

EMPLOYMENT GENERATION AND SOCIAL INCLUSION FOR POVERTY REDUCTION



FASTFACTS

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NDP supports the efforts of the Bulgarian Government to reduce poverty through adequate policy measures and programmes. In the context of Bulgaria's EU membership, reducing poverty levels and

fighting social exclusion has become one of the main priorities of the Government.

UNDP support to poverty reduction and social inclusion in Bulgaria falls into two broad categories:

- **Employment generation.** UNDP provides its national partners with a range of mechanisms and instruments for enlarging job opportunities and putting long-term unemployed back into the labour market.
- **Capacity development.** UNDP assists the Bulgarian Government in building capacities for the development of poverty reduction policies, strategies and implementation mechanisms.

Promoting poverty reduction and social inclusion directly supports the Millennium Development Goals (MDGs).

The Country Programme for Bulgaria (2006-2009) identified as a first priority for the UNDP support the **Social inclusion and local economic development for poverty reduction**

Under the first sub-component - *social inclusion* - support is extended to monitoring the progress towards the achievement of the national MDGs. Advocacy work focuses on minority issues and on vulnerable social groups.

The social inclusion of vulnerable people such as the Roma is supported through an integrated approach combining policy-level interventions in the areas of health, employment and education as well as institution- and capacity-building at the national and local levels. Support to Roma communities aims at improving access to employment through special and targeted support to at least 600 Roma in the field of micro/small business development.

The programme continues to work on national housing issues aiming at an improvement in the living conditions of the poorest segment of the urban population while at the same time creating employment and reducing greenhouse gas emissions. It supports the initial phase of the national rollout of the demonstration initiative for

UNDP's support to poverty alleviation and social inclusion in Bulgaria focuses on:

- 1) **Employment Generation**
- 2) **Capacity Development**

UNDP works through the following ways to influence change in Bulgaria:

Pilot Projects = Policy Advice=Advocacy

the renovation of prefabricated panel residential buildings and surrounding public spaces. Efficient public-private partnerships are at the heart of this intervention.

The second sub-component - *local economic development* - will reinforce linkages between sustainable growth and poverty reduction by promoting local economic development. The focus will be on direct support to micro/small businesses and small and medium-size enterprises (SMEs), so that they not only cope with the competitive pressures of the EU market but also seize the job-creating business opportunities it will provide. People who wish to start micro/small businesses in the poorest parts of the country and in rural areas are provided with business support services. Assistance is channeled through the network of JOBS business centers and business incubators, which were further deepened as a local economic development network with an expanded scope, product lines and target groups.

Private sector development is also supported through initiatives leading to a more enabling business environment for local SMEs. Interventions will include strengthening local capacity for public-private sector dialogue, stimulating private sector investment and mobilizing local resources for development. The Global Compact principles are promoted to enhance corporate social responsibility and to foster public-private partnerships to fight social exclusion.

In ensuring that the MDGs are achieved in respect to poverty reduction, among others, UNDP implements the following projects:

EMPLOYMENT GENERATION

UNDP efforts have been focused on demonstrating and introducing innovative mechanisms and active labour market measures for employment generation.

JOB OPPORTUNITIES THROUGH BUSINESS SUPPORT (JOBS)

The JOBS project is a joint initiative of the Bulgarian Ministry of Labour and Social Policy and UNDP. The JOBS project aims to promote sustainable business development in economically stricken areas and to help Bulgarian micro and small businesses to grow in strength and to create sustainable long-term jobs. The project has been running since 2000 in support of local economic development and employment creation through provision of a uniform integrated package of services by a nationwide network of 42 autonomous and sustainable business support organizations (the JOBS Business Centers), with a focus on self-employment, micro companies and small enterprises. With a budget of USD 29.5 million (of which 27.2 million delivered by end 2008), provided by 12 different donors, JOBS applies unique and proven approach to job creation and local economic development, developed based on test interventions in the period 1995-2000. The Project components are: *Core Business Services* - provided to end clients through the Business Centers - information, training, business consulting, business coaching, job motivation, financial leasing, micro grants, administrative and ICT services; *Special Project Components* – 14 separate initiatives in support of specific sectors and/or target groups – implemented through the Business Centers and financed by 10 different donors and 2 Bulgarian ministries. *Institutional tools* 43 Business Centers + 10 Business Incubators & 17 Window Offices (attached to the Business Centers and managed by them) - established with project support;

Renovation of Multifamily Buildings

In 2007, the Ministry of Regional Development and Public Works (MoRDPW) and the United Nations Development Programme (UNDP) started a joint initiative – a Demonstration Project for the Renovation of Multifamily Buildings. The Project aims at developing a replicable scheme for renovation of multifamily buildings, consisting of 3 major components:

- a) Conditional subsidies to condominiums for renovation purposes;
- b) Facilitated access to loans for renovation; and
- c) Technical assistance to the voluntarily associated homeowners of entire buildings for the organization of the renovation process.

Within the framework of the Project, the full spectrum of technical, legal, financial and organizational problems is being addressed.

The Project is expected to contribute to the achievement of a multi-dimensional development impact in terms of:

- 1) Preventing social exclusion by improving the targeted population's health and living conditions through housing renovation;
- 2) Protecting the environment by reducing greenhouse gas emissions through energy efficiency;

- 3) Promoting good governance by building urban social capital through supporting the voluntary association of citizens.

The experience, lessons learned and recommendations developed by the Project will be used for the future implementation of the National Programme for the Renovation of Residential Buildings, which will be financed by the National Budget, as well as for the implementation of Action 1.2 "Housing Policy" of Operational Programme Regional Development (European Structural Funds).

Teams of Wheels in Rural Regions

Within the project teams of experts provided consulting services to agricultural producers and rural entrepreneurs. It also contributed to the strengthening of the NAAS capacity and monitor the Agriculture and Rural Development Programme for Strandja-Sakar. The project tested a model for partnership between the regional offices of the National Agricultural Advisory Service (NAAS) and the JOBS Business Centers. Mobile teams composed of JOBS experts, NAAS experts and external consultants, provided demand-driven on-site consulting services to agricultural producers and rural entrepreneurs. The project also improved the capacity of the NAAS to meet the needs of agricultural entrepreneurs in the context of the country's membership in the European Union. It encouraged an enhanced cooperation between the various agencies that service agricultural and other rural entrepreneurs. The project has been entrusted to assist the Rural Development Directorate of the MAF in monitoring the implementation of the Agriculture and Rural Development Programme for Strandja-Sakar, which was elaborated with the support of UNDP and the active participation of the local authorities in Strandja-Sakar.

CAPACITY DEVELOPMENT

Parallel to the implementation of poverty reduction projects and programmes, UNDP supports the Bulgarian Government in the development of national strategies and policies.

SOCIAL ASSISTANCE AGAINST NEW EMPLOYMENT (SANE)

The project contributed to the development of a long-term policy -- the relevant legal and financial mechanisms also included -- for the transition from institutionalised social care towards community care in Bulgaria. The project tested an innovative mechanism for the provision of community-based social services that expands the range of services offered and improves their quality, while creating job opportunities for the unemployed. Access to social services was provided to vulnerable people (single elderly people, adults and children with disabilities). The project outsourced service provision to NGOs, which in their turn hired unemployed persons to work – following vocational training – as social assistants. The project developed national standards for social services in the community, as well as a monitoring system for their introduction and implementation.

Last updated: January 2009

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