Balkans was held. This was the main door for the transport of industrial goods from Western and Central Europe to Minor Asia, as well as a place for wholesale of agricultural products, rose oil, leather and products made by local craftsmen. After the Liberation of Bulgaria, under the provisions of the Berlin Treaty of 1878, the lands of today's Haskovo region are in the autonomous province of Eastern Rumelia. Some of them joined Bulgaria in 1885 with the act of Unification and the rest during the First Balkan War of 1912-1913.

In addition to many monuments from past epochs, the region also offers a modern interpretation of traditions and religion. It is an interesting cultural object included in the Guinness Book of World Records: The world's highest statue of the Virgin Mary with the little Jesus, built on the hill Yamacha in Haskovo. It is 14 meters high and is placed on a 17-foot pedestal, which is why it has a certificate from the famous record book. The monument was opened in 2003. In 2005, it was recorded in the Guinness World Records in the "Religion" section.

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<sup>1</sup> Electronic edition of the Red Book of Bulgaria: <http://e-ecodb.bas.bg/rdb/bg>

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There are well-developed and working cultural institutions on the territory of the region - museums, community centers, galleries, theaters offering rich and varied cultural initiatives. Community centres (chitalishte) work in close interaction with the educational institutions, cultural institutions, public and other organizations and perform a rich and varied educational and cultural activity, although at present the Bulgarian legislation does not give a definition of intangible cultural heritage and does not provide special direct protection for the same. Practice in its preservation is the application of the principles of the ordinary, unwritten law that the intangible heritage is public and every member of society, every Bulgarian has the right to practice and use it, not only for personal needs but also for commercial purposes. In order to qualify as attractions, sites must have gained enough popularity to attract tourists and to be able to offer full use of their capacity. The region's living cultural heritage can be seen most readily and in the most peculiarities of everyday life, local crafts and techniques of production, especially for rural tourism. In Madzharovo, Ivaylovgrad and Stambolovo there are several farms offering developed tourist products that include familiarization with traditional livelihoods for these lands.

#### LIST OF TRADITIONAL FOR THE REGION VOCATION AND CRAFTS

<b>Yahnadzhystvo</b>	Craft connected with the extraction of oil and tahan from sesame, which is offered with the highest quality herbal honey.
<b>Shliharstvo</b>	One of the rarest old crafts in Bulgaria, still practiced along the Arda River. This is the extraction of nudity gold by old technologies by washing golden river sand with a special woodcutter.
<b>Search for minerals and semi-precious stones</b>	A unique, typical for the Eastern Rhodopes occupation connected with the underground natural resources of Madzharovo. The attraction is called Adventure Geotour.
<b>Sheep wool processing, weaving and knitting</b>	A demonstration of karakachan wool processing is organized at the Karakachan Wave Atelier in 2013, which is organized in the Wild Farm House in the village of Gorno Pole, Madzharovo Municipality. The preserved traditions of tepavitsa, valyavitsa

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	and darakchiynitsa attract new tourist interest. There are such are in the region of Stambolovo and Madzharovo and others.
<b>Ancient technologies for the production of ecoproducts</b>	Beating butter in a churn, sour yogurt; production of home-made cheese, yellow cheese, milk, butter, sausage, pasturma.
<b>Collection of wild fruits, mushrooms and herbs</b>	These activities are mostly widespread in the valley of the Arda River, Sakar and Mechkovats.
<b>Rural field work</b>	Mowing, harvesting, sitting, weeding and digging in the garden.
<b>Silk culture</b>	Silk culture in the Rhodope Mountains came from Edirne as it first spread to Ivailovgrad and then to Svilengrad. The main trade links are with Edirne and Soufli, which opens opportunities for cross-border cooperation. Extremely interesting and attractive attractions based on local traditional lifestyle and production techniques are available in the villages of Rababo and Plevun.
<b>The way of spelled bread</b>	The Bread Festival in the Eastern Rhodopes, which is being held since 2010 in the village of Rabovo, Stambolovo municipality. The guests of the festival follow the path of bread from spelled, considered to be the oldest cereal culture in Bulgaria - from the harvest to thieving, milling, kneading and then baking.

## ANALYSIS OF THE DEVELOPMENT OF THE REGIONAL INDUSTRY AND CRAFTS IN HASKOVO REGION

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Economy in Haskovo region has a diverse structure and economic indicators. The wine sector, the chemical industry, the canning industry and the production of machinery for the food industry are best developed.

According to the final data of the National Statistical Institute for 2016, the non-financial enterprises operating in Haskovo region are 11 679. The highest share of enterprises from the region is from the sector "Trade; repair of motor vehicles and motorcycles" - 43.0% of the total number of enterprises reported, followed by "Manufacturing" - 11.7% and "Hotels and restaurants" - 7.1%.

Micro enterprises (up to 9 employees) have the highest relative share - 93.4% of all enterprises in the region. Small enterprises (from 10 to 49 employees) are 5.5%, medium enterprises (from 50 to 249 employees) - 1.0% and large enterprises (250 or more employees) - 0.1%.

Leading in the economy of the region are the enterprises from the Manufacturing sector, where 35.9% of the production is established. The share of the Culture, Sports and Entertainment sector is 13.5% and Transport, Storage and Postal Sector - 12%. Employees in non-financial enterprises in the area are 49,155 or 1.3% more than in 2015. 43.5% more of the employed work in the micro-enterprises in comparison with 2015, in the small enterprises - 26.1%, the employed in the medium enterprises are 23.5% and in the big enterprises - 6.9%.

#### **The economy of Haskovo has the following characteristics:**

- The economy of Haskovo region has a diverse structure and economic indicators. In economic terms, Haskovo region is among the first three areas of the South Central Region. This trend has not changed in the years since 2007. The highest in the regional BDS is the share of the services sector - 62.9% and the industry - 26.0% and the agricultural sector with a share of 11.0%.
- Small and medium enterprises are the backbone of the regional economy. Micro-enterprises are 92.5% of the business units. They are mainly active in the municipalities of Dimitrovgrad, Haskovo, Svilengrad and Harmanli and create the main employment. The decrease in the total number of business units since 2009 is mainly due to the closure of mainly small companies caused by the crisis.
- Industry - industrial sectors with tradition are machine-building for the food industry; the production of air-conditioning and refrigeration techniques, metal-cutting machines, etc. Chemical industry is traditionally represented on the territory of the municipality of Dimitrovgrad. Developed in the region are also: furniture, shoe, the leather and food industry. Wine production is rapidly developing. Most SMEs are active in the services and

commerce sector, followed by tailors; knitwear companies, those for bread and bakery products, meat and dairy shops and others.

- Agriculture - is one of the leading industries and creates employment for a large part of the population. Various crops are grown, including wheat; barley; corn. Most widely cultivated from the technical cultures are sunflower, cotton and tobacco. In Haskovo there are exceptionally favorable conditions for the cultivation of perennials - strawberries; raspberries; cherry; cherries; apricots; peaches and others. Vineyards are traditionally grown in the region. Wine centers in the area attract supporters of the so-called "wine tourism". Livestock subsector was developed exclusively concentrated in the private sector.
- Tourism - a number of analyzes outline the great tourist potential of Haskovo region. One of the priorities in the regional strategy until 2013 is "Turning Tourism into a Profitable and Prospective Branch". On a regional level, however, Haskovo region remains the penultimate (fourth) after the center of winter sports - Smolyan, the regional capital of Plovdiv and Pazardzhik. The share of tourism in the regional economy is modest - below 0.2%. The most significant is its share in the economy of Mineralni bani Municipality. Haskovo, Svilengrad and Dimitrovgrad use to a certain extent their resources for transit and "market" tourism. The problems in the sphere of tourism are: poor tourist product as a whole; the undeveloped network of service and supply companies in tourism; insufficiently qualified staff in the field of tourist services; poor transport accessibility; poor condition and limited access to sites of natural and cultural heritage.

The analyzes show that 18-year-olds registered on the employment bureau from Haskovo region will need more time to find a job compared to the national average. The men from Haskovo region with primary education can find job quicker (6.69% deviation from the country average), the hardest to find a job is for women of this age with education above average (10.63%)<sup>2</sup>.

For the 29-year-olds registered on the employment bureau the closest to the average is the deviation for men with primary education (7.37%), and the farthest from the average values and respectively the expectations for the slower than the average finding are women with higher education (12.45%), and furthest from the average values and respectively expectations for slower job finding than the average are women with higher education (12.45%).

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<sup>2</sup> Report number: TRIGGER B3-3.2-05/04.08.2014 - 2, Affiliation: Ministry of Economy and Energy

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For the 35-year-olds without work in Haskovo region, with the lowest deviation in days of the average for the country (relatively likely to find employment) are men with primary education (7.5%) and the highest expected deviation is for women with higher education.

For those at the age of 54, the least deviation is also observed for men with primary education (6.67%), and women with higher education (10.57%) are the least likely to find job.

For those at the age of 65 men with primary education (5.68%) are most likely to find employment, where the deviation is closest to the average for the country for this age group. The most disadvantaged are women with higher education (8.28%).

In Haskovo region the largest share of employed workers is in agriculture - 9.37% of those employed in this field work in the region; followed by people employed in services for the population; trade and security - 3.54%; operators of machinery and equipment - 3.38%; unskilled personnel with a share of 3.09%. Administrative workers - 2.81%; analytical specialists with 2.53%; the skilled workers - 2.51% and the managers - 2.05% have a share of less than 3% of the total number of employed in the respective class in the country.

Skills and specialists that are sought on the labor market in Haskovo region are: language specialists; medics; technical specialists; tailors and fluent in foreign languages. According to research data for the individual professions, for the next five years the companies and organizations from Haskovo region will need specialists in: technologies; accounting; library activity; information technologies; tailoring.

In Haskovo region male managers predominate; among them are the university graduates - 17.1% are bachelors and 56.2% are masters. 18.1% have secondary special education and another 7.6% have secondary education. The remaining managers have basic education. 59% speak English and can operate entirely on this language; another 52.4% can operate in Russian; and 16.2% in German. In Haskovo most are managers with experience over 15 years - 41.6%; 39% have experience between 6 and 15 years, those with the smallest experience in entrepreneurship are 18.2%. In this area, 66.2% identify their business as rather successful, and another 24.7% as successful. Here, only 9.1% have specialized business administration education. In the region, the average grade for ICT skills is 4.62. Most industrial plants operate in the region; followed by the companies specialized in the activities: trade and repair of automobiles and motorcycles; other activities; construction and transport and storage; agriculture and hotel and restaurant services. 80% would provide training to their employees through specialized courses funded under EU programs and projects.



In Haskovo region only 13% of the companies have own research unit. The same percentage of companies have an employee focused on developing new products or services. In Haskovo region, only 16.9% of the companies use scientific developments. Only 16.9% of the companies in the region have provided specialized training for their employees. In Haskovo region 41.6% of the companies have a professional library; and only 11.7% have had joint initiatives with academic institutions over the past year. In the region, 16.9% of companies have enough financial resources to invest in innovation.

In Haskovo region 15.6% of the companies participated in an exhibition or fair; while only 18.2% of the companies are importing. In the region, only 11.7% of the companies have been exporting during the last year.

In Haskovo region, over half of the enterprises and organizations (55.2%) have their own websites. 40% make it possible for online orders and sales of their goods and services. 26.7% provide online payments, and 68.6% have an electronic signature of the management staff.

In Haskovo region most predominant professional qualifications of the population up to 35 years of age are: pedagogy; economy; accounting; engineers; right; technical specialties; marketing. Persons aged over 35 have a specialty in: pedagogy; engineering; economy; sewing production; mechanization; mathematics; construction; biology; construction; turnery.

In terms of readiness to start their own business people in the region are distributed as follows: 58% can not provide sufficient finance to start a business; 7.6% state marital status as a reason to not start a business or work for themselves - marriage and children; for 6.7%, learning and lack of relationship are crucial at the moment; while according to 5.9% of respondents the lack of perspective and the current economic development are an obstacle to starting a business.

In Haskovo region 18-35 year olds do not start business because of the following reasons: for 56% lack of funds; for 8% teaching; for 7% due to children; 5% have no relationships. Among 36-65 years, 68.4% do not start business because of lack of funds; 21.1% due to lack of perspective, and 5.3% have no relationships.<sup>3</sup>

52.9% think they need to upgrade their qualification as: 61.9% want to improve through retraining courses; 9.5% want to increase their foreign language skills; 6.3% have a desire to complete a master's degree, while 5.6% want to graduate, and 4% think they need to take part in seminars and exchange experiences. In the region, 33.6% agree to gain experience in an internship program, regardless of whether or not they will receive remuneration.

<sup>3</sup> Report number: TRIGGER B3-3.2-05/04.08.2014 - 2, Affiliation: Ministry of Economy and Energy

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Many entrepreneurs in Haskovo region have significant entrepreneurial experience over 15 years. As 59% of them can perform their duties in English; another 52.4% speak Russian, and 16.2% of the respondents speak German. With regards to good practices there is a low and not very effective use of the latest ICT developments; human resources; 25.7% of enterprises apply good practices at moderate level; 39% - rather low, and 25.7% - low. Staff training should be directed to basic re-qualification courses. In the region, 64.8% of 18-35 year olds want to retrain; 10.5% want to attend foreign language courses; 5.7% want to complete a master's degree. In terms of labor productivity - it is lower than the average for the country, which means that the economy of this area is less developed. Lack of financial resources emerges as one of the main brakes for business development <sup>4</sup>.

The folk crafts bring beauty, imagination and creativity, as well as the specifics of different regions in Bulgaria. They are a part of the Bulgarian cultural heritage and national identity and should be kept as examples of folk craftsmanship and art.

There are many traditional crafts for Bulgaria and the region of Haskovo such as:

- **blacksmithing**, which includes: farriery, cutlery, clockwork-making, rifle-making, charkchiystvo (clockwork-making), sahatchiystvo (watchmaking) and scales-making;
- **weaving** – fabrication of canvas, friezes, strips of carpet, rugs, tufted rugs and similar, this craft is also associated with making of goat’s-hair articles (wool extracting), wool processing, wool felting (manufacture of non-woven textile products - felts), dyeing of yarns, wool and fabrics with dyes, extracted from the surrounding nature, woollen braid craft (the braid is a knitted woollen cord that decorates the traditional folk costumes made by frieze) and fuller's trade (natural laundering under the lush river stream for impact on woollen fabrics (woollen braids, homespun, sashes), in order to be stronger and thicker and in some cases to give a pudgy surface);
- Making musical instruments like a bagpipe;
- Pottery and the production of artistic ceramics;
- Goldsmithing and making of jewels

And many other folk artistic and traditional crafts. There have been many dead jobs that today's generations would hardly perceive as:

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<sup>4</sup> Entrepreneurship in the EU and beyond, COUNTRY REPORT BULGARIA, Flash Eurobarometer 354 – TNS Political & Social, requested by the European Commission

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- Town-crier - he carried important news throughout the city or village;
- Shoeblick - polishes the shoes of the passengers with a brush and a shoe polish;
- Tailor - a master of the needle who knew the secrets of the exact patterns.
- Typesetter - put their words in lead letters so that the newspaper or paper page can be printed.
- Comber - walks through the houses and with a special appliance sprays matted cotton and wool on mattresses, quilts, pillows;
- Cabman - manages a horse race in a cab.

And these are some of the more typical for the region of Haskovo:

## PRODUCTION OF WINE AND VITICULTURE



The **production of wine** is known for Bulgaria before the formation of the state, even during the time of the ancient Thracians, which are believed to have laid the foundations of the wine-production and viticulture. The Thracians are considered one of the best winemakers in Antiquity, and the aromatic and strong wine produced by them is famous throughout the world, and even Homer himself does not fail to

perpetuate his qualities. In addition, the god of fertility, wine and joy, Dionysus, and his Dionysian feasts, during which the vigorous bacchantes dancing with small sickles in hand in honor of the wine, occupy a central place in the Thracian culture. At the conversion of the Bulgarians, the cult of God Dionysus ceased and gave way to St. Trifon in February, when the cycle of vine cultivation begins. Vine growers bring wine and beans to vineyards and gardens to pray for fertility after the long winter. As the church calendar guided everything, the Bulgarians prayed with the words "Give God, Saint Triphon to help, to be born a lot ...".

Wine plays a particularly important role in Bulgarian history and its lifestyle, and its presence is indispensable for almost every popular festive dinner. Haskovo region falls into the Thracian Lowland wine-growing region, which is part of the historical and geographical area of Thrace - the cradle of wine-making in the Balkans. Soils and climatic conditions are suitable for growing mainly red grape varieties, but some white varieties can be also grown here. The unique Bulgarian variety Mavrud is grown here. Magazine "Wine Enthusiast", one of the most prestigious in the world of

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wine, put the Thracian lowlands in Bulgaria in second place among the 10 best wine travel destinations in 2017.

## COOPERAGE



For the production of good wine, besides nice grapes, a **good barrel** is also necessary. The barrels appear in the 19th century and since then the masters have perfected their skills. It is mainly practiced by men. Fast and accurate movements of the hands and fingers are required. Oak, acacia and mulberry are the basic materials used. The trees are broken down into boards and allowed to dry. The boards are cut into specified length as required by the narrow side of the board to make certain angles that allow for assembly to form a circle. So assembled and secured with metal rings vessel passes under steaming and fire. Previously prepared lids are then placed and tightened by placing more hoops. In the process of maturation and

aging, the wine takes specific flavors from the wood of the barrel that gives it flavor.

## WOOD CARVING



**WOOD CARVING** is the artistic processing of wood by cutting (carving) of various decorative motives and images. Originally for applied and later for decorative purposes, it has been known to people since the Neolithic when sharp bush was used as tools. На територията на България дърворезбата е била позната на древните славяни, като впоследствие

търпи влияния от византийското, римското, мюсюлманското и руското резбарско изкуство. Woodcarving is a place both in church architecture and interior design - iconostasis, pulpit carved doors of churches and in home and lifestyle - carved ceilings, furniture, chests, wooden utensils, walking sticks, distaffs, yokes. Typical for decorative motifs are the figure compositions, braids and

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arabesques, plant motifs and animal images.

## WALL PAINTING AND ICONOGRAPHY



The word icon from Greek means image or picture. The **iconography** was developed in Bulgaria in the middle of the IX century. During the Renaissance, men and women were portrayed in traditional clothes, herds with shepherds, gradually drawing Bulgarian saints, rulers, philosophers, teachers and others. When making the icons, a wooden pad is used on which canvas is glued and covered with

primer. Once the contours of the image have been applied, the icon is gilded, in the past with forged gold leaflets, and later with gold platelets or gold dust. It is now used varak (true gold leaflets). The icon is then painted with paints and in particular with egg tempera. The painting ends with the inscriptions and painting. Some icons have a two-sided image.

## MANUFACTURING OF COPPER VESSELS



**MANUFACTURING OF COPPER VESSELS** is a metalworking craft in which wrought copper products are made. It is also called Mednikarstvo. Artisans coppersmiths make mostly church plates and utensils - pots, trays, plates, containers for water, sets, mugs, boilers, etc. Copper is one of the most heat-conducting metals and is very suitable for the making of vessels that have direct contact with the fire. In the oldest time, the coppersmiths themselves poured the copper into bars, and from them cut out the sheets from which they made the dishes. Later, in the middle of the nineteenth century, copper imports began to be made of sheets from which both the

walls (the pelvis) and the bottoms of the vessels are made. The required shape of the walls and the bottom is transmitted with bumps. Subsequent hammering of the pot are provided for shaping it and to strengthen the crafted item. Often these bumps are done with such hammers and in such an alternation that they become part of the system of decoration. Only then, if necessary, do the

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other additional decorations, cuttings, trimming or cuts of sills. One of the peculiarities of the Bulgarian copper industry is that it adheres strictly to the principle of functionality, both in shapes and in the decoration. The practicality of the product is more important than its artistic value. Unlike silver and gold, however, the copper easily oxidizes, resulting in another feature in the production - tinning or silvering of the whole or part of the pots that are in contact with food or liquid. In the present, most of the copper pieces that are made are decorative.

Characteristic and profitable for the area but now a little forgotten agricultural work is the **cultivation of SUSAM**. According to old producers, sesame is sown only at sunset to have enough moisture in the soil.

**Other activities are developed from this agricultural work:**

#### **YAHNADZHIYSTVO AND HALVADZHIYSTVO**



Oil-bearing crops are grown in the world since 1600 BC. It is also acclaimed in the tales of Sheherazada - the famous saying "Sesame, open!" Is related to sesame, whose English name is Sesame. It reflects the property of the plant to dissolve its cans with seeds when it matures. Although the cultivation of sesame in Bulgaria was

a traditional occupation, today it is reduced to "only a few villages in the region of Ivailovgrad. Yahnadzhystvo is associated with the extraction of sesame oil and tahini that are produced by manual presses in special workshops - Yahani (yahnadzhynitsi). To obtain the tahini, the seeds are first washed in wooden or stone troughs (pots, tabs), filled with salt water, dried, baked and ground. Halvadzhystvoto - preparing halva, which is prepared by mixing a thick syrup extract of wild spinach and tahini. The extract of the wild spinach is boiled in water, strained and crushed into foam. The mixture is heated to high heat and when the halva is ready, it hardens and is cut with a knife.

#### **BOZA MAKER**

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Boza is a low alcoholic beverage with a thick consistency typical of the Balkan countries and Turkey. Old masters did Boza from millet flour. After toasting, it was boiled in a kettle with water for three hours. It was poured into a special trough, best of black fir and kvas was added. It stayed like this for eight hours. It was blended with sugar and then strained. It tasted sweet or sour, depending on

the taste of the customer. Few people know that many decades ago it was not only a favorite drink, but a dietary aid. Once bread, crushed in a bowl of boza, not only saved from starvation but was consumed "for strengthening the body and for strong health". Even more unbelievable is the addition of cheese to the boza, which defines it as "a liquid banitza". After the Liberation, peddlers began to walk around the streets of the city and offer their goods. They carry cans filled with boza, a small folding table and several metallic glasses with tubes, to drink the delicious fluid. Usually traders were young men - assistants to the masters bozadzhi and halvadzhi.

In modern Bulgarian pastry shops, different kinds of boza are also available. But today it is produced by different technology. And the people who have been bearing since their childhood the memory of the clattering of the metal vessels on the streets and the screams of the Bozadians claim that the taste is different. A city that favors the production of quality boza is Lyubimets.

## LEATHER PROCESSING



Leather production deals with the processing of animal skins for various purposes - mainly for the needs of shoemaking, as well as for various technical purposes.

## SARACHESTVO / SADDLERY

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Saddlery is one of the oldest leather craftsmanship that arose during the Bronze Age when the horse was tamed for carrying goods and for riding. The word sarach, translated from Arabic, means saddle. The master craftsmen work with processed leather from cattle, pigs, sheep and goats. The craftsmen produced harness and riding equipments, straps, suitcases, bags, belts, holsters, tanned tsarvuli /shoes/. Their instruments are the zambak, cannzer, typhel, a haulmont (a very sharp crescent knife), decoration materials (Sarash threads, bead, tat, paints, adhesives, tar, etc, romb stilettos. When sewing, the saddler slips the thread through the wax to pass through the skin more easily and to be more durable and quality over time. Once the sewing is finished,

the seams and edges of the skins are smoothed.

There are three main sections of saddlery: saddlery (making saddle and load saddles); hamutchiystvo (making of harnesses for harnessing); upholstery (trimming saddles with pads, straw, wool and others).

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One of the important crafts in the past - **the shoemaker - Kondurdzhiya** - a shoemaker that will take your measure and will manually create for you the necessary pair of shoes. Different materials such as leather, wood, rubber, plastic, etc. were used to produce shoes, and often consist of several different parts. This craft has been shifted from the serial production of the footwear

industry, and now shoe-making is linked to shoe repair.

## CHESHMIDZHARSTVO



In the past, the village fountain was a place where besides pouring water you could meet your friends. It was just the center of social contacts. A fountain is usually called the entire water system through which water reaches people. In some cases, a small building is built above the fountain. This is done for greater convenience to people. Different types of fountains

are found in the Bulgarian lands. Their variety is due to the material they are made of, the size of the trough and the number of spouts. The most common fountains are the stone made of hewn stones. Sometimes they are decorated with stone sculpture. Most fountains have been built either at the end of the village or at its center. Another characteristic of the old fountains are the metal pipes, through which the water flow runs out. In the past, there were rural and urban fountains with one, two or three spouts. In recent times instead of a spout they have a faucet that regulates or stops the water. Traditionally, these aquifers have been built for some reason. On the wall of the already built fountain the name of the donor or the event to be remembered is engraved. The construction of the fountains is wrapped in legends. There is a widespread belief in building the human shadow in the newly built fountains. It was believed that the one to whom the shadow had been taken started to languish and recently died and became a goblin. There is a story that in the distant past of building public buildings, such as a church or a bridge, to create a protector spirit to strengthen them, a human sacrifice has to be made, as it or its shade lies in the foundations or in an abandoned part of construction. At night, unclean spirits go out and want a sacrifice, and if it there isn't, they destroy the building. That is why the first day the builders measure the shadow of the first person, curl the measure taken in nettles and lay it in the foundation, and later the man dies.

## MELNICHARSTVO /MILLING/



Milling is considered to be one of the oldest Bulgarian crafts. In ancient times in our country were used handmade chrome mills, as evidenced by hundreds of similar mills found in the caves. Today, 7 mills for flour for commercial purposes operate in the Haskovo region.



## SILKWORM-BREEDING



The region is extremely favorable for the cultivation of mulberry trees, respectively, for the cultivation of the mulberry silk butterfly – *Bombyx Mori*, which is the main type used for silk production. Silkworms feed on fresh mulberry leaves, eating up to 25 grams for their entire life. The silk butterfly passes through several stages of development - egg, larva (worm), larva and butterfly. The egg hatches out of the

eggs. It is a small worm that eats greedily mulberry leaves, grows rapidly and reaches a length of 6-7 cm. Silk worms entangle white to light yellow silk cocoons and turn into pupae in it. Later they pierce it and fly like butterflies. These butterflies re-lay eggs, and so the development cycle is repeated. The cocoons reach the best quality before the butterfly to take off, they are made of a single continuous silk thread, 300 to 900 meters long, 10 microns thick and extremely robust. The right moment is chosen and the pupae are usually killed with hot water during sleep. Then the silk thread is extracted. From about 4000-5000 cocoons, 1 kg of silk is made.

Domestic silk extraction is done in a very primitive way, repeating the ancient experience in reeling. A small amount of cocoons (about a pound) is poured into a boiler with boiling water. When they are softened, they are stirred with a tree or a broom to grab the threads. Then they are pulled gently and laid on a flat surface *sinaia*, table, pan, sprinkled with sand in order not to be massed up. Silk is wound on a flywheel, then skeined and twisted by hand or spin. One of the most valuable qualities of silk is its strength and durability. Sericulture is practiced in the spring months usually from late April to mid-June, because the hatching and development of silkworms is in parallel with the leafing of the mulberry trees. The rooms should be warm, dry and clean and turned to the southeast. Until 1989, the silkworm breeding provided livelihoods to more than 50,000 people, after which this sector faded and now there are only a few representatives in the region.

## BEEKEEPING



Beekeeping on Haskovo land has been known since the Thracians, or 2-100 BC, and perhaps from ancient times beekeeping is a traditional occupation in all areas of the country.

Slavic tribes have collected honey from the wild bees. Later they learned to grow them in hives. When the Bulgarians led by Khan Asparuh settled on the Balkan Peninsula, they also brought their skills in this field. Their

state was considered to be a major producer of beeswax and honey. The technology that beekeepers cultivated bee families by the early 20th century does not differ materially from today, although the devices are more advanced and more sophisticated. In the beginning the hives were conical in shape. After making the hive they were plastered on the outside and inside with a special mixture. Depending on the local traditions of the mixture, they added clay, straw, manure and ash from the hearth. This prolonged the life of the hive and protected it from the impact of weather conditions. At high or low temperatures to protect bees, on hives they put "hoods or caftans" made from straw. Swarming - the period in which new swarms are released from bee families, begins in the spring and lasts throughout the summer. Стопаните, които са се занимавали с пчеларство определяли един или няколко души, които трябвало да наблюдават процеса на роене и къде ще се настани новият рояк. Then the chief beekeeper was taking the new bee families in a knit hive.

To lure the bees, they smeared the inside with honey and lemon balm. Likewise, they collected wild bees from the surrounding area. With the perfect organization, hard work, and the ability of bees to predict weather with their behavior, bees earn great tribute. Since ancient times it is said that the increased gathering of propolis and its accumulation around the entrance of the hive means cold winter. If the bees go out early in the morning from the usual day it will be sunny. Conversely, if they stand in a hive or fly near it, it will soon rain.

The application of bee products in Bulgarian folk medicine is extremely varied, as the propolis, which modern physicians call "natural antibiotic".

Even today, in Haskovo the so-called "Sweet ointment" is prepared in domestic conditions with wax, which is an indispensable tool for wounds, burns and traumas. The wax has also been widely used in curative compresses, called „plaster". In a suitable vessel a mixture of wax, resin, incense, olive oil is heated. Then cotton cloth is watered with the mixture and placed on the diseased site.

### Calendar of bazaars of crafts in Haskovo region

The Haskovo region has a rich cultural tradition and many events are held, featuring handicrafts and traditions.

- At the end of April, traditional literary days “southern spring” are held in Haskovo.
- At the end of May in Kenana Park a festival of folk art Kitna Trakia singing and dancing is held.
- International Children's Ethnic Festival Children in the Balkans - with spirituality in Europe is held in the Municipality of Mineralni Bani on the occasion of June 1 - the International Children's Day.
- In the Svilengrad village of Siva reka people celebrate the Harvest, Culinary and Crafts Festival in late June.

- The International Folklore Songs and Dances without Borders in Svilengrad is held in June.
- In the week of 8 September every year in Haskovo the Traditional Feasts of the town are held organizing Street of the Crafts under the motto: It is Bulgarian!
- Crafts Fair, held in Dimitrovgrad in September.
- The International Festival of Traditional Food, Livelihoods and Crafts and the Intangible Cultural Heritage of Thrace is held in the beginning of September in the town of Ivaylovgrad.
- The festival of the stack-yard in the town of Harmanli in the middle of September.
- At the end of September the Jazz Festival is held in Haskovo.

In Haskovo Historical Museum it can be learned more about local customs, traditions and way of life of local people. Permanent expositions are: "Archeology", "Ethnography", "Renaissance and the National Liberation Struggle", "Life in Urban Environment - XIX Century", "Home Crafts - until the end of the nineteenth century."

Each of the municipalities in Haskovo District has its own holiday on a certain date, organized by the municipal management together with the citizens. These holidays are as follows:

- Haskovo – 8th September;
- Dimitrovgrad – 2nd September;
- Ivaylovgrad – 14th February;
- Lyubimetz – Last Sunday of August;
- Madzharovo – Last Saturday of September;
- Svilengrad – 5th October;
- Mineralni bani – Cherries soul day in June;
- Simeonovgrad – 6th December;
- Harmanli – 2nd May.

During these celebrations, crafts bazaars are organized. Such bazaars are also typical during folk customs such as:

- Kukeri /mummers/ - during New Year Celebrations;
- Trifon Zarezan - February 14th;
- Baba Martha - 1st March;
- Lazarovden - 8th day before Easter;



- Easter
- Christmas – 25th December

Specific objective 3 within Priority 1.1. in the Haskovo Regional Development Strategy for 2014-2020<sup>5</sup> provides support for traditional industrial activities and the use of local resources for economic development. The development of specific economic sectors and traditional economic activities with potential for growth and future development on the territory of the Haskovo region will be encouraged, using the unique advantages of the local economy and specialization. The preservation of regional identity is related to support and popularization for the development of local crafts, wine production and production of specific food products, etc., which are experiencing temporary difficulties but which have high added value and can lead to increased regional competitiveness, as well as to confirming the uniqueness of the area. Support will also be given to economic activities related to the use of local resources for the production of silk, the production of which is specific to the region.

## MEASURES TO SUPPORT CRAFTS IN THE REPUBLIC OF BULGARIA

### Essence of craftsmanship

Craft is an activity for the manufacture of articles and / or the provision of services in a craft manner<sup>6</sup>. Craftsmanship is a small manufacture of industrial products in manual processing, primitive techniques and a simplified organization of labor. It first appeared in antiquity in the form of domestic industry, later as custom-made craftsmanship for the needs of specific consumers, and finally as a commodity production for domestic and foreign markets involving craft workers (apprentices and aprons) hired by wealthy masters. Modern craftsmanship in Bulgaria is carried out by craft enterprises. The craft enterprise is a separate production unit that uses scarce resources to produce craft products and services for the purpose of selling and providing income and profits.

**Main features that define the enterprise as a craft:** An enterprise can be defined as a craft if the following requirements are met simultaneously:

- the activity is included in the list of crafts according to appendix 1 of the Crafts Act;

<sup>5</sup> Haskovo Regional Development Strategy for 2014-2020

<sup>6</sup> Crafts Law

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- работата се изпълнява на ръка или с помощта на ръчни или други специфични за занаята инструменти;
- the final product or service are similar to others of the same kind or unique;
- for the performance of the activity, relevant knowledge, production and technical skills and practical habits acquired through craft training and qualification, vocational training in the system of secondary and university education, with courses for acquiring or improving the qualification, as well as with professional experience;
- the activity is carried out by craftsmen - self-employed or incorporated in companies under the Obligations and Contracts Act.

**Organization of craftsmanship.** The craft enterprise is established and operates in accordance with the economic legislation - craft law, trade law, consumer protection law, municipal property law. A basic legal act regulating the organization, management and registration of craft enterprises is the Craft Act. The owner of a craft-organized enterprise may be self-employed craftsman or persons incorporated in a company under the Obligations and Contracts Act.

As traders, craftsmen can register as:

- an individual *who is registered as a master*;
- a company, *whose unlimited liability partner is listed as a master*;
- a civil company, *whose member, responsible for the technical management of the craft enterprise, is listed as a master*;
- a limited liability company or a cooperative, *if the person responsible for the technical management of the commercial enterprise, or the cooperative's enterprise, is listed as a master*

Main participants in the organizational and institutional structure of the craftsmanship:

- The craft enterprise;
- The Regional Craft Chamber;
- The National Craft Chamber;
- Branch craft associations.

**Regional Craft Chamber - Craft organization in a relevant region, which:**

- defends interests and assists artisans by ensuring their equality;
- assists the state and municipal administration in their efforts to encourage the development of crafts and develop their economic policies and the targeted funding of programs and projects related to crafts;

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- assists its members in organizing and carrying out craft training, conducts exams for the recognition of craft training, and issues certificates for apprentices;
- controls the quality of craft services and the lawfulness of craft work;
- issues certificates of origin for the products manufactured in the craft enterprises as well as other supporting documents in the cases regulated by law;
- keeps a register of craftsmen and registers of apprentices, journeyman and masters.

#### **National Craft Chamber:**

- pursues common policies to protect the interests of artisans and their organizations by ensuring their equality;
- participates in the development of projects and prepares opinions on the normative acts related to crafts and craft training;
- adopts regulations and model documents provided by law;
- adopts professional rules;
- organizes the training of craftsmen, draws up rules for its implementation and monitors their implementation;
- summarizes the information received from the regional craft chambers and, if necessary, makes suggestions to the state authorities for state intervention in the craft sector;
- keeps a central register of craftsmen on the basis of regional registers;
- coordinates the activities of the regional craft chambers.

**Branch craft associations** are regional associations for the protection of the artisans' professional interests. They are registered as non-profit legal entities. The main functions of these associations are:

- assistance for mutual support of its members;
- monitor professional ethics;
- participate in the preparation of the rules and conduct of the exams for the acquisition of Journeyman and Masters qualifications;
- perform cultural and educational activities;
- also carry out other activities provided for in the Statutes.

As a business unit, the craft enterprise operates with certain production resources - land, materials, machines, tools, labor, financial resources, etc. They represent the property of craftsmen, which are actually his assets. According to the time and manner of functioning they are fixed and current assets.



**Fixed assets** - the fixed assets of the craft enterprise may include: land, buildings, equipment, universal machines, tools, inventory, vehicles, securities, etc.

**The short-term assets**, in which the artisan's working capital is materialized are involved once in the production process and carry all their value into the value of the newly produced product. Their composition includes: raw materials and basic materials, auxiliary materials, spare parts, fuel materials, packaging, unfinished production, finished goods, cash, cash receivables, etc.

The craftsmanship is characterized by some specificity. **Its main categories are: Apprentices, Journeyman, Masters.**

- **Apprentices are people who work and study craft in a craft enterprise.** Apprentices can only be trained in craft by a master. The training is done in accordance with the requirements of the training regulations prepared by the National Craft Chamber. The apprentice is trained on the basis of a contract with the owner of the craft enterprise (firm). An apprentice may be admitted if aged 16 or over who does not receive a full-time education at school from the pre-school and school system or full-time in a higher education institution. The training ends with an apprentice test.
- **Journeyman are persons who are permanently engaged in a particular craft in a craft enterprise. Journeyman can be:** an apprentice who has successfully passed an exam for a journeyman; a person who has not been an apprentice in a craft enterprise, but has been practicing a craft for at least 3 years and has successfully passed an exam for a journeyman; a person who holds a second or third degree of professional qualification under the Law on Vocational Education and Training if it corresponds to a particular craft.
- **Masters are persons who:** know in detail the whole work process to the extent that they can do it on their own, have the practical skills and theoretical knowledge necessary for the craft and have a master craft certificate issued by the National Craft Chamber; the master's certificate is issued for a successful master exam. There are no limitations on the number of master testimonies a person may have.

### **State Policy to Promote Small and Medium Sized Enterprises.**

Due to the unequal position of small and medium-sized enterprises in terms of resource options, finances, etc. compared to large companies, their state and prospects are subject to state policy.

**The State Policy for Promotion of Small and Medium-Sized Enterprises in Bulgaria is implemented through the National Strategy for Promotion of Small and Medium-Sized Enterprises.**

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The main objective of the strategy is **to create a favorable regulatory, administrative, financial and competitive environment that encourages small and medium-sized enterprises**. To achieve the goal, it is based on the following measures:

- financial support for the activities of small and medium-sized enterprises;
- securing part of the credit risk on loans provided to small and medium-sized enterprises;
- developing and implementing programs for small and medium-sized enterprises;
- information and consulting services for small and medium-sized enterprises;
- access to public procurement regulated by the Public Procurement Act;
- educational projects for professional qualification and acquisition of entrepreneurial skills;
- renting property - private state and private municipal property;
- setting up infrastructures to support and promote interaction between small and medium-sized enterprises;
- development of technology parks and incubators for the development of small and medium-sized enterprises.

State policy on the promotion of small and medium - sized enterprises is carried out by bodies and institutions such as:

- **The Council of Ministers**, approving the National Strategy for Promotion of Small and Medium-sized Enterprises, the annual programs for its implementation and the annual report on their status and development;
- **Executive Agency for Promotion of Small and Medium-sized Enterprises at the Ministry of Economy**, which: implements the state policy for the promotion of small and medium-sized enterprises; participates in the development of draft laws and international treaties related to the promotion of small and medium-sized enterprises; organize and coordinate the development and implementation of projects from the annual programs implementation of the national strategy for the promotion of small and medium-sized enterprises; organizes training courses for small and medium-sized enterprises; organizes the construction and maintenance of an information system for small and medium-sized enterprises.
- **Advisory Council of the Ministry of Economy**, which cooperates in the field of promoting small and medium-sized enterprises;
- **The ministries and departments**, according to their competence, foresee in their sectoral programs measures to: increase of the number of employees in small and medium enterprises; increase the export activity of small and medium-sized enterprises and their competitiveness; encourage investment in small and medium-sized enterprises; improve

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the information and consulting services of small and medium-sized enterprises; raise professional qualifications and acquiring entrepreneurial skills; increase the number of high-tech small and medium-sized enterprises.

- **The Privatization Agency**, in cooperation with the Agency for the Promotion of Small and Medium-Sized Enterprises, is developing in the annual privatization program a section "Promoting the Development of Small and Medium Enterprises";
- **The Municipal Councils** within the framework of the provision of regional development resources and in accordance with the regional development plans, develop and implement long-term and medium-term programs for the promotion of small and medium-sized enterprises.
- **The State through the State Budget provides funds for:** development and implementation of projects and programs; training courses and seminars; information and consultancy services to small and medium-sized enterprises, including the issue of reference and information; maintaining the register of small and medium-sized enterprises.

**STUDY OF THE NEEDS AND OPPORTUNITIES FOR REALIZATION OF DISABLED PEOPLE. IDENTIFICATION OF SOCIAL BARRIERS TO THE SOCIAL INCLUSION OF PEOPLE WITH DISABILITIES. FORMULATION OF PROPOSALS AND DISTINGUISHING SPECIFIC MEASURES IN THE FIELD OF SOCIAL INCLUSION THROUGH EMPLOYMENT, AS WELL AS SUGGESTIONS FOR INCREASING THE EFFECTIVENESS OF LOCAL AND NATIONAL POLICY**

**STUDY OF THE NEEDS AND OPPORTUNITIES FOR REALIZATION OF DISABLED PEOPLE.**

According to World Trade Organization figures, people with disabilities are approximately 10% of the population of each country and World Bank information sources indicate that they are also 20% of the poorest people in the world. Disability is both a cause and a consequence of poverty and, according to the United Nations, 82% of the people with disabilities in developing countries live below the poverty line. These figures are higher in countries destroyed by civil wars or natural disasters. Practically everywhere in the world, people with disabilities suffer some form of discrimination and are strongly rejected by the social, economic and political life of the community. This is also the main reason for the high level of poverty among this vulnerable group. The reason is their heavy lifestyle and high mortality <sup>7</sup>.

<sup>7</sup> St., Bozhana, Violeta Kostadinova, People with disabilities and their rights in the European Union. Bulgaria and its "invisible" citizens.

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Bulgaria is taking real action to implement the provisions of the Convention on the Rights of Persons with Disabilities, which is the first international legal act that has been signed for the shortest time by most countries in the history of the United Nations. In essence, the Convention is the first extensive and comprehensive international treaty on human rights, which was adopted in the XX century. The Convention was adopted by the United Nations General Assembly on 13 December 2006 and entered into force on 3 May 2008. The Republic of Bulgaria signed the Convention in 2007 and ratified it by a law adopted by the 41st National Assembly on 26.01.2012, SG No. 12 of 2012. The official translation of the Convention into Bulgarian is published in the State Gazette, no. 37 of 2012. By Decision No 868 of 19 October 2012, the Council of Ministers adopted an Action Plan containing measures to bring the legislation and policies in the field of people with disabilities into line with the provisions of the Convention on the Rights of Persons with Disabilities (2013 - 2014). The plan outlines concrete steps, clearly defines the role and functions of individual government bodies and stakeholders. By its Decision No 467 of 25 June 2015 the Council of Ministers adopted a Second Action Plan of the Republic of Bulgaria implementing the Convention on the Rights of Persons with Disabilities (2015-2020), which builds on the first plan and sets out concrete measures for the ongoing adaptation of legislation to the requirements of the Convention.

The main objective of implementing the policy on the integration of people with disabilities is to create conditions and guarantees for equal treatment and full participation of people with disabilities in all spheres of public life as well as the exercise of their rights by providing socio-economic support to disabled people themselves and their family members.

Social support for people with disabilities is provided through the provision of various types of benefits - compensations, social benefits, pensions, services and social security protection, social assistance, labor law, health and safety at work, and a range of tax and financial benefits.

The main normative act guaranteeing the rights of persons with disabilities and with the highest concentration of legal norms related to support for people with disabilities is the Law on the Integration of People with Disabilities, which builds on the constitutional principle that people with disabilities are under special protection of the state and society. The Law on the Integration of People with Disabilities is based on the principles of prohibiting and preventing any form of discrimination based on disability. The law provides for measures ensuring the social and economic protection of people with disabilities by granting monthly social integration allowances and targeted benefits. Disabled people are provided with regular and specialized work and employers who employ people with disabilities can receive incentives and financial means to adapt their workplaces, to ensure equipment, health and safety at work, etc. The law allows people with

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entrepreneurial spirit to start their own business and for this can apply for certain financial resources.

The Anti-Discrimination Act introduces mechanisms to enforce the prohibition of discrimination in practice. It aims to ensure that all persons, including people with disabilities, have the right to equality before the law, equal treatment and opportunities for participation in public life.

Right to benefits and pensions have the corresponding categories of insured persons provided for in the Social Insurance Code. Regarding social security, the National Social Security Institute provides benefits in the cases of temporarily reduced working capacity and labor retirement and pensions in cases of permanently reduced working capacity. Persons who receive a personal disability pension are also entitled to cash benefits for prevention and rehabilitation if they have not reached the age under Art. 68, para. 1 of the Social Insurance Code.

In the Labor Code, the Civil Servant Act provides for different forms of protection for persons with disabilities, which include an obligation for employers to determine a percentage of jobs for labour readjustment, the introduction of a light working time regime, a prohibition on night and overtime work, the establishment of reduced working hours, preliminary protection upon discharge, the provision of compensation for re-employment from the time of receipt of the prescription for employment, until its execution.

The Employment Promotion Act provides for measures for unemployed persons and for the promotion and maintaining employment, provision of mediation services for finding a job, vocational training and guidance including for people with permanent disabilities.

The Corporate Income Tax Act provides for the full transfer of corporation tax to legal persons with the status of specialized enterprises, cooperatives and separate production units, members of nationally represented organizations of people with disabilities and organizations for people with disabilities. Remitted funds are used for rehabilitation and social integration of people with disabilities.

Persons with permanent disabilities who receive income from work activity benefit from tax relief under the conditions and procedure set in the Personal Income Tax Act, as well as by the order of the Local Taxes and Fees Act.

The municipalities, within the framework of their competence, are committed to ensuring the availability of accessible architectural environment in kindergartens and schools, accessible public passenger transport by adapting existing mass transport vehicles and putting into operation of technically adapted for use by disabled persons means of transport, special transport services for

people with disabilities, necessary material conditions and means for social contacts of people with disabilities, etc. Unfortunately, in all municipalities the accessibility of the architectural environment is not a fact. There is an example in the municipality of Dimitrovgrad, which should be discussed as a positive practice for the other municipalities. In one of the schools there are additional facilities in place to allow a child with special needs to attend classes. A special classroom is adapted for the child's wheelchair and for feeling comfortable and not in isolation while in school. However, this is not the case in the municipalities of Simeonovgrad and Haskovo where specific examples of children with disabilities should be accompanied by their relatives to overcome the "obstacles" on their way.

According to the Road Act, persons with 50 and over 50 per cent reduced working capacity or type and degree of disability are exempted from paying a vignette fee for one car - their property or spouses' property with an engine capacity of up to 2000 cubic centimeters and power up to 117.64 kW (160 hp). Persons or families raising children with permanent disabilities up to the age of 18 and up to secondary education but not later than 20 years of age are also exempted from the payment of a vignette fee. The Child Protection Act regulates child protection measures, one of which is to provide special care for children with disabilities. According to the Regulation on the Application of the Child Protection Act for Children with Disabilities, a supplement of 75 percent of the guaranteed minimum income is paid regardless of the family income.

The right to education is guaranteed by the Constitution of the Republic of Bulgaria. In line with this principle, compulsory schooling is introduced until the age of 16. Primary and secondary education in state and municipal schools is free of charge. The state promotes education by creating and funding schools, supporting talented students and students with learning difficulties, creating conditions for vocational training and preparation.

The possibility of integrated education of children with special educational needs has been determined by creating a supportive environment for kindergartens and schools.

Ensuring equal access to education for children with special educational needs and / or chronic diseases and their inclusion in mainstream schools will continue to take place after the entry into force of the Preschool and School Education Act of 1 August 2016. The new Law introduces a new quality in education and regulates inclusive education as an integral part of the right to education, introduces the obligation to provide conditions for providing support for the personal development of children and students. In this regard, a state educational standard is developed, which will set out the way and conditions for the training of pupils with special educational needs.



Inclusive education is an indispensable part of the right to education, but for that purpose it is necessary to change the principle of support in education, namely, every child who at some point of his life needs support to receive it. Individual support, such as the responsibility of kindergartens and schools, is provided for all, not just for children with special educational needs. In this way, the education system will be able to respond more quickly, more flexibly and more adequately to emerging support needs in a harmonized and related way.

The Higher Education Act and the secondary legislation provide for the facilitation of access for people with disabilities, support and integration in the higher education system through the facilitation of persons with permanent disabilities and reduced work ability of 70 and over 70 per cent who successfully participated in the competition examinations; special allowances regulated in the regulations of the higher school, for the students, PhD students and specialists with permanent disabilities and reduced working capacity of 70 and over 70 per cent; exemption from payment of fees in public higher education institutions for persons with permanent disabilities and reduced working capacity of 70 and over 70 per cent.

In accordance with Art. 3, para. 1 and 2 of Decree No. 90 of the Council of Ministers of 2000 students with permanent disabilities, students with two parents with permanent disabilities, students with one parent with permanent disabilities are awarded scholarships from the beginning of the first year or from the beginning of the month following the month during which the grounds for obtaining is received, and are paid for 12 months for each month separately. The scholarships are granted without respecting the limit of success not lower than good 4.00.

In accordance with the Ordinance on the Use of Students' Hostels and Public Catering, students with 70 and over 70 per cent reduced working capacity are accommodated in student hostels without qualification and students with 70 and over 70 per cent reduced working capacity pay 30 per cent of the total monthly rent, as well as 30 per cent of the semester deposit due.

In the field of health care, according to the Constitution of the Republic of Bulgaria, all citizens have the right to health insurance, guaranteeing them accessible medical assistance, as well as free use of medical services under the conditions and according to a procedure established by the respective law. Protecting the health of citizens as a state of complete physical, mental and social well-being is a national priority under the Health Act. It is guaranteed by the state through the principles of equal treatment in the use of health services, provision of accessible and quality health care, the promotion of health and integrated prevention of diseases, prevention and reduction of the risk to the health of citizens from the adverse impact of the factors of the living environment. By the provisions of the law, the state also provides special health protection for

persons with physical disabilities and mental disorders. There is a normative possibility for the functioning of health centers in homes for the elderly with disabilities, as well as for the creation of integrated health and social services through which medical specialists and social services specialists provide health care, medical supervision and social work, including in the home environment, to support people with disabilities and chronic diseases and the elderly who need help in carrying out their day-to-day activities. A draft regulation for the regulation of integrated health and social services from which people with disabilities can benefit is under preparation.

With the amendments to the Law for the medical institutions from 2015 a new medical establishment is regulated - a center for complex care of children with disabilities and chronic diseases in which activities are carried out to support families of children with disabilities and chronic diseases for appointment and conducting of early diagnostics, diagnostics, treatment and medical and psychosocial rehabilitation; for long-term treatment and rehabilitation of children with disabilities and severe chronic diseases and their parents' parental care for family care; provision of visits by medical specialists for the provision of specific care for children with disabilities and severe chronic diseases, family-based and resident-type social service; providing specialized palliative care for children. These medical establishments are established by the Council of Ministers at the proposal of the Minister of Health, and the centers for complex servicing of children with disabilities and chronic diseases can provide social services under the procedure of the Law on Social Assistance.

One of the principles laid down in Art. 5 of the Health Insurance Act is equal treatment of the use of medical care by the obligated health-insured persons, including the disabled persons. According to the provision of Art. 4 of the Law "Compulsory health insurance guarantees free access of insured persons to medical assistance through a certain type, scope and volume of healthcare package as well as free choice of contractor who has concluded a contract with a regional health insurance fund". The right of option is valid for the whole territory of the country and can not be limited by geographic and / or administrative grounds.

In accordance with the provisions of the Health Insurance Act, at the expense of the state budget insurance shall be provided to: non-health-care insured in another procedure veterans and war victims, disabled people and disabled persons who suffered from natural disasters and accidents. At the expense of the state budget insurance shall be provided to the following persons if they are not insured according to another procedure: persons who receive an invalidity pension, as well as parents, adopters, spouses or one of the parents of the mother or father who take care of a disabled person with a loss of working capacity over 90 per cent and in need of assistance.

Health-insured persons suffering from chronic diseases requiring prolonged medical surveillance, maintenance treatment and specific care are exempted from a consumer fee for a visit to a GP, a dental practitioner, or need hospital treatment. The list of diseases is an integral part of the National Framework Agreement between NHIF and BMA, BSC and BFU, which regulates the type and scope of the medical activities paid by the NHIF. All military invalids and persons with expert decision of TEMC for over 71% reduced working capacity are also exempted from the user fee for the use of health services paid by NHIF.

The Ministry of Health (MH) finances state and municipal health care establishments for hospital care and state and municipal mental health centers for medical activities, which are provided by law or other normative act to be financed by the state budget on the basis of the Methodology for subsidizing the medical institutions. The activities funded by the Ministry of Health include recreation (once a year), prophylactics and rehabilitation (twice a year) of military invalids and injured in wars; inpatient treatment, daily psychorehabilitation programs and rehabilitation through occupational therapy for people with mental illness; diagnosis, treatment and specialized care for children with high medical risk outside the scope of compulsory health insurance; treatment of patients with active tuberculosis, as well as the medical expertise performed by TEMC.

People with disabilities in the Republic of Bulgaria have all the rights of health insured persons according to the effective internal legislation, regardless of the type of their disability and degree of disability.

People with disabilities can be treated in hospital health care establishments, which are contractual partners of the National Health Insurance Fund, on all clinical paths, clinical procedures, highly specialized medical activities, to use medical devices when there are certain indications for this on the same principles on which hospital treatment for other patients is based.

Legal requirements for accessible architectural environment are defined in a number of regulations, most of which were issued pursuant to the Law on Spatial Planning (LSP). The law regulates the public relations related to spatial planning, investment design and construction in the Republic of Bulgaria. The Law on Spatial Planning regulates the whole process of investment design, construction permit and introduction of construction works in operation, and Art. 169, para. 1 - 3 of the same regulates the requirements, which must be met by the constructions in their design, execution and maintenance.

To ensure the accessibility of the various modes of transport and transport services, which fall within the competence of the executive agencies to the Minister of Transport, Information



Technology and Communications, the existing European regulations are applied. In the field of road transport, the Executive Agency "Automobile Administration" implements activities aimed at overcoming the social exclusion and integration in the society of disabled people and persons with reduced mobility. Legislative requirements are defined for the vehicles and the transport-service facilities to provide accessible transport services for these people. Requirements have been introduced to: provide an accessible environment for buses for the public transport of passengers, the use of adapted vehicles, awareness of this group of passengers about their rights, as well as established sanctions for the detection of violations.

The Road Traffic Law sets out the requirements for the parking card used for parking spaces designated for vehicles servicing people with permanent disabilities and using parking facilities, which card is issued by the mayor of the relevant municipality or an authorized official in the form and validity on the territory of the whole country.

In the railway sector, the Railway Administration Executive Agency implements Regulation (EC) No 1371/2007 of the European Parliament and of the Council of 23 October 2007 on the rights and obligations of railway passengers. One of its aims is to provide rail passenger services to all citizens, including those with disabilities and reduced mobility, comparable to those of other citizens. Persons with disabilities and reduced mobility are paid special attention to providing information on the accessibility of rail services, the conditions of access to rolling stock and the various facilities on the train.

The development of physical education and sport for people with disabilities is regulated by the Physical Education and Sports Act, in accordance with the principles and norms of European legislation according to which physical education, sport and tourism in pre-school children, general, special and vocational schools are an integral part of the educational and educational process. They are implemented by programs of the Ministry of Education and Science in coordination with the Ministry of Youth and Sports. Physical education and sport for people with disabilities aim at improving the quality of their lives, their rehabilitation and social integration, providing the necessary conditions for practicing various sports. The Ministry of Youth and Sports supports with the means of preparation and participation of athletes with disabilities of Paralympic Games, World and European Championships, supports activities of sports organizations related to the adapted physical activity of people with disabilities. Disabled athletes use the state and municipal sports facilities free of charge and do not pay tickets for competitions. The Ministry of Youth and Sports develops, finances and coordinates the implementation of programs to promote, improve, maintain and improve mobility by practicing physical exercise and sports. The implementation of the program and project financing of the activities of licensed sports

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organizations administering sport for people and children with disabilities enables action to be taken to establish clear parameters for efficiency, expedience and legality in the spending of the funds, as well as the creation of conditions for awareness of the children and the people they are targeting.

The right of access to national and universal cultural values, the right to the development of personal culture, the freedom of artistic, scientific and technical creativity, the inventive, copyright and related rights shall be protected, recognized and guaranteed by Art. 54 of the Constitution of the Republic of Bulgaria. Accordingly, the Law on Protection and Development of Culture introduce the principles of democratization of cultural policy, freedom of artistic creativity and non-censorship, equal treatment of artists and cultural organizations, promotion of cultural diversity while preserving the unity of national culture, discovering, supporting and training young talents in the field of culture and developing and improving education in the arts and culture.

Apart from the stated in the respective cultural and artistic fields, the principles of equality, access, democratization and non-discrimination are introduced by the special laws in force, such as: Public Libraries Act, Cultural Heritage Act, Chitalishte Act, Law of Patronage, Copyright and Related Rights Act, Law on the Administrative Regulation of the Production and Trade in Optical Discs, Matrices and Other Media Containing Object of Copyright, Law and Related Rights, Law on the compulsory deposit of copies of printed and other works, The Film Industry Act, the Law on Radio and Television and the Law on the National Donation Fund "13 Centuries Bulgaria".

In compliance with the basic principles laid down in the Law on Protection and Development of Culture, the Ministry of Culture develops targeted programs for financial support of cultural initiatives and creative projects, supports the development of cultural institutes and community centres (chitalishte), provides conditions for professional training and education of artists and specialists in the field of culture and methodological management of secondary schools of arts and culture, promotes and rewards Bulgarian cultural workers for high performance or creative contribution to the development and promotion of culture, develops normative acts to ensure the protection of cultural activities and artists, provides information on participation in international programs and funds. Additional opportunities for equal creative development and education give the programs of the National Culture Fund, as described in Art. 31, para. 2 of the Law on Protection and Development of Culture. On this basis, the Ministry of Culture pursues a consistent policy of integrating people with disabilities into public cultural life as creators of cultural values or consumers of cultural products. An accessible architectural and intellectual environment in the cultural sphere is provided, conditions for integrated education of children with special educational needs in the schools of arts and culture are established, creative projects of

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organizations of people with disabilities are supported, and in 2015 the implementation of the Concept for Changes in the Legislation on the Application of Art. 30 of the UN Convention on the Rights of Persons with Disabilities started.

The biggest challenge in disability policy in Bulgaria is to ensure employment and employment opportunities for people with disabilities in an integrated work environment as well as to provide adequate support for workers and employers. This is also the conclusion from the conducted survey in Haskovo region among the 100 representatives of people with disabilities from the region of Haskovo. There are still insufficient number of adapted workplaces for people with disabilities that can be in a specialized and integrated working environment, as well as the implementation of flexible and alternative methods of workplace support for people with disabilities according to their individual characteristics - age, type and degree of disability, functional capabilities, available work capacity. The funds provided annually by The Agency for People with Disabilities cannot meet the needs of working people with disabilities. It is necessary to implement more measures to encourage employers to employ people with disabilities.

The provision of transport accessible to people with disabilities - both automobile and rail is also determined as a difficulty in the region. Obviously, the implementation of EU regulations on the rights of passengers with mobility difficulties will require more targeted work, means and time.

Another challenge that is defined by the respondents is the promotion of good coordination between the different institutions and the activation of the municipal and regional authorities. The attitude of individual work on individual projects in support of people with disabilities is still prevalent and, consequently, there are difficult solutions for the sustainability of initiatives.

The challenges in education, according to the questionnaires, are related to:

- shortage of specialists to work with children and students according to different types of disabilities and disorders, especially in remote and small settlements;
- ensuring the timely and permanent qualification and training of pedagogical specialists in kindergartens, schools and service units for work with children and pupils with special educational needs;
- providing an accessible architectural environment for children and students with disabilities in kindergartens, schools and service units;
- insufficient teamwork and partnership with parents and institutions to provide supportive environment in kindergartens and schools;
- building a positive attitude in the process of inclusive education of children and pupils with special educational needs in a general educational environment

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Difficulties are still encountered in ensuring equal access to quality health services for people with disabilities, which requires emphasis on prevention and rehabilitation.

Providing adequate support for community life is a serious issue that relates to provided social protection, social services in the community and the promotion of the participation of people with disabilities.

Creating conditions for participation of people with different types of disabilities in sports activities, recreation, tourism and participation in cultural life is necessary. To this end, accessibility should be provided for the architectural environment, transport, information technology and communications, provision of accessible information, etc.

In other words, a prerequisite for realizing the civic participation of people with disabilities and respecting their rights is the complexity and consistency of the efforts of all involved institutions as well as of the disabled people themselves and their representative organizations.

In order to be effective the efforts aimed at the full inclusion of people with disabilities in society should be addressed to their problems. Moreover, it is not about individuals but for a whole group of the population of Bulgaria.

The realization of this vulnerable group on the labor market is one of the main tools for integrating people with disabilities into all areas of public life.

Ensuring the conditions for effective exercise of the right to free choice of employment of people with disabilities in working age and improving their quality of life is a main objective of the Long-term Disability Employment Strategy 2011-2020. The main areas of operation include:

- Ensure employability of unemployed persons with permanent disabilities in working age, including through flexible forms of employment, the primary labor market and employment programs with a view to overcoming their social exclusion and their full integration into society;
- diversifying incentives for employers to employ people with disabilities and adapting the work environment to their needs;
- impact on employers' attitudes and stereotypes regarding the employment of people with disabilities;
- providing access to financial resources and opportunities to start a self-employed business<sup>8</sup>;

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<sup>8</sup> Updated Employment Strategy of the Republic of Bulgaria 2013-2020

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Good regulation, though in most cases, does not solve the problems of people with disabilities. Legislation must also be applied in practice, and here the problems begin.

Among European countries, the problems of people with disabilities are best regulated by law in Finland, Germany, Sweden, Portugal, Greece.

Long-term care is defined differently in EU Member States. It reflects the differences in the duration of care, the covered users of services, and often the difficult to determine boundary between the offered medical (health) and non-medical (social) services. The European Commission gives the following definition of long-term care <sup>9</sup>: „Long-term care combines a wide range of medical and social services for people in need of basic day-to-day activities due to chronic physical or mental disabilities. Such care is often carried out at least partly by non-professionals, such as family or friends. Long-term care is on the border between medical and social care and is usually provided to people with physical or mental illnesses, the elderly and certain groups of people who need help in carrying out their day-to-day activities“.

Long-term care services and other social and health care services for the elderly and people with disabilities in Bulgaria are provided by two separate systems - the social services system and the healthcare system. The different distribution of responsibilities (private / family / public), the different ways of organizing medical and social care, and the different legislation for them, lead to the need to apply new models and their subsequent regulation according to the specifics of our country.

One of the serious problems characterizing the system of services in Bulgaria is the insufficient number of preventive social and health services for adults and people with disabilities. There are no comprehensive (health and social) services in the home environment, as well as financing of the care and long-term care activities, which meet the needs of the elderly and people with disabilities.

## **PROPOSALS IN THE FIELD OF SOCIAL INCLUSION THROUGH EMPLOYMENT. PROPOSALS TO INCREASE THE POLICY EFFICIENCY AT LOCAL AND NATIONAL LEVEL**

An important part of inclusive education is the question of accessibility of kindergartens and schools not only in the context of physical accessibility, but also in terms of the forms of communication used, providing the necessary support, etc. It is necessary to regulate the requirement for an interactive classroom in order to provide flexible approaches and forms of work

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<sup>9</sup> National Long-Term Care Strategy 2014-2020

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according to the needs of the children and students and to provide a suitable resource room with the necessary equipment for the individual activities with the child or the student.

Specialists, apart from the specific work with the child, should have the function of advising parents on the specific difficulties of the child. There is also a need to establish a practice of informing parents at each stage of the child's education process as well as constant, active inclusion of parents in team meetings in kindergarten and school.

It is necessary to not only changing attitudes and building a culture of acceptance of diversity, but also training the knowledge and skill of the problem to solve it. In this respect, resource centers should retain their specific advisory role of mediators, facilitating the process of cooperation between participants in the process of inclusive education.

There is a need for more specialized training for psychologists, speech therapists and resource teachers. Specialized training for teachers in kindergartens and schools for work with children and pupils with special educational needs. It is imperative to discuss with the representatives of higher education institutions the possibilities of introducing modules in the basic education in the higher schools for the specialties with a pedagogical profile for working with children with special educational needs and the continuation of the qualification programs of the Ministry of Education and Science.

The necessity to provide complex care by different specialists in connection with educational, health and social needs in the kindergarten itself and at the school itself - personal assistants, social assistants (if the child has such personally assigned and appointed under some of the existing projects/programs), rehabilitators, therapists and others. To provide an opportunity in the duties of the nursery school and school principal to ensure a coordinating function in the process of inclusive training and the involvement of specialists in the team from the available local resources.

Providing conditions to support young people with disabilities to apply and study in higher schools, such as: providing technical facilities for access to the buildings of the higher schools, providing specialized equipment and specialized software programs to support the training of persons with sensory disabilities and persons with physical disabilities, organizing special courses for pupils, students, graduates and postgraduates with disabilities, adapting learning materials that are accessible to people with disabilities (special educational needs), conducting apprenticeship courses, providing textbooks and teaching aids, paying rent for student hostels, providing, where necessary, consultants for people with sensory disabilities, conducting information campaigns to promote the opportunities and conditions of higher education institutions to receive and train young people from vulnerable groups.

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Providing appropriate forms for qualification and retraining.

Ensuring appropriate forms of employment.

Performing an analysis of employment opportunities for people with different types of disabilities.

Determining the types of activities that disabled people can perform on the basis of their disability.

Preparation and introduction of training programs.

Establishment of training centers.

Adaptation of existing centers for an adequate learning process.

Providing places for practical activities.

Encouraging employers conducting qualification and re-qualification courses for people with disabilities.

Training of employers and employees for work with people with disabilities.

Developing a mechanism for determining economic sectors to work in protected enterprises.

Determination of programs to create sheltered workplaces within which contracting authorities may reserve contracts (on the basis of Directive 2009/81 / EC of the European Parliament and of the Council of 13 July 2009; Directive 2014/24 / EU of the European Parliament and of the Council of 26 February 2014; Directive 2014/25 / EU of the European Parliament and of the Council of 26 February 2014).

Defining programs to create sheltered workplaces for people with disabilities through reserved concessions (on the basis of Directive 2014/23 / EU of the European Parliament and of the Council of 26 February 2014 for the award of concession contracts).

Creating conditions for expanding the opportunities for work at home and working at a distance.

Development of incentive schemes for employers providing work at home and remote work.

Informing the public about home and distance form of employment.

Providing incentives for people with permanent disabilities who find employment on their own.

Analysis of the current conditions for the realization of independent economic activity by people with permanent disabilities;

Creating better conditions for the start-up of independent economic activity by people with permanent disabilities.

**ANALYSIS OF THE POTENTIAL OF SOCIAL ENTERPRISES IN HASKOVO. ANALYSIS OF THE POSSIBILITIES OF THE ECONOMIC SECTORS AND POSSIBLE NICHES FOR THE DEVELOPMENT OF NEW SOCIAL ENTERPRISES FOR LABOUR INTEGRATION IN HASKOVO. EXAMPLES OF BEST PRACTICES IN THE FIELD OF SOCIAL ECONOMY. STATUTE AND LEGAL REGULATION OF THE ACTIVITIES OF SOCIAL ENTERPRISES IN BULGARIA**

## **SOCIAL ENTERPRISES**

The term "social enterprise" has established itself in developed economies in Europe and North America. It generally refers to a diverse set of organizations that develop business to achieve social goals and causes. Despite developed practices in leading European countries - Great Britain, Germany, Italy, attempts to define the term "social enterprise" have so far not produced a single definition. However, national institutions and legislations use social enterprise criteria that provide a sufficiently solid basis for understanding and differentiating the social enterprise as a concept.

The social enterprise is an element of the social market economy. The main thing that distinguishes social enterprises from traditional market entities is that they do not redistribute all profits for private benefit and solve different social problems.

"The social enterprise is a business with predominantly social goals which surplus is primarily reinvested in these business or community goals instead of being driven by the need to maximize profit for the owners of the capital or shareholders"<sup>10</sup>.

According to the new EU definition used in the Social Business Initiative, "Social enterprises seek to serve community (social, public, environmental) goals rather than maximize profits. They often have an innovative character through the goods or services they offer, as well as through the organization or production methods they apply. They often hire the most endangered members of society (socially excluded). In so doing they contribute to social cohesion, employment and the reduction of inequalities."<sup>11</sup>

The common among all the above definitions is the presence of two mandatory components - economic and social. On the basis of the definitions and differentiation criteria listed above, we will adopt the following broadly-defined definition of a social enterprise:

<sup>10</sup> [http://webarchive.nationalarchives.gov.uk/+/http://www.dti.gov.uk/socialenterprise/pdfs/strat\\_success.pdf](http://webarchive.nationalarchives.gov.uk/+/http://www.dti.gov.uk/socialenterprise/pdfs/strat_success.pdf)

<sup>11</sup> [http://ec.europa.eu/internal\\_market/social\\_business/index\\_en.htm](http://ec.europa.eu/internal_market/social_business/index_en.htm)

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**„A social enterprise is a legal entity that carries out sustainable economic activity in the name of a social cause.“**

The **legislation** that regulates the status and regulates the activity of the social enterprises in Bulgaria is underdeveloped. In Bulgarian legislation there is no legal definition of social enterprise, as well as rules governing the status, form and activities of the social enterprise. Moreover, the term "social enterprise" does not formally exist in the country's legal framework.

The only legally regulated type of enterprises are specialized enterprises and cooperatives of people with disabilities.

According to the **Law on the Integration of People with Disabilities**, specialized enterprises and cooperatives of people with disabilities are those who meet the following conditions:

- Registered under the Commerce Act or the Cooperatives Act;
- Produce goods or services;
- Have a relative share of people with disabilities as follows: for specialized enterprises and cooperatives for blind and visually impaired persons - not less than 20 per cent of the total number of staff; for specialized enterprises and cooperatives of people with hearing impairment - not less than 30 per cent of the total number of staff; for specialized enterprises and cooperatives of persons with other disabilities - not less than 50 per cent of the total number of staff;
- They are entered in the register kept at the Agency for People with Disabilities.

Due to the poor development of its subject, statistics on social enterprises in Bulgaria are also not well developed. The best data are available for specialized enterprises for people with disabilities. According to the Agency for People with Disabilities and the National Association of Employers of People with Disabilities in mid-2018 the register of APD included 268 specialized enterprises for people with disabilities. Of these, 77 are small and medium-sized enterprises and 191 are micro-enterprises. The total number of people employed in them is about 2858 people, and 30% of them are disabled people. Only 12% of people with disabilities in the country are employed. <sup>12</sup>.

In general, society does not create sufficient and adequate opportunities for social inclusion of vulnerable groups. There is lack of understanding and appropriate attitude towards disadvantaged people. The activities of social enterprises in Bulgaria are usually in areas not particularly attractive to business because of lower profits and slower return on investment.

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<sup>12</sup> Националното сдружение на работодателите на хора с увреждания

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The following social enterprises in Bulgaria are identified:

- Private commercial companies that hire people at risk and / or offer services or products for such people;
- Specialized enterprises for people with disabilities which provide employment to these vulnerable groups;
- Non-government organizations that carry out business activities within the framework of the statutory option or register commercial companies to develop such activity by providing employment to people from vulnerable groups;
- Social enterprises in the municipalities, which provide employment for people from risk groups (most often people with disabilities);
- Social enterprises in the form of public-private partnerships with municipalities;
- Day care centers for people with disabilities looking for business opportunities for the purpose of socialization and adaptation of their clients;
- A social enterprise within a large industrial holding established for the purpose of redeploying workers who have suffered a degree of disability while working in the factory/plant.

They can be organized in two main groups:

- Enterprises created as a result of a business initiative and operating on the market ("entrepreneurial") type basis,
- Businesses dominated by social causes and profits are in the background.

Entrepreneurial type:

- 1) Specialized enterprises for people with disabilities - the most mass-type, sustainable enterprises created under the Law on the Integration of People with Disabilities.
- 2) Independent firms that have started with their own resources - a few cases arising from an authentic business idea. They turn out to be viable precisely because they do not rely on external assistance.
- 3) Municipal specialized enterprises for people with disabilities - this is an intermediate type between the independent specialized enterprises and the municipal social enterprises. They remain profit-oriented and in practice work on a competitive basis, but in severe financial situations they can rely on municipal support as important, and in some cases, key customers.

With a dominant social cause:

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- 1) Municipal social enterprises (or public-private partnerships with municipal participation) – the difference with the above type (the municipal specialized enterprises) is that the leading cause is the social cause (for example, raising the living and social status of persons from vulnerable groups - most often people with disabilities). They are not entitled to independent economic activity, the income from their activity is not sufficient to self-finance, ie. they are mainly supported by the municipal budget and, in the event of a break in funding, they can not continue their activity. This type may also include the only case of an enterprise in a large industrial giant that created it for the purpose of redeploying workers who have suffered a degree of disability while working in the workshop. This specific is that the services of a social enterprise is valued, but in practice it cannot offer them to external customers and generate revenue.
- 2) Businesses of non-profit organizations - several serious non-government organizations have their own enterprises that offer products on the market and profit their main social activities. They are legally able to operate as separate business entities or within the scope of independent NGO business.
- 3) Social services for vulnerable groups seeking additional or sustainable funding through entrepreneurship, together with ensuring employment and socialization – most often day care centers for people with disabilities which work for the social inclusion of their clients by involving them in various activities - most often production of cards, martenitsi, souvenirs, sculptures, etc.

In the Haskovo region the registered social enterprises are 7. Three of them are in the district center, three are the registered social enterprises in Dimitrovgrad and one in Harmanli. The total number of employees in them is 47 people. Three of the enterprises /2 in Dimitrovgrad and 1 in Harmanli/ have tailoring activity; one /Haskovo/ for cleaning of buildings; one /Dimitrovgrad/ - for woodworking; one /Haskovo/ – for making hotel supplies and one /Haskovo/ - for production of metal products. Four of them are micro-enterprises, and the other three are small companies. The company for supply of hotel supplies has the numerous staff.

### **Problems identified for social enterprises:**

#### **1. Resource provisioning**

- Lack of adequate funding to support social enterprises - this is a problem that affects practically all social enterprises and concerns the initial and working financing of the activity of social enterprises;

- Lack of business start-up resources - alongside funding, there are several business start-up components that are typically lacking in the majority of start-ups: buildings / land, equipment;
- Lack of managerial and marketing experience - this is a problem for the sector, which generally attracts staff with a different profile than necessary for the realization of management or marketing positions. As far as the civil sector is most active in setting up social enterprises, assistance in this area is becoming a necessity.


## 2. Disadvantages of the project approach

- The project financing pattern suffers from a chronic lack of sustainability;
- Slow and heavy procedures for project administration;
- Project funding raises doubts about the presence of corrupt interests that are not related to the declared social cause

## 3. Problems with the environment

- Lack of systematic and purposeful policy at the national level - entrepreneurs identify passive and chaotic behavior of the state and the responsible institutions;
- Problems with the institutions - there is no real understanding of the role of social enterprises, lack of cooperation on the part of the institutions involved

## 4. Personnel problems

-  Acting enterprises (most often specialized enterprises for people with disabilities) often have problems with finding and training appropriate staff – on the one hand because of their attitude to have higher expectations for the employer to provide them with work, without being motivated to defend their position with appropriate qualification and willingness to work. On the other hand, employers from specialized enterprises say that people with disabilities can not be equally effective and effective as people without disabilities;
- The aid trap – employers of people with disabilities describe cases where persons with disabilities who apply for a job have no motivation and give up. The reason is that they receive enough allowances and therefore have no incentive to work.

The model for a successful social enterprise can be related to the development phase of the type of enterprise concerned – for example, where an enterprise is still an idea or a project, or has emerged recently, the successful enterprise is seen in the most idealistic scene with a minimum of concrete characteristics – where the abstract vision predominates, where everyone is happily



working in stable and sustainable businesses. Accordingly, on the opposite pole are the companies with experience and history behind them that really work successfully – there, usually, the successful enterprise is thought to be "more than the same", either increase of staff, investment, geographic expansion into other regions / cities.

Another distinguishing feature of successful enterprise is self-sufficiency, especially in financial terms. There are many examples in which functioning businesses have certain financial dependencies – of the municipal budgets (in the case of enterprises that are part of the municipal structures); of project funding that is unsustainable, as long as it has an unpredictable result; from donors who could also terminate funding.

After all, if a generalized model of a successful social enterprise in Bulgaria is to be produced, it may seem like this: **Successful social enterprise is a functioning enterprise with a social cause, a positive financial result that is independent in decision-making, not entirely dependent on external financing, has a clear prospect of development and achieves its social goals.**

On the basis of identified problems, a series of recommendations can be formulated to improve the social entrepreneurship environment in Bulgaria:

Resources to support social enterprises are not being spent well enough. In addition, the lack of entrepreneurial skills and culture among representatives of the non-governmental sector, which still provide the core human resources of social entrepreneurs, requires a new, modern approach to financing emerging or existing enterprises, where the provision of funds does not exhaust the donor's commitment, but is accompanied by long-term support and tracking of the enterprise's development.

Mobilizing the available internal and external resources (the possibilities of alternative forms of tourism, attracting young and enterprising Bulgarians from the country and abroad for the cause of social entrepreneurship) can provide a much broader basis for the development of the sector. Active work with local businesses to promote social entrepreneurship and social enterprises is also a step in this direction.

In practice, the opportunities of an integrated European market and developed practices in Europe's leading economies are resource that can be used much more effectively. Optimizing legislation and creating a flexible legal environment is a prerequisite for the development of the sector.

As European practice shows, a proven solution to support social entrepreneurship is creating a civil organization that can play the role of a body that protects the interests of the social business

sector, generates and maintains a database of social enterprises, lobbies at a political level, promotes social entrepreneurship as an activity in benefit society, traces and monitors public procurement schemes and financing schemes.

Social enterprises in Europe are represented in almost all sectors of the economy - banking, insurance, industry, agriculture, crafts, health and social services, etc. Still predominantly social enterprises are in the sphere of social, health and other services, education, processing industry, recycling, as is the general trend in Bulgaria.

According to a survey of the European research network ([www.emes.net](http://www.emes.net)), based on a sample of 162 enterprises in 11 countries, the sectoral breakdown of the type of social enterprise is particularly clear. The survey shows that agriculture is the least developed sector - 1%, and hotels and restaurants are also under-developed - 5%. The other spheres are as follows: social services - 19% (the busiest sector), recycling - 18%, entertainment services - 12%, consultancy services - 9%, gardening - 8%, processing industry - 6%, culture - 5%, education - 3%, trade - 2%.

Based on the identified problems of the social enterprises and the economic situation in Haskovo region, it can be concluded that there is a niche for development of the following main activities to be carried out by social enterprises in Haskovo region

### **Social enterprises, providers of social services**

According to the Social Assistance Act, "social services" are those activities, which are provided as services, which are aimed at supporting the assisted persons in the pursuit of full life. An essential part of the concept of "social service" is the social integration of the consumer, which should continuously accompany the process of providing the service. In this respect, the provision of paid social services leads to the accumulation of income from economic activity and in this sense represents a type of social enterprise. The growing tendency of the delegation of the provision of social services by the state and especially by municipalities in recent years strengthens that part of the social enterprises, whether it is a commercial company or a non-governmental organization.

- A basic condition is that social service providers are entered in the register of the Agency for Social Assistance. They could:
- Apply for funds for social services from the state budget and municipal budgets;
- Finance their activities from revenue from social service charges paid by their users;
- Apply for funding under the Operational Program "Human Resources Development"
- be funded from other business activities of the company, if this is the case;

### **Social enterprises providing health services**

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Since it is about non-medical health care institutions, this type of social enterprises provide basic health services that do not require specialization - blood pressure measurement, nursing assistance, rehabilitation, counseling for medication, bandaging, prophylactic examinations and counseling, anonymous free counseling and testing for AIDS and other. In practice, these services are part of the social services provided by the enterprise - whether it is home social patronage or social services for dependent, Roma groups, young women, and so on.

They could be funded mainly by: fees for services provided as part of social services, targeted project funding, again as part of other services through financing from municipal budgets.

**Social enterprises organizing training and providing educational services** – this is another area in which social enterprises can develop an intensive activity. The law entitles both nonprofit organizations and commercial companies or cooperatives to be registered on the special procedure such as schools and vocational training centers. They may issue valid diplomas for an acquired educational or vocational degree if the enterprises themselves have the appropriate registration and accreditation. The social aspect of this type of activity is to hire representatives of socially vulnerable groups and people with special needs as trainers or to organize specialized trainings for them. The financing of such enterprises could be realized through tuition fees collected by the trainees, on a project basis through targeted subsidies granted by the state or municipalities.

**Social enterprises in the sphere of production** – the last trend over the years has been the focus on organizing different productions - mainly small and medium-sized enterprises that produce products mainly in the light and food industries, agriculture. In advanced technological countries, the technologies in the field of modern technologies are particularly promising, but in Bulgaria this type of activity is poorly developed. Their financing is mainly through realization of the created production as well as through project financing.

Although still modest, entrepreneurial initiatives in Bulgaria are more effective than the traditional "social state" because they are less bureaucratic, more flexible and capable of forming higher engagement.

Social entrepreneurship is developing new models of active social support and inclusion, in which consumers and clients are encouraged to take on greater responsibility.

Despite the major changes that have been made in recent years - both legislative and administrative - we can still talk about the insufficient involvement of the state and local authorities in the activities of social enterprises. They are still perceived as a "new trend" rather than as a conscious factor for developing and supporting local communities.

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There is still a lack of clear recognition in the society of social enterprises as a particular type of enterprise, and often, coming out of the market, they face competition, and their social mission is not the cause of their tolerance, but rather becomes a burden.

Among the representatives of the municipal administrations there are still reservations related to the private providers of social services. Local authorities are still largely responsible for the organization and financing of services by continuing to adhere to direct delivery instead of delegating these activities to NGOs and thus freeing human resources and administrative capacity for other types of services.

A major problem in the Bulgarian practice of social entrepreneurship is the shortage of highly qualified entrepreneurs who are willing to develop such initiatives. The initial assessment of the sector and the study of existing practices show that social enterprises need additional capacity, both in the development of projects to provide additional funding, as well as in the development of organizational capacity, strategic and business planning. Additional training is needed in the field of business planning, accounting, financial management, marketing, partnerships and coalitions, fundraising, and so on.

## EXAMPLES OF BEST PRACTICES IN SOCIAL ECONOMY

Social Dialogue, Berlin - Visitors organized in groups are led by blind guides for about an hour in specially built dark rooms where fragrances, sounds, air movements, temperature and texture give the characteristics of everyday activities and places - like park, town, boat cruise. In this way, people who can see are brought out of their familiar surroundings, and blind people convey new sensations and teach orientation and life skills in a pictureless environment.

Since its inception in 1988, it has been shown in more than 30 countries and 130 cities around the world with more than seven million visitors and thousands of blind guides and instructors who have found work through "dialogue in the dark".

Quartiermeister, Munich - Buying Quartiermeister brand beer in the neighborhood shop, customers have the choice to support one of several local project initiatives that "compete" to fund, such as courses for refugees and migrants, theatrical productions with participants 14 - 65 years of intergenerational dialogue, creation of a public center to support marginalized groups, organization of intercity evenings to explore and exchange of cultural heritage, promotion of young talents, festival against racism, etc. Over time, the idea has grown - every pub / shop can join by incorporating a beer brand into its product range, and any idea in support of the local community can get involved in getting votes and funding.

GLS BANK - This is the first bank in Germany founded in 1974 to work ethically with a focus on

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cultural, social and environmental initiatives for the benefit of society rather than the private interests of people looking for capital or maximum profit. With a major focus on cultural, social and environmental businesses, GLS BANK tries to tackle the challenges of society by developing creative solutions. Led by the idea of sustainability, GLS BANK meets people who want to invest money with people who need money to realize their ideas and projects.

START IT SMART - an organization to help young entrepreneurs in Bulgaria. It started as an Entrepreneurship Club, founded in 2009 by five students from Sofia University "St. Kliment Ohridski". At that time, they are confronted with the difficulties of starting their own business and are aware of the need to create a community of people with similar interests and issues to share experiences and learn from each other. The club's activities are rapidly expanding with the organization of competitions for innovative business projects, events and the realization of the first SMART IT SMART acceleration program for Southeastern Europe, which includes a 10-week cycle of trainings, mentoring and trainings through which each start-up company will prepare for the next step - finding an investor or direct marketing. The program is open to teams with innovative business ideas that can get a free job, a training and mentoring program, a relationship with investors, free services and many more. The aim of the program is to support young people who have an idea and a desire to develop their own business, to make quick and easy initial steps in creating a startup, gaining knowledge and experience through their own practice. Successful transition through the program is a prerequisite for increased success for companies looking for further funding. The other major objective of the SMART IT SMART team is to encourage more and more young people with no business experience to recognize entrepreneurship as a possible career path, receiving the necessary initial support. For the first cycle of the program sponsorship is provided, so the participation of the teams is free of charge.

"For You, Because You Are Concerned" - Product of Social Enterprises. Ten social enterprises from Veliko Turnovo, Targovishte, Razgrad, Zlataritsa, Lyaskovets and Dryanovo present their products together to exchange good practices and promote social entrepreneurship as a model for social inclusion and employment of disadvantaged people. They produce a common logo under which to offer their products - sheets, textiles, household utensils, souvenirs, jewelry.

L'Incontro, a non-profit social cooperative based in Castelfranco, province of Veneto, in the north-east of Italy. Established in 1991, the cooperative manages daily centers and work centers aimed at rehabilitating people with psychological problems or socially excluded groups. Since its inception, the cooperative has undergone a significant development, currently headed a consortium of 11 related production units in the following sectors:

- Home care for the elderly and the mentally retarded;
- Assembling of electronic and electrical products;
- Production, processing and sale of local agricultural products.

Art teachers are workers who have joined the consortium in adulthood, with aim to use their experience to train and guide service users by the consortium (people with psychological difficulties that need to integrate into the labor market).

The first established Social Cooperative in Greece is registered in Leros. Preparatory actions for its establishment began in 1999. At the beginning of 2002, the Ministry of Health requested a preliminary approval of the possibility of establishing a Social Cooperative, which was received on 15 May 2002. After the Constituent Assembly cooperative was registered in court. By the end of the year there was a transfer of medical personnel and medical equipment from the State Hospital in Leros to the cooperative, organized activity management and accountability. At the end of 2003 the total number of cooperative members is 456, of which mentally ill - 194 medical personnel - 158 organizations and municipalities - 14 individuals - 90. The activities of the cooperatives in three key areas - agriculture, confectionery, two dining rooms. The production of vegetables for the first year amounts to about 20 tons. 80% of it is intended for the State Hospital in Leros and 20% for the free market. 16 mental health workers and 7 medical staff are employed in the production. 5 people with mental illness and 4 medical specialists are engaged in the daily production of confectionery products - sweets and snacks. Part of the production is for the two dining chairs and the other part is for the free market as the demand for the free market of the confectionery production increases. 9 workers from the first category members and 5 from the second are employed in the two dining rooms. They serve patients, staff and visitors to the State Hospital in Leros.