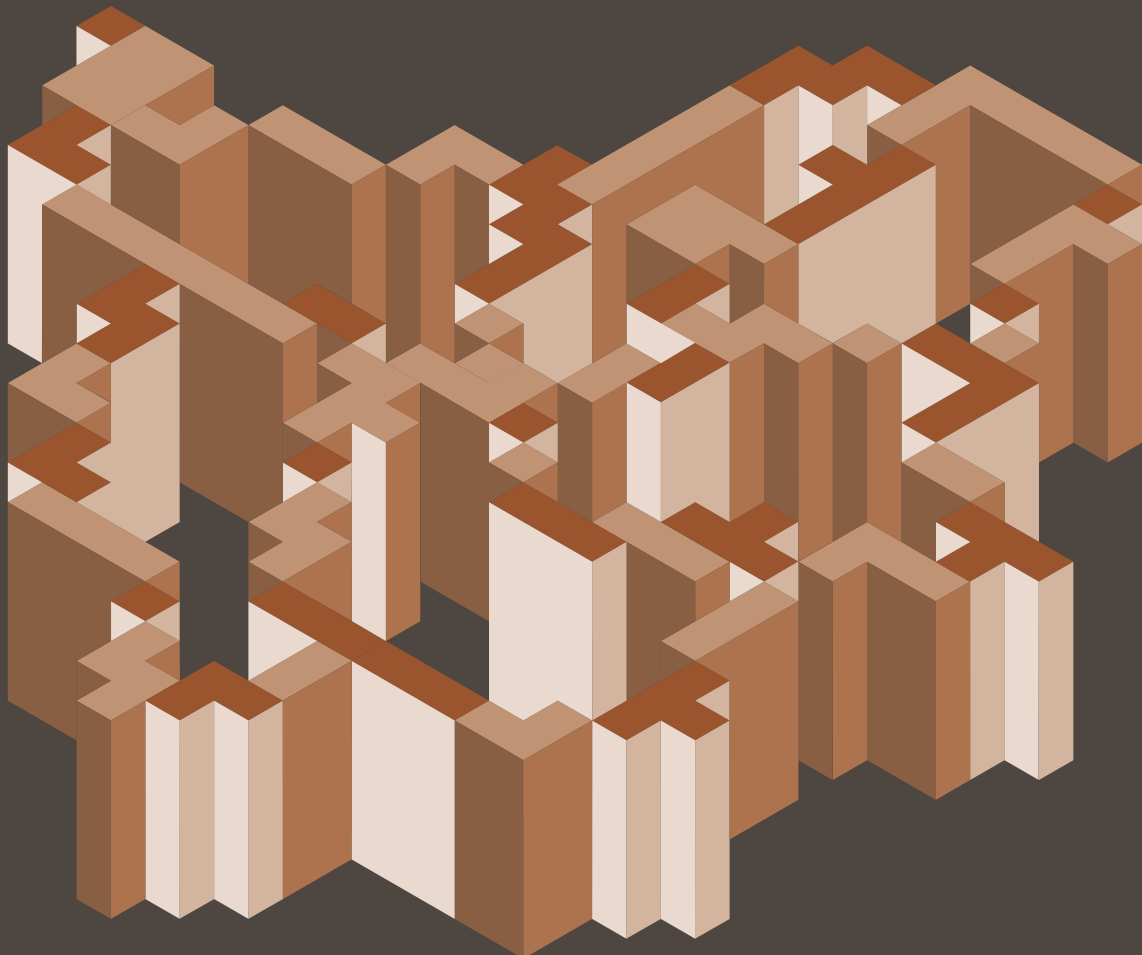


Programme for Development
of the Regions 2021 – 2027

STRATEGIC CONSULTATION
REPORT



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of the Regions 2021 – 2027

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This report has been delivered on October 25, 2019, under the Advisory Services Agreement on **Enhancing the Regional Development Process in Bulgaria and Supporting Ministry of Regional Development and Public Works in the Programming Process for the Period 2021-2027**, signed between the Ministry of Regional Development and Public Works of the Republic of Bulgaria and the International Bank for Reconstruction and Development on April 8, 2019. It is Output 2— Report outlining the strategic consultation on improving regional development policy in Bulgaria - in the above-mentioned agreement.

Budget line BG16RFOP001-8.002-0005
“Budget line of “Strategic planning and programming” Unit, GD “SPPRD”

Cover design: Wojciech Woloczniak, Cambridge, United Kingdom

Interior design and typesetting: Piotr Ruczyński, London, United Kingdom

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ACKNOWLEDGEMENTS

This report is delivered under the provisions of the Reimbursable Advisory Services Agreement on Enhancing the Regional Development Process in Bulgaria and supporting Ministry of Regional Development and Public Works in the programming process for the period 2021–2027. It was prepared under the supervision of David N. Sislen (Practice Manager, Urban and Disaster Risk Management, Europe and Central Asia), and Fabrizio Zarcone (Country Manager, Bulgaria, the Czech Republic, and Slovakia), and technical guidance from Paul Kriss (Lead Urban Specialist, Europe and Central Asia). This report was developed by a team led by Joanna Masic, Senior Urban Specialist (Task Team Leader) and comprised of Eolina Milova (Senior Environmental Specialist), Grzegorz Wolszczak (Operations Specialist), Anna Banaszczyk (Senior Regional Planning Specialist), Yana Georgieva (Senior Public Administration Specialist), Alexandar Hinov (Senior Public Administration Specialist), Atanas Kirchev (Senior Legal Consultant), Bellin Mollov (Senior Advisor on Regional Policy), Zdravko Petrov (Urban and Regional Planner), and Solene Dengler (Urban and Regional Analyst), with guidance from Ivelina Taushanova (Senior Communication Specialist).

The team would like to express its gratitude for the excellent cooperation, guidance and feedback provided by the representatives of the Ministry of Regional Development and Public Works of the Republic of Bulgaria, The Central Coordination Unit of the Council of Ministers, Members of the Reimbursable Advisory Services Steering Committee, and the many stakeholders at national as well as regional, district and municipal level, from government and non-government who provided ideas and inspiration during the national and regional level strategic consultations.

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ABBREVIATIONS AND ACRONYMS

CLLD	Community Led Local Development
DDS	District Development Strategy
EC	European Council
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
GDP	Gross Domestic Product
ITI	Integrated Territorial Investments
IP	Integrated Project
LAU	Local Administrative Unit
MA	Managing Authority
MDP	Municipal Development Plan
MRDPW	Ministry of Regional Development and Public Works
OECD	Organization for Economic Cooperation and Development
OPRG	Operational Programme for Regional Development
RAS	Reimbursable Advisory Services
RDA	Regional Development Act
RDC	Regional Development Council
SC	Steering Committee
SCD	Systematic Country Diagnostic
TAIEX	Technical Assistance and Information Exchange
ToR	Terms of Reference
WB	World Bank

EXECUTIVE SUMMARY

This report summarizes the findings from the **strategic consultation process** on improving regional policy in Bulgaria, which took place between July to October 2019 under the auspices of the Ministry of Regional Development and Public Works (MRDPW) and Central Coordination Unit (CCU) of the Council of Ministers, with support from the World Bank.

There were two primary goals of the strategic consultations. First, to **raise awareness of key stakeholders** on national and subnational (regional, district and municipal) levels about the regional policy shift to be introduced by central government within the framework of the 2021–2027 EU programming period. Second, to **obtain feedback** from consulted stakeholders on three main topics: (i) MRDPW's new integrated regional concept for 2021–2027 financial perspective; (ii) possible new functions of the Regional Development Councils (RDC) to be introduced for the purposes of implementing the new integrated regional concept; and (iii) ways of enhancing the effectiveness of coordination between regional planning and programming of EU funded investments for years 2021–2027.

The report also presents the key outcomes of the World Bank team's **ongoing independent reviews** of various draft documents, which constitute the implementation framework of the new integrated regional approach to the 2021–2027 programming period.

The new integrated regional concept and its general reception among consulted stakeholders

The new integrated regional concept understood as adding a more territorial dimension to development policy in Bulgaria and earmarking to this end a portion of sectoral funds under 2021–2027 Operational Programs (OPs), **generated substantial support across all stakeholder groups both on national and subnational level**. Also, the idea of integrated projects received generally positive feedback as a potentially useful tool for effectively tackling territorial development challenges identified in Bulgaria.

Insufficient **information on the implementation framework** for the new integrated regional concept and a limited **understanding of the nature of integrated projects** were raised across stakeholder groups as important areas to further advance during the process. Much greater clarity in these two areas will help to effectively motivate potential beneficiaries to elaborate integrated projects, apply for funds, and create even greater and broader-based support for the envisaged policy shift. Progress in these two areas would also reduce possible risks to the effective implementation of EU Cohesion Policy in Bulgaria under the 2021–2027 programming period.

Regional Development Councils: new roles, functions, composition, and capacity

Delegation of more authority to the regional (sub-national) level with regard to planning and selecting EU-funded interventions was broadly accepted. However, there was no univocal consensus on a single optimal 'regional model' to pursue in the coming years. **Both Scenario 1 and 2¹ for Regional Development Councils (RDCs) gained traction during the consultations, with**

1. **Scenario 1** foresees the RDC executive functions to be performed by the six regional departments of the Ministry of Regional Development and Public Works - providing their enhanced capacity, whereas **Scenario 2** envisages these functions to be performed by either an institutionalized RDC Office or new regional entities to be created—e.g. regional development agencies.

the latter being generally more preferred.

Even though Scenario 1 was perceived as a more pragmatic choice because of the swiftness and the relative simplicity of its implementation, the advantage seen with Scenario 2 is that it could potentially create a stronger foundation towards building fully operational administrative structures at NUTS 2 level in the longer-term and a more expedient route to greater delegation of responsibilities in future.

Decentralization was a recurring issue often raised throughout the consultations.

In particular, municipalities raised their expectations for a renewed effort in this domain. These local stakeholders would like to see the **evolution of the role of the RDCs as one of the elements of a broader decentralization agenda** to be pursued by the central government in the coming years.

RDCs are broadly perceived as ineffective, devoid of competences and sufficient capacity, and therefore incapable of playing a substantial role under the new integrated regional concept in their current form.

To effectively take on the new functions and roles their capacity would have to be built from a low base, which constitutes a significant challenge given the limited time available before the 2021–2027 programming period and in terms of the sustained capacity building efforts that would be required during the whole period. However there seems to be substantial—but dispersed—capacity already existing on municipal and district level, and amongst government and non-government stakeholders, which could be pooled to effectively provide a foundation for developing the capacity of RDCs.

Stakeholders expect that preparations for the 2021–2027 programming period would need to begin promptly

given the sophistication of the new integrated regional concept. Specific expectations include establishing a **project pipeline** and running an **intensive training and coaching program** dedicated to key local and regional stakeholders and, in the longer-term, provision of hands-on technical support for the creation of partnerships and the formulation of integrated projects. Additionally, at the central level, efforts to

combine guidelines of Managing Authorities (MAs) (and operational manuals) were seen as challenging by some MAs and the adaptation of the UMIS to accommodate the requirements of managing integrated projects as a critical yet time-consuming task. Beyond these operational matters, stakeholders believe that CCU and MRDPW will need to take a strong leadership role in the regional approach to ensure the necessary support from all MAs to both RDC development and the technical support to RDCs that will be required for them carry out their new functions.

Coordination of regional policy planning and EU funds programming

Stakeholders perceive that there is substantial **scope to improve the coordination of regional policy planning with EU funds programming**. Currently these two domains are seen as **not adequately aligned, failing to create synergies and not sufficiently integrating local stakeholders**. This results in perpetuating a top-down approach to programming, which is not yet complemented by such a more bottom-up approach as being advocated under the new concept for regional development. There was a call from local stakeholders to start the reforms with a better assessment of local needs and create regional strategies that could bridge between locally prepared municipal and district plans with centrally commissioned regional plans and schemes.

Stakeholders shared their concerns about limited—and therefore insufficient—access to disaggregated socio-economic data crucial for analysing regional needs and elaborating development strategies that accurately reflecting the specific situation of a given territory, which should be useful tools supporting well informed, evidence-based decisions on investment priorities.

Insufficient coordination and synchronization of activities at the central level (between ops, ministries, agencies, etc.)

—as observed in some areas by the consulted stakeholder under 2014–2020 programming period (i.e. lack of synchronized timing for announcing calls for proposals, protracted assessment

and contracting of projects)—if not adequately addressed could have a detrimental impact on the implementation of the new integrated regional concept, as the integrated projects are to consist of components financed from different OPs.

Key recommendations for MRDPW based on findings from strategic consultations

Findings from the strategic consultations led to the formulation of a number of recommendations with a view to supporting MRDPW in effective implementation of the new integrated regional concept.

Given the limited time remaining for the programming process for 2021–2027 and the fact that integrated projects are to constitute the very heart of the new approach it is recommended that MRDPW takes the following actions dedicated to effectively stimulate the demand side of the new policy:

1. Prompt preparation of a **comprehensive and detailed implementation framework** for the new integrated regional concept, consisting of: (i) a set of **unified guidelines for beneficiaries of integrated projects** (for horizontal use across OPs), (ii) a **user's manual** explaining modalities of the new integrated regional concept, and (iii) **template(s) of integrated project partnership agreement(s)** containing key obligatory clauses that regulate relations between partners and their roles in the integrated projects.
2. Active **support for the process of elaboration of integrated project concepts** by: (i) making OP RG 2014–2020 technical assistance funding as well as national budget resources available for **financing the integrated project preparation** phase for local and regional stakeholders; (ii) establishing a **project pipeline** to ensure timely

identification and sufficient preparation of integrated projects; (iii) conducting an intensive **training and coaching program** dedicated to key municipal, district, and regional stakeholders, as well as to MAS and regional branches of MRDPW.

3. Designing and putting in place a **'motivation system'** to encourage prospective beneficiaries to apply for funding for integrated projects and ensure a more efficient uptake of funds (e.g. indicative lists of projects, regional financial envelopes).
4. Collecting **more information on the desired thematic scope of potential integrated projects** (e.g. by means of an internet survey) and **required volume of funding** to help estimate expected demand for financing and to identify **areas where expertise will be most needed to assist potential beneficiaries** in the elaboration of integrated project proposals, as well as to assess them as part of the selection procedure.

Each of the consulted RDC scenarios holds its merits for enhancing the regional dimension of development policy in Bulgaria. For a final decision on the selected RDC scenario it is recommended to conduct a holistic assessment of the operational modalities of the EU funds' management system with a broader and longer-term view of the future decentralization agenda. In order to ensure a more universal buy-in of stakeholders on the sub-national level in supporting and recognizing the new roles of RDCs, actively engaging them in a sustained intensive capacity building process that will require pooling resources and providing RDCs with political leverage to effectively represent the regional perspective, it is recommended that MRDPW and CCU **formulate a longer term, post-2027 vision for the RDCs and a credible action plan for its implementation. This plan will aim to include and bring along key central and local stakeholders in the process.**

The background of the page is a complex, abstract geometric pattern. It consists of numerous overlapping, three-dimensional cubes or rectangular prisms. The colors used are various shades of brown, tan, and orange, creating a sense of depth and texture. The cubes are arranged in a way that they appear to be stacked and interlocked, with some faces facing forward and others receding into the background. The overall effect is a dense, textured wall of geometric shapes.

INTRODUCTION

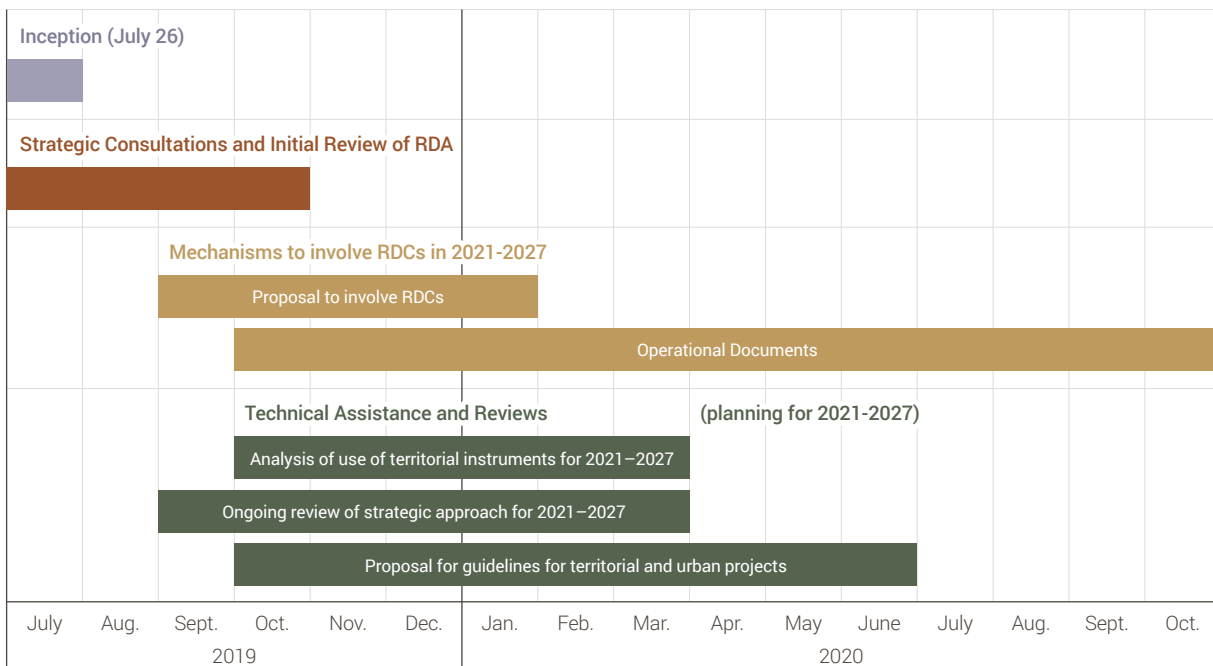
This report—constituting Output 2 of the Bulgaria Regional Development RAS—summarizes the findings from the strategic consultation process on improving regional policy in Bulgaria, which took place in July 2019 under the auspices of the Ministry of Regional Development and Public Works (MRDPW) and formulates recommendations for further actions. It also presents the key outcomes of the Bank team’s ongoing independent reviews of various draft documents (at the request of MRDPW) which constitute the implementation framework of the new integrated regional approach to the 2021–2027 programming period.

It is important to acknowledge that the process of preparing the implementation of the new integrated regional approach for the

2021–2027 programming period is evolving, which means that some of the conclusions from the strategic consultations as well as recommendations, which draw upon them may no longer be fully relevant or applicable in their entirety. However, for the sake of clarity and transparency of the consultation process, they were inserted into this report as they present a complete picture of the accomplished scope of work, as well as reflecting on the stance and attitudes of consulted stakeholders in the ‘freeze-frame’ moment of when the consultations took place.

For easy orientation as to the current phase of RAS implementation, the graph below presents the key activities under the RAS, with their respective timelines.

FIGURE I.1 Bulgaria Regional Development RAS timeline



PART 1

**STRATEGIC
CONSULTATIONS ON
IMPROVING REGIONAL
DEVELOPMENT POLICY
IN BULGARIA – SCOPE,
OBJECTIVES, APPROACH
AND METHODOLOGY**

In July 2019, MRDPW conducted national and regional level strategic consultations on selected issues related to regional policy in Bulgaria with the participation of the Central Coordination Unit (CCU) of the Council of Ministers (COM) and support from the Bank team. This section presents an overview of the objectives of the strategic consultation process and its thematic scope, the methodology for the consultations, stakeholders engaged, as well as the consultation activities that took place.

Scope and objectives of the strategic consultations

There were two primary goals of the strategic consultations:

1. to **raise awareness** of key stakeholders on national and subnational (regional, district and municipal) levels about the regional policy shift to be introduced by central government within the framework of the 2021–2027 EU programming period, as well as
2. to **obtain feedback** from consulted stakeholders on three main topics:
 - MRDPW’s new integrated regional concept for 2021–2027 financial perspective,
 - possible new functions of the Regional Development Councils (RDC) to be introduced for the purposes of implementing the new integrated regional concept, and
 - ways of enhancing the effectiveness of coordination between regional planning and programming of EU funded investments for years 2021–2027.

Strategic consultations were designed to provide the engaged stakeholders with a **platform to share their opinions, reservations and ideas during open discussion**. This open, inclusive ‘brainstorming approach’ was also a way to engage stakeholders in a **meaningful dialogue** about the desired shape of Bulgarian regional policy in the coming years, its implementation framework and specific operational modalities. The aim of the strategic consultation was to also establish a **new form of regular communication with all**

stakeholders that would in the future underpin some of the new key functions of RDCs i.e. public consultation and mediation of partnerships. Regular information exchange and interaction between key actors is an essential requirement for effective cooperation, which is one of the key enablers of regional development.

Methodology of strategic consultations

MRDPW’s aim was to engage a **wide range of stakeholders** from municipal, district, regional and national level administrations, as well as social and economic partners, to ensure an inclusive nature of the strategic consultations and collate sufficiently rich feedback from different stakeholders. The Bank team supported MRDPW in developing a broad and representative list of stakeholders to ensure the engagement of all key actors, ranging from institutions responsible for programming and implementation of EU financed instruments (Managing Authorities [MA] of sectoral Operational Programmes [OP]), prospective project beneficiaries on the subnational level (primarily municipal administrations), RDCs, business organizations, NGOs, academia, various associations representing the collective interests of diverse groups of stakeholders (i.e. municipalities, Local Actions Groups, business, industry). Such an approach was conducive to collecting views on the consulted topics formulated from different perspectives depending on the scope of the engagement of different categories of stakeholders in planning and implementing regional policy in Bulgaria, their capacity, experience, needs and expectations.

A detailed **questionnaire** (see Annex 1)—developed by the Bank team in consultation with MRDPW—was applied throughout the process of strategic consultations to ensure a standardized approach. It was structured in such a way to enable an in-depth consultation on numerous aspects of the consulted topics and effective collecting of feedback to be used for formulating specific recommendations.

Additionally, with a view to providing MRDPW

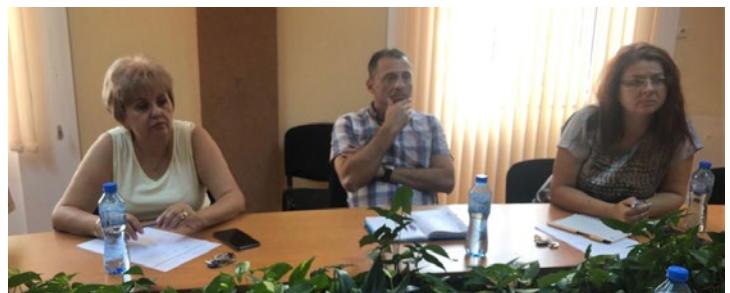
and CCU with additional information on the initial attitudes towards the proposed policy change across different stakeholder categories, grouped by selected attributes, a **stakeholder mapping exercise** was conducted based on a dedicated stakeholder mapping questionnaire (see annex 2). Stakeholder mapping was based on a list of potential stakeholders according to the analysis of the management processes for EU funds in Bulgaria. Stakeholders were grouped according to their level of involvement, functions and responsibilities in an OP or the project cycle. The questionnaire factored in stakeholder knowledge, interest, viewpoints, groups they represent, involvement in the decision-making process etc. Applying the method of content analysis, all completed questionnaires from meetings were thoroughly examined in order to identify stakeholders' interests or 'stakes' in the newly adopted regional approach, detect potential misunderstandings and even opposition, and provide MRDPW with information to have more targeted discussions with specific stakeholders.

Activities performed within the framework of strategic consultations

During the three weeks of consultations (July 8–26, 2019) a **total of 61 consultation meetings took place and were attended by more than 500 participants** interested in sharing their views on the topics under consultation. The meetings took place at the central level, as well as in different locations in all six regions (NUTS 2 level), which made participation in the consultation process easier for sub-national stakeholders. MRDPW made significant effort to arrange all the meetings with the stakeholders and set up a schedule to allow the WB team to meet as many stakeholders as possible. The consultation meetings themselves were led by MRDPW and CCU as champions of the new regional concept and were facilitated by the WB team. MRDPW and CCU participated in the meetings explaining the rationale behind the new regional concept and providing additional information requested on the spot by stakeholders. The full schedule of meetings held is included in annex 3.



Meeting for the South-Central region in Smolyan



Municipal representatives in SC region



Meeting with the Mayor of Plovdiv



Meeting at Burgas



Meeting for the North-West region in Pleven



PART 2

**KEY FINDINGS
FROM STRATEGIC
CONSULTATIONS**

This section is organized around the **three key topics** of the consultation process, namely the new integrated regional concept (including integrated projects as a vital element of the new approach), the **new roles and functions envisaged for Regional Development Councils (at NUTS 2 level)**, and **coordination of regional policy planning with EU funds programming**. Additionally, a separate section is devoted to other issues that were raised in the process of strategic consultations. This section will then be followed by **Part 3** that outlines implications and recommendations derived from the key findings of the strategic consultations.

New Integrated Regional Concept

General attitude among consulted stakeholders

The new regional concept understood as adding more of a territorial dimension to development policy in Bulgaria and earmarking to this end sectoral funds under 2021–2027 **OPs seems to generate substantial support**, although the **level of awareness of the new regional concept is mixed**. There appears to be widespread conviction across all categories of stakeholders, only with some minor exceptions, that the current top-down model of planning and implementing development interventions in Bulgaria is not generating the desired results particularly with regards to effectively addressing regional disparities.

Stakeholders generally agree that there is need for a paradigm shift in approach for Bulgaria to fully reap the benefits of EU financing under cohesion policy. There is also general consensus that the complexity and gravity of development challenges for the regional tier in Bulgaria call for a more integrated, intersectoral approach in planning and implementation of projects, more territorial sensitivity (bottom-up) and more actors (both government and non-government) acting in concert to successfully address them.

The notion of integrating investments to ensure sufficient critical mass and

complementarity of development interventions also received generally positive feedback as a potentially useful tool for effectively tackling territorial development challenges. However, since the concept was yet to be fleshed out at the time of strategic consultations the idea of integrated projects, elaborated and implemented under partnership agreements, raised a lot of questions and concerns especially from their prospective beneficiaries.

Some stakeholders at the local level assessed the **proposed policy change as too radical**, as some of the **most basic infrastructure needs observed at the municipal level were still unmet, despite efforts made under the current programming period**. For this group, a preferred arrangement would be to keep a substantial part (ca. 50%) of budget for 2021–2027 under the current implementation mode (relatively simple projects supporting the development of new infrastructure and modernization of the existing one, pre-defined beneficiaries and projects with predetermined budget allocations).

For a number of stakeholders, **the goal of the current reform was not fully clear**—there was uncertainty or even confusion whether this was part of a broader decentralization process or restricted to attempts to increase the efficiency of EU funded development interventions and regional policy. It is important to note that **decentralization was a recurring topic** during consultations and a substantial number of stakeholders voiced expectations that the new regional concept and the restructuring and potential institutionalization of RDCs would gradually lead to empowering local government both in terms of decision-making competences, financial flexibility to more independently pursue their operations, and fill the administrative vacuum between the lowest and highest levels of government. Observations were made that the **new regional concept is a welcome first step towards decentralization but not ambitious enough and cannot solve some fundamental problems experienced by local authorities**: unreasonably high number of municipalities, huge disparities in size and socio-economic and demographic potential between municipalities, their financial dependence on the

central government and the fact that the district level (NUTS 3) is not directly elected but rather appointed by central government and therefore lacking sufficient legitimacy to pursue policies on a subnational level.

Implementation framework

As much as ‘the philosophy’ behind the new regional concept and the rationale for its introduction seem to be endorsed by almost all stakeholders it is the **feasibility of its implementation that generates most discussion as well as concern**.

The majority of **national level stakeholders** (MAS of OPs set to earmark 10% of their prospective allocations for the purposes of the new regional concept) raised concerns related to the potential implementation framework. They identified a **number of significant risks** that—if left unmitigated—could impact the effectiveness of the absorption of EU funding in Bulgaria under the 2021–2027 programming period. The MAS’ attitude to the new regional concept is based on their **negative experience with multi-OP projects so far**: their complicated nature requires disproportionately higher administrative resources in comparison to the funds managed, which can lead to inefficiencies and distraction of the MAS from their main tasks. Without the MAS embracing the new regional concept, the potential integrated project beneficiaries could face additional risks of heavier communication and the need to balance the MAS coordination inefficiencies.

Another factor negatively impacting the MAS attitude is **lack of a clear implementation framework** for the new regional concept, which would effectively address these identified risks. Some MAS perceive the upcoming policy change as a top-down decision where they have **no actual ownership** but will have to share—and somehow mitigate—the risks it will generate. Lessons learned by the MAS from previous programming perspectives show that coordination and synchronization of actions is **difficult without a leading organization; where a coordination role alone is not seen as sufficient**. Therefore, a number of MAS suggested they would rather **cede the**

10% of their OPs allocation to be managed exclusively by MRDPW to avoid the foreseen challenges and risks.

Stakeholders representing the municipal and district level—as prospective beneficiaries of integrated projects—raised a number of **questions specifically related to the nature of Integrated projects and the modalities for their elaboration and implementation** in partnership with other entities. The very **notion of an integrated project and its scope of intervention is unclear**, and differently interpreted by, consulted stakeholders, which created confusion and uncertainty as to exactly what types of projects will be eligible for funding under the new regional concept.

As set out by MRDPW, the structure of integrated projects may encompass components eligible for financing under different sectoral OPs, which generated concern among stakeholders, who fear **additional bureaucratic burden and coordination inefficiencies** resulting from the need to comply with different and often inconsistent implementation frameworks of sectoral OPs (eligibility criteria, procedures, financing systems, targets etc.).

All crucial phases of an integrated project life cycle—project concept, project preparation, project assessment and implementation—are generally perceived by the municipal and district stakeholders as complicated, burdensome, and characterized by a long and sophisticated decision chain. **Lack of a comprehensive and detailed implementation framework for integrated projects**, tackling the challenges of multi-OP funding, as well as **minimal experience** (primarily limited to undertakings within the framework of the Cross-Border Cooperation (CBC) programs or Community-led Local Development (CLLD) initiatives) with projects implemented in partnership further exacerbating those reservations. This could **negatively impact the motivation of potential beneficiaries to elaborate IP proposals and apply for funds**, which—in turn—could generate a number of risks for the effective implementation of EU cohesion policy in Bulgaria (e.g. slow uptake of funds, failure to comply with N+2 rule, and an inability to adequately address territorial development challenges).

Potential beneficiaries felt that the **obligatory application of the partnership principle in the case of Integrated projects generates substantial challenges**. Questions were raised regarding the approach to be used for selecting partners to ensure a viable and lasting project partnership, the scope of partnership agreements, the optimal division of responsibilities between partners related to integrated project elaboration and implementation, the exact moment when a partnership would need to be established for the purposes of the application process, as well as responsibilities for project co-financing, financial corrections and ensuring sustainability through maintaining the projects investments.

During the consultations it became clear that if the new regional concept is to be embraced by the prospective beneficiaries and effectively used, **substantial effort will be needed to build capacity for integrated project elaboration and implementation, stimulate the identification of potential integrated projects, animate the process of forming project partnerships, and support the actual implementation process** on the municipal, district, and regional level. While the biggest municipalities to some extent have the capacity and resources to prepare the pipeline of integrated projects for the next programming period, the smaller municipalities will most likely be unable to get prepared on their own and therefore are in need of substantial assistance: financial (i.e. resources for financing pre-feasibility studies), legal (i.e. formulation of partnership agreements), networking

(identification of potential partners), as well as expertise (for identifying desired scope of integrated projects, and assessing their expected impact on the development of a given territory).

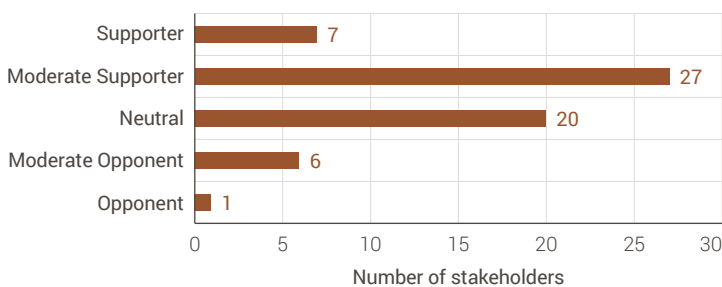
Stakeholders expect that the preparatory activities be undertaken as early as possible **by an institution which has the legitimacy, sufficient authority and willingness to play a leading role in facilitating the process**. However, some consulted stakeholders observed that such an institution has yet been identified and this uncertainty about the leader of the new approach could constitute a significant bottleneck for timely implementation of interventions under the new regional concept.

Key findings of the stakeholder mapping

The results of the stakeholder mapping show that **most of the consulted stakeholder groups are moderate supporters of the new regional concept** (27 out of 61 stakeholders consulted) or at least hold a neutral position towards it (20 out of 61). **Absolute supporters and opponents are few** in number. Clustering of stakeholders at neutral and moderate supporter positions is a sign that there is potential for greater buy-in if adequate steps are taken by the champions of the new approach to convince them.

However, it is important to understand how the power² and knowledge³ of these stakeholders were assessed for the purpose of this exercise. During the consultations it was confirmed that information disseminated to stakeholders on the new regional concept prior to strategic consultations was either not sufficient or reached incorrect people within each institution and was not well targeted to meet different stakeholders' interests. Level of knowledge, therefore, is likely to be correlated or related to the current position taken by individual stakeholders towards the concept.

FIGURE 2.1 Stakeholders' stance on the new integrated regional concept – findings from stakeholder mapping



2. **Power:** the ability of a stakeholder to intervene in the concept implementation (block or support). Power index is a result of resources available (human, financial, technological, political and etc.) and the ability or willingness to mobilize them.

3. **Knowledge about the concept and integrated projects in general:** to what extent the stakeholder demonstrates knowledge about different aspects of the concept and integrated projects.

There are several clusters of stakeholders from the same sectors. **Most of the MAS are clustered in the neutral position** with medium or little knowledge about the concept and integrated projects in general; **half of the municipalities are moderate supporters** with medium or high knowledge; **RDCs tend to take neutral or moderate support stance**. Their members possess a medium to low level of knowledge of the foreseen policy change.

The most knowledgeable stakeholders (25% in total) either have a lot of experience with Community Led Local Development (CLLD), which involves multi-OP inputs or are very active players within the EU-funds-management framework. Almost one-third of all stakeholders have little knowledge of the new regional concept. The remaining 46% have a medium level of knowledge.

Incentives for potential beneficiaries

A number of consulted stakeholders observed that due to the demands related to the elaboration and implementation of integrated projects, **potential beneficiaries might be reluctant to apply for such funding, choosing instead to take advantage of the 'easier' or 'non-integrated' funds available under sectoral OPs**. Potential beneficiaries fear that going to the trouble of identifying an integrated project proposal, selecting partners and establishing a formal partnership, financing necessary feasibility studies might be all for nothing if the chances of obtaining financing are slim. Therefore, clear incentives would be needed to effectively encourage potential beneficiaries to get actively engaged and take advantage of financing opportunities under the new approach.

Potential areas for integrated project implementation

Strategic consultations were instrumental in identifying a **number of areas** where stakeholders see the **rationale of applying the integrated**

approach, such as connectivity and mobility, public services, healthcare, tourism, industrial zones, vocational education, universities, digitalization, prevention and response to climate change and natural disaster risk reduction, air quality, renewable energy, and water and sanitation services. The stakeholders are aware that integrated project proposals must be in line with the specific socio-economic situation of a given region and adequately address territorial challenges. Concerns were shared whether there was sufficient capacity on the local level to see problems in an integrated way, not as separated thematic projects as the stakeholders' experience so far is primarily project-based. A number of stakeholders mentioned that a good starting point for the accurate identification of integrated projects could be the already developed (but never implemented) *Targeted investment program to support the development of North-Western Bulgaria, the Rhodopes, Strandzha-Sakar, border, mountain and semi-mountainous regions (from 2015)*, perceived as a good example of an inclusive, targeted and highly professional approach to integrated regional planning sensitive to local needs.

Potential risks for implementation identified by the consulted stakeholders

Despite the general consensus that a policy change is much needed, and that the new regional approach holds substantial merits, consulted stakeholders identified a number of risks, which it generates. The most commonly referred risks included:

- **the time available** until the start of the next programming period, which may not be sufficient to allow for the creation of new structures at the regional level as the new arrangements would have to be ready from the onset of the 2021–2027 programming period,
- focusing on integrated projects is perceived as risky from the **disbursement** viewpoint⁴ (if—possibly large in terms of volume of

4. The estimated funds (EU and national co-financing) planned to be utilized under the new regional approach are approximately **2.8 billion EUR**: 1.9 billion Euro (94% OPRI) and 0.9 billion Euro (10% of the other operational programmes except OP Transport and OP for the Most Deprived; Rural Development Programme, as not been part of the scope of the CMD of June 2019, is not included). This constitutes more than 20% of the total budget of all EU co-financed programmes for Bulgaria under Investment for Jobs and Growth goal for the 2021–2027 financial perspective.

financing and complex—integrated projects are to be the only *modus operandi* for the territorial priority axis (PA) and OP RG 2021–2027 these resources may not be fully-utilized) with reduced budget commitment periods (N+2);

- **higher national co-financing** (-> 30%)⁵ which will put considerable strain on the central budget,
- **complexity of the integrated project** elaboration and implementation process (creation of partnerships, design of multi-funded project components) paired with lack of experience so far with these types of projects was raised among the vast majority of potential beneficiaries;
- **expected delays in project assessment and implementation** due to the proposed new project approval process engaging a number of institutions on both regional (RDCs) and central level (MAS of OPS with funding earmarked for the new regional approach); and
- the risk of letting go of experienced and knowledgeable municipal expert staff (**reduced capacity**) as a potential consequence of the forthcoming local elections (October 2019) and loss of staff due to the disbanding of around 30 intermediary bodies at municipal level, which both can negatively

impact the capacity needed to effectively prepare for the demands of the new programming period.

Regional Development Councils

Obtaining feedback on the proposed ways of restructuring the RDCs and effectively engaging them in the implementation of the new regional concept was one of the key objectives of the strategic consultations. The discussion centred around the four proposed **scenarios for restructuring RDCs** with a view to entrusting them with new roles and functions, the optimal composition of RDCs, as well as the capacity needed to effectively perform new roles.

Given the current limited information available regarding the modalities of the new regional concept at the time of strategic consultations and a lack of more specific information related to the scope, volume and estimated value of integrated projects—which will heavily impact the workload to be processed by RDCs and shape expectations as to their required expert and administrative capacity—the **opinions collected during consultations should be treated with caution and perceived as preliminary.**

TABLE 2.1 RDCs scenarios under consultation

New RDC roles	Scenario 1	Scenario 2 (2.1./2.2.)	Scenario 3	Scenario 4
First level checks of project proposals and management decisions	MRDPW regional departments	RDC office / Regional Development Agency (RDA)	RDC office / RDA (checks) and RDC Board / Head of RDA (management decision)	RDC office / RDA (checks) and RDC Board / Head of RDA (management decision)
Focus on public consultations and the assessment of regional impact of projects (and approval of ranking list)	RDCs (Regional Steering Committee)	RDCs	RDC Office / RDA	RDC Office / RDA
Transfer to relevant MAS for further checks	MRDPW regional departments	RDC office / Regional Development Agency (RDA)	RDC Board / Head of RDA	RDC Board / Head of RDA
Complexity	Low	Moderate	Moderate / high	High / Very high
Financing	Minimal	Moderate	Moderate	Maximum
Implementation timeline	Short-term	Short / mid-term	Mid-term	Long-term

5. As per the Common Provisions Regulation (COM(2018) 375 final)—Article 106 (May 2018).

Preferred RDC scenario(s)

The stakeholders were consulted on all four RDC scenarios as presented to the RAS Steering Committee (SC) in June 2019, with specific focus on the various merits of Scenario 1 and 2, which were preferred by RAS Steering Committee members. Such an approach provided the stakeholders with an opportunity to share their opinions on, and preferences for, from a relatively wide spectrum of arrangements aimed at empowering the RDCs under the new regional concept. **Delegation of more authority to the regional (sub-national) level seems broadly accepted.** Most of the stakeholders support this development but there was **no univocal agreement regarding a single optimal 'regional model'**. While many see the value added of strengthening the regional (NUTS 2) level, some stakeholders prefer more delegation to the municipal level as it is the only one with political legitimacy, some to the regional, but not necessarily all to RDCs.

Scenarios that gained most traction during the consultations were Scenarios 1 and 2, with a preference for the latter. At the national level, Scenario 2 (without a strong preference for either of the sub-scenarios) seems to be preferred over Scenario 1, and some stakeholders also indicated Scenarios 3 and 4 as a preferred way forward. Those that opted for Scenario 1 presented primarily pragmatic arguments related to its relative simplicity and swiftness to implement when compared with the other three.

At the regional level, Scenario 2 (with some preference for sub-scenario 2.2, which envisaged that the executive functions of RDCs would be performed by new regional entities—i.e. regional development agencies) also found broader support. Scenario 1 was not favored because of a conviction that if implemented, MRDPW would be controlling the RDCs and the delegation of any authority to the regional tier would not take place. **Scenarios 3 and 4 were perceived as a possible long-term goal** not likely to be attained during the current planning process due to its complexity and a need for substantial capacity building at the regional level. According to the opinions shared by the stakeholders, the advantage of Scenario

2 is the **independence of the RDC Office** (or regional development agency—depending on the selected sub-scenario) **from the central government**, and which could be perceived as a first step to building fully operational administrative structures on NUTS 2 level capable of competently applying a territorial lens to development policy programming and implementation.

The majority of stakeholders considered **an evolutionary approach** to strengthening the regional tier seen as a **gradual move from Scenarios 1 or 2 to Scenarios 3 or 4** over time as the most realistic and pragmatic way forward. This evolutionary approach should be closely linked to any **decentralization efforts** to be undertaken by the central government in the coming years, providing the RDCs with a longer term development vision.

Building the capacity of RDCs

A widespread observation shared by many stakeholders was that regardless of the eventually adopted scenario for the RDCs, the **actual restructuring of RDCs** would have to start from a low base. Currently, **the RDCs are broadly perceived—even by its members—as ineffective, devoid of competences and capacity**, and therefore incapable of playing any substantial role under the new regional concept without substantial restructuring and empowerment. Therefore, capacity building of RDCs is a major challenge, especially given the **time constraints and low starting point**. Capacity building efforts would also need to include support to MRDPW regional branches as these are currently small teams (with a maximum of seven people with no current role in project selection, with two team members co-responsible for running the RDC secretariat), focused primarily on administrative and logistic work.

Depending on the chosen scenario, it was widely observed by stakeholders that this **capacity should be significantly strengthened** to effectively perform the expected new functions and to smoothly process the expected workload. Staff with experience (interdisciplinary experts and individuals with EU administrative experience for project documents

management and selection process) would need to be hired in RDCs to build in-house capacity. Large scale outsourcing of experts should preferably be avoided. If necessary additional experts could be externally mobilized on demand for selected tasks. In terms of ensuring the effectiveness of capacity building at the level of RDCs a number of stakeholders mentioned the significance of any future decentralization efforts for the fate of RDCs.

Without a clear path to decentralization, RDCs are likely to be perceived as entities not worth making major investment in, in terms of institutional capacity building, and therefore remaining purely theoretical regional actors with no leverage.

Pooling existing resources from a number of local and district level entities (such as existing Intermediary Bodies, EU projects municipal units, District Information Centres and existing agencies for regional development) was mentioned as a possible and potentially effective way forward. There is administrative and expert capacity available locally, however it is scattered between different sectoral policies, institutions, and stakeholders. District Information Centres have been repeatedly mentioned as structures which have accumulated knowledge and capacity over the last two programming periods, have a general understanding of the scope and modalities of all operational programs, are aware of the local issues, and understand the local context.

Apart from identifying relevant expert resources and determining an arrangement for supplying the RDCs with expert capacity, **an intensive and comprehensive training program** preparing key stakeholders for the implementation of the new regional concept is **expected to be launched**.

RDC composition and structure

Stakeholders expressed **mixed opinions about the representative character and composition of the existing RDCs**. While some claimed that RDCs adequately represent the variety of stakeholders, others argued that RDCs were biased, and that not all stakeholders are adequately represented. It was suggested that business and academia

representation in the RDC could be strengthened to ensure a closer link between supported projects and actual development needs, as well as to encourage knowledge transfer between RDC members. Some stakeholders also argued that the voices of small municipalities were not adequately acknowledged during the RDC meetings, as their representation was not sufficient.

It was proposed that all municipalities should be represented in the RDC and that the RDC members should elect an RDC head (preferably a mayor) among them, as some stakeholders shared an opinion that the district governors had no potential to manage the process as they were selected by the central government and therefore lacked legitimate authority.

The following key elements to ensure the effective performance of new roles by the RDCs were raised during the strategic consultations, namely:

- a. the necessity to **institutionalize the RDCs** (with a permanent office, adequate administration and a budget, skilled staff, clear new functions), but also to design an arrangement for **mobilizing expert capacity on demand**;
- b. the rotational **chairmanship** should be either abolished or the period increased to at least 12 months (with some handing over period on either side) to ensure **continuity of RDC operations**;
- c. RDCs should be entrusted with adequate **administrative and financial powers** to take decisions with a real impact on the development of the region, and to assert financial and political responsibility;
- d. **legal changes** are needed to empower RDCs with new functions;
- e. RDCs need to have **clear political responsibility** and be publicly accountable. It has to be determined who (which entity) will hold them accountable for the execution of their new functions; and
- f. **RDC composition should be further assessed** to determine the optimal one.

Involvement of RDCs in project selection

Most stakeholders raised the crucial need for the **formulation of clear rules and assessment criteria for the selection of project proposals** guaranteeing the objectivity of the RDC assessment and their subsequent prioritization of projects. It was felt that this could be ensured through the establishment of **sufficient expert capacity** at the RDC level to assess all integrated project components and also through setting up a selection mechanism ensuring transparent and impartial project assessment and selection based on unambiguous criteria. The concerns related to the potential for biased or unfair assessment of project proposals due to conflict of interest should also be acknowledged and addressed.

RDCs as facilitator and mediator

A number of consulted stakeholders shared the opinion that the RDCs should play an important role in identifying potential integrated projects of regional importance and project partners and in facilitating the process of the formulation of integrated projects. There is also an expectation that RDCs will act as a permanent forum for ongoing discussions among key local and regional stakeholders on regional needs and priorities. However, sufficient capacity would be needed to ensure effective performance of those roles. The stakeholders

would like to see the RDCs more as a facilitator of integrated projects and project partnerships and not as a mere additional administrative layer that checks project applications.

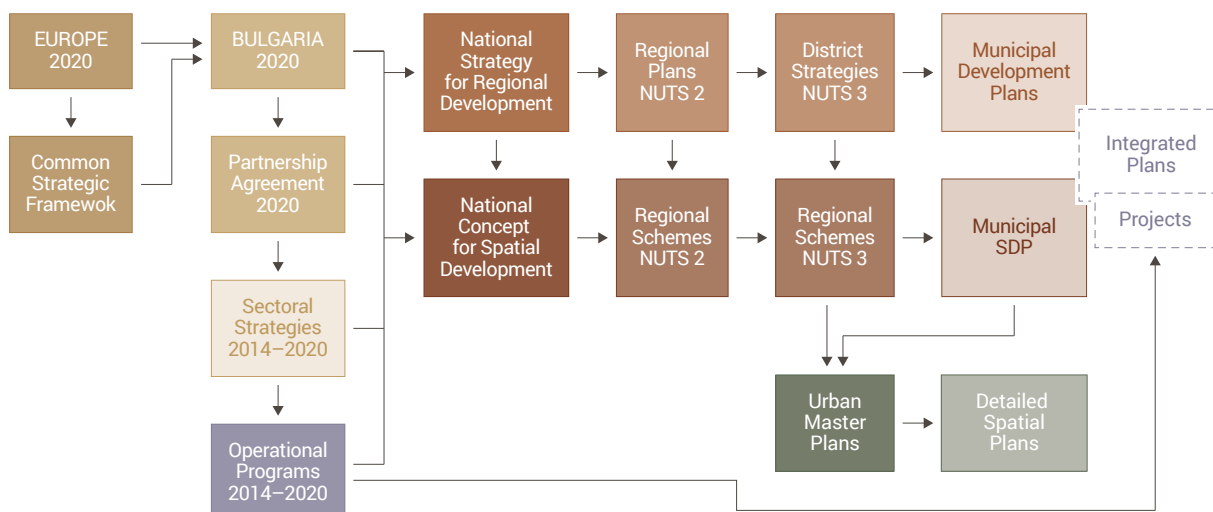
RDCs as knowledge hubs and territorial observatories

There is an interest in RDCs playing the role of knowledge hubs ('one stop shop' assistance for prospective project beneficiaries) and territorial observatories, but the actual assertion of these roles was perceived as a longer-term goal for the RDCs. Concerning the latter, the stakeholders broadly agreed that there was no single entity collecting data specific for a given region nor carrying out regionally-focused socio-economic analyses, which was detrimental to making well-informed decisions on development investments. However, existing local entities (agencies for regional development and academia) could potentially be drawn together to contribute to such an effort, and such possibilities could be further investigated.

Regional policy planning and EU funds programming

This particular topic did not raise nearly as much interest among stakeholders as the new regional concept and the possible future role

FIGURE 2.2 System of strategic and planning documents in Bulgaria (2014-2020)



of the RDCs. The received **feedback is limited** and different interpretations and explanations could be applied to understand this. The stakeholders could either have **no interest in or simply underestimate the significance of adequate coordination mechanisms** for effective implementation of their development interventions. Other explanations could be the **lack of their involvement in those processes or a conviction that they cannot be improved** in any substantial way and therefore there was no use in discussing them. Some stakeholders had **problems with fully grasping the complexity of the planning system**, its internal logic and the specific types of planning documents at different levels. As the graph below shows the current system of strategic planning is characterized by spatial and sectoral dimensions on the central level, and different types of planning documents on the regional, district and municipal level, including integrated urban plans.

Regardless of the actual reasons for limited interest in this particular topic some key findings and observations were identified and are presented below.

The **regional development plans** are not perceived by local stakeholders as a useful strategic framework for planning their investments, as they are too abstract and general, lacking territorial sensitivity. **Integrated plans for urban regeneration and development** that were prepared by 39 cities for the purposes of the 2014–2020 programming perspective are seen as relatively useful for municipalities, although the quality appears to have differed from place to place. The reason why they are perceived as useful is that they were prepared bottom up and customized to local needs.

It was noted, that even though OPs should be reflecting development needs identified in strategic and planning documents at regional and local level and providing financing opportunities for them it is not always the case. In practice **a number of investment priorities as described in strategies and plans remain ineligible for financing under OPs**. One of the reasons might be the fact that the package of strategic and planning documents at regional and local level is being developed in parallel with the operational

programs. This requires a well-functioning **mechanism for coordination and cooperation between the managing authorities of the operational programs, and the district and local administration**.

The basic **requirements regarding the structure, and scope, as well as templates for financial tables** identifying sources of financing for strategy implementation are defined for all territorial levels of planning (central, regional, district and municipal) in guidelines issued by MRDPW. They are to facilitate the process of elaborating strategies and—by the obligatory application of unified standards—to create a **system of complementary tools for planning and reallocating public funds**. The guidelines are also intended to achieve **vertical synchronization** between documents. However, the current legislation does not require **verification and assessment of the degree of implementation of the guidelines by individual bodies**. So far, such checks—as to what extent documents of the same level have complied with the guidelines and have a standardized structure—have not been performed. Their introduction in a more systemic way could lead to a significant improvement of the quality of planning documents and increase their coherence across planning levels.

Strategic documents can serve as a useful platform to effectively stimulate bottom-up cooperation between different stakeholders. An example of ‘lost opportunity’ in this respect is the fact that District Development Strategies developed for the period 2014–2020 do not include an Implementation Program that would identify a set of key projects to be implemented with beneficiaries both from the district administration and municipalities, including inter-municipal projects. Stimulating bottom-up inter-municipal cooperation could lead to identification (and implementation) of major integrated projects of strategic importance to a given district. The practice so far shows that the implemented inter-municipal projects reflect the standard projects defined at national level. For example, inter-municipal projects aimed at creating regional tourism products or building regional waste management systems represent inter-municipal cooperation, but in practice they were defined top

down by the investment priorities and envisaged financing under relevant OPS.

When planning development measures local stakeholders rely on their own municipal development strategies and plans but struggle **with a deficit of relevant socio-economic data** to plan and pursue evidence-based development initiatives. Stakeholders observe insufficient data disaggregated at the regional, district, or municipal level. The four **main problems** encountered relate to: (i) **incorrect format of data available**; (ii) **data is not detailed enough**; (iii) **different methods of data collection limit data comparability and preclude conducting reliable analyses**, and (iv) **withheld data**. There were calls for improvement to the quality and availability of locally and regionally disaggregated data to support the formulation of evidence-based policies and for local authorities to make informed investment decisions. Municipalities and districts shared that they often need to purchase some of the required data from the central statistics office as these are not freely available in the public domain. Municipalities mentioned they would like to obtain financing from the central government to be able to acquire more relevant data.

Although there doesn't seem to be much positive experiences with regional policy planning so far, stakeholders are firm that **quality strategic planning is key to successful and efficient regional policy**. The necessity for an accurate analysis of local needs as a basis for developing regional development strategies was widely recognized. A number of stakeholders at national level and across the country mentioned as exemplary the approach which was employed for the purpose of elaborating a study by the National Center for Territorial Development on the preparation of a targeted investment program to support the development of North-Western Bulgaria, the Rhodopes, Strandzha-Sakar, border, mountain and semi-mountainous regions. The disappointment and lack of understanding of the reasons why the *targeted investment program* was never implemented (or even endorsed) was shared by stakeholders in many meetings. There was a view that central government failed to follow through with the necessary financing for feasibility studies and the support needed to prepare the projects identified through this process.

Targeted investment program to support the development of North-Western Bulgaria, the Rhodopes, Strandzha-Sakar, border, mountain and semi-mountainous regions

Prepared in 2015 by the National Center of Territorial Development with active engagement of municipal and district stakeholders, the *targeted investment program* is still perceived – four years on – as a good example of an inclusive, territorially targeted and highly professional approach to integrated regional planning sensitive to local needs, which lead to the identification of clear development priorities and investments.

Key characteristics of the elaboration process included:

- **bottom up approach** to identifying project proposals/ideas (more than 1,000 submitted) – BUT formulation of **clear project selection criteria** from the onset of the process and **assistance from external experts**;
- searching for **integrating elements** between projects instead of promoting fragmented investments;
- **clear prioritization of submitted project proposals/ideas**: (1) high priority large scale projects, more mature; (2) **projects in need of additional support** to relatively quickly progress to group 1, and (3) **'bank of ideas'** (further development needed, including feasibility studies)
- **a clear framework for achieving 'project maturity'**, which identified consecutive steps that had to be taken by relevant stakeholders to ensure their project proposal/idea could 'move up' – advancing from one group to another.

The consulted stakeholders identified a number of examples of **insufficient coordination and synchronization of activities on the central level** (between OPS, ministries, agencies, etc.) negatively impacting the implementation of projects on the local level (i.e. timing for announcing calls for proposals, protracted assessment and contracting of projects, lack of coordination between EU funds and national funds). These problems – if not adequately addressed – could have a detrimental impact on the new regional concept and its implementation, as the integrated projects are to consist of components financed from different OPS. Some municipalities raised the issue of how to synchronise the different levels of planning for the next programming period and make them compatible, particularly with regards the Municipal Development Plans, which are currently being developed by municipalities. There appeared to some confusion amongst municipalities about when and how to prepare the new municipal plans. Perpetuating the problem of poor synchronization between levels of planning is the narrow thematic scope of OPS, which are not seen as being in line with regional needs.

The main observations from the strategic consultation are about **insufficient alignment** between regional policy planning and EU funds programming and **lack of adequate and**

meaningful involvement of all key stakeholders. These two processes seem to be operating ‘in parallel’, failing to create synergies. Lack of relevance of regional development plans and data for local strategies might have a negative impact on the implementation of the new regional concept (e.g. difficulty for measuring regional impact of interventions, for formulating project selection criteria and prioritization of project proposals according to their regional impact).

Table 2.2 provides some observations on the issues with the current regional planning process, possible measures to remedy them, and suggestions on the better integration between regional planning and EU fund programming.

Other findings from strategic consultations

Meetings held within the framework of the strategic consultations provided a platform for stakeholders to share **additional observations** related to other issues they deemed important for regional policy development and implementation. Some of these are described below.

‘White spots’

The problem of municipalities that missed out on financing opportunities in the last programming period because they did not

TABLE 2.2 Possible solutions for enhancing the quality of strategic development and planning documents

No.	Identified issues	Possible solutions
1	Mismatch between the measures and projects in the strategic documents and the investment priorities/eligible activities under OPs	Improving coordination between the development of documents and the definition of investment priorities, eligible activities and beneficiaries in OPs; Preparing resumes of OPs to be used during the process of elaborating strategic documents
2	A lack of clear focus in setting goals and priorities in plans and strategies, respectively lack of clear priority when using accessible public funds, including EU funds	Defining more focused proposals for regional and local development to gain a more visible and realistic scope for implementation through critical mass of more targeted investments; Improving coherence between strategies and existing funding opportunities, including the municipal budget, central budget the various EU funds, financial instruments, and private investment
3	Duplication of goals, priorities and measures in a single strategic document for regional development	Hierarchical structuring of strategic proposals so that strategic goals are divided into sets of priorities; priorities lead to sets of measures; measures are turned into projects depending on the planning level
4	A lack of specifics in plans and strategy forecasts – vague and abstract definitions of measures and projects without correlation to a source of funding, including from OPs	Defining the measures of the strategic documents in accordance with the content of the operational programs; Supplementing the Guidelines for the municipal plans with a template of the Implementation Program to ensure that the plans contain a set of specific projects, including under the operational programs
5	Large number of measures and projects in documents that do not correspond to the administrative capacity and available financial resources in Bulgaria	Attaining balance between the proposals and the financial frameworks for implementation of plans and strategies, prepared in accordance with the available financial resources and administrative capacity
6	District strategies lack key projects for inter-municipal cooperation and/or integrated territorial investment. General guidelines instead of specific examples do not encourage more partnership projects between the municipalities	Supplementing the contents of the regional plans or district strategies with a section on key inter-municipal projects and/or integrated projects with specific parameters, including financing from operational programs
7	Implementation Programs for Municipal Plans often contain a number of vague projects without a location, deadline or source of funding, including from OPs	Defining measures and projects in the municipal plans, so that they correspond to the local specifics and allow a more flexible ongoing definition of projects, while the projects of the Implementation Program should be a limited and realistic set of the most important tasks. Measures and projects should also reflect OPs; Supplementing the Guidelines for the municipal plans with a template of the Implementation Program to ensure that the plans contain a set of specific projects, including under the OPs; Preparing annual plans for the implementation of the Municipal Plans based on the Implementation Programs but updated with information on current and upcoming procedures of the OPs. Such an approach would reduce inconsistencies if documents are developed prior to the elaboration of OPs.

meet the eligibility criteria for either OPRG 2014–2020 or rural development program (so called ‘white spots’) was identified as one of the pressing issues to be addressed by central government. The lack of eligibility of a group of settlements within some non-rural municipalities for any EU funding was perceived as a major obstacle to cooperation on joint development initiatives in the current programming period. Failure to adequately recognize and address this issue could negatively impact the potential for implementing supra-municipal integrated projects in the coming years. For these municipalities investments in basic services seem a priority, including water and wastewater services and local roads as examples. There was also call for confirmation of state funding, and fair funding, for all municipalities, but particularly those facing difficulties.

UMIS IT system

The functionalities of the UMIS IT system for EU funds should also be thoroughly examined to ensure compatibility with the new regional approach as far as integrated project application and monitoring processes are concerned. Any changes to the UMIS would require significant time to procure and implement (planning of modifications, preparing the public procurement for an IT company,

software programming, testing, alpha and beta versions, final version, training people in MAs and at the local level). This technical aspect is not detailed in the concept development, but it is understood that MRDPW and CCU have plans to address this.

Financial corrections and state aid rules

Financial corrections were mentioned on numerous occasions throughout the consultations as a major issue for municipalities that are utilizing EU funds for the purpose of financing projects. Changes in interpretation of regulations during the current financial perspective and their retroactive application results in beneficiaries being obliged to pay financial corrections at the end of a project. Public procurement procedure failures also contribute to the need for financial corrections. This seems endemic and poses a serious risk to beneficiaries, especially smaller municipalities and reducing their potential to elaborate and implement projects in the coming period. Lack of a consistent approach (or even a rigid or conservative approach) by the central government to applying and interpreting the regulations on state aid was identified as a substantial risk for the implementations of integrated projects, creating a deterrent to potential partnership building.

PART 3

**RECOMMENDATIONS
FOR FURTHER ACTIONS
BASED ON FINDINGS
FROM STRATEGIC
CONSULTATIONS**

The strategic consultations were an important opportunity to raise awareness about the new regional concept and possible changes to RDCs and in this regard, the consultation process appears to have well achieved this goal. The consultation process also provided valuable opportunity to hear from local, regional, and national stakeholders on their views and expectations, which will be crucial for MRDPW and CCU in further defining a workable implementation framework of the new regional approach.

Summary of key findings

- **The new regional concept** understood as adding a more territorial dimension to development policy in Bulgaria and earmarking to this end a portion of sectoral funds under 2021–2027 Operational Programs (OPs), **generated substantial support**. Also, the idea of integrated projects received generally positive feedback as a potentially useful tool for effectively tackling territorial development challenges.
- Insufficient **information on the implementation framework** for the new regional concept and a limited **understanding of the nature of integrated projects** were raised across stakeholder groups. Much greater clarity in these two areas will be needed to motivate potential beneficiaries to elaborate integrated projects and apply for funds and to create greater and broader-based support for the new regional concept. Progress in these two areas will also reduce possible risks to the effective implementation of EU Cohesion Policy in Bulgaria.
- **Delegation of more authority to the regional (sub-national) level was broadly accepted**, however there was no univocal consensus on a single optimal ‘regional model’. **Both Scenario 1 and 2 for RDCs gained traction during the consultations, with the latter being generally more preferred**. Even though Scenario 1 was perceived as a more pragmatic choice because of the swiftness and the relative simplicity of its implementation, the advantage seen with Scenario 2 is that it could potentially create a stronger foundation towards building fully operational administrative structures at NUTS 2 level and a more expedient route to greater delegation of responsibilities in future.
- **Decentralization was a recurring issue raised throughout the consultations** and municipalities, in particular, raised their expectations for a renewed effort in this domain.
- The RDCs are broadly **perceived as ineffective, devoid of competences and capacity, and therefore incapable of playing any substantial role under the new regional concept in their current form. To take on the functions and role envisaged under the new regional concept** their capacity would have to be built from a low base, which constitutes a significant challenge given time constraints.
- **Stakeholders expect that preparations for the 2021–2027 programming period would need to begin promptly** given the sophistication of the new regional concept. Specific expectations include establishing a **project pipeline** and running an **intensive training and coaching program** dedicated to key local and regional stakeholders and, in the longer-term, provision of hands-on technical support for the creation of partnerships and the formulation of integrated projects. Additionally, at the central level, efforts to combine guidelines of Managing Authorities (MAs) (and operational manuals) was seen as challenging by some MAs and the adaption of the UMIS a critical but especially time-consuming task. Beyond these operational matters, stakeholders believe that CCU and MRDPW will need to take a strong leadership role in the regional approach to coordinate amongst, and ensure the necessary support from, all MAs to both RDC development and the technical support to RDCs in carrying out their new functions.
- Stakeholders perceive that there is substantial scope to **improve the coordination of regional policy planning with EU funds programming**, as currently these two domains are seen as **not adequately aligned, failing to create synergies** and not sufficiently integrating local stakeholders. This results in perpetuating a top-down approach

to programming, which is not complemented yet by such a more bottom-up approach as being advocated as part of the new concept for regional development. There was call from local stakeholders to better assess local needs and create regional strategies that could bridge between locally prepared municipal and district plans with centrally commissioned regional plans and schemes.

The consultation also allowed the **identification of certain risks or 'blind spots'** which—if not adequately addressed—could

impact the implementation of the new regional concept. The WB team—based on key findings from strategic consultations—formulated recommendations on future actions to be considered by MRDPW to address or mitigate identified risks. It is important to note, however, that the MRDPW has already endorsed some of these recommendations and is progressing in their implementation (i.e. elaboration of draft integrated project guidelines for beneficiaries, expected launch of public consultations on RDA amendments or preparatory works on creating a project pipeline).

TABLE 3.1 Recommendations based on findings from strategic consultations

Finding	Recommendation
Insufficient level of knowledge and awareness of the upcoming policy change among key stakeholders	<p>Recommendation 1: additional efforts by MRDWP and CCU to disseminate information on the new regional concept and to raise awareness among national, regional and local stakeholders would be conducive to ensuring a higher level of stakeholder engagement and buy-in. Findings from the stakeholder mapping exercise could be utilized to design and implement a comprehensive information campaign geared to meet the specific needs and expectations of different stakeholders, as well as the general public.</p> <p>Recommendation 2: MRDPW and CCU could consider continuing the consultation process into the process of planning of the regional development reform to a greater extent as many stakeholders expressed interest in being more involved in, and informed about, planned changes. The consultations could take various forms, from regular meetings, stakeholder working groups, to an online webpage with current information etc.</p>
Lack of clear implementation framework of the new integrated regional approach, which can negatively impact stakeholders' engagement	<p>Recommendation 3: as implementation mechanisms for the new regional concept raised many questions amongst stakeholders at all levels, it is advised that MRDPW prepare in due course and make broadly available a comprehensive and detailed implementation framework, consisting of:</p> <ol style="list-style-type: none"> (1) a set of unified (for horizontal use across OPs) guidelines for beneficiaries of Integrated projects, (2) a user's manual explaining the strategic and operational modalities of the new regional concept, and (3) template(s) of partnership agreement(s) containing key obligatory clauses that regulate relations between partners and their roles in the project.
Insufficient coordination of the new regional approach on the central level	<p>Recommendation 4: to ensure a more coordinated effort in implementing the new regional concept it is recommended to give further consideration to the proposed institutional framework for the programming period 2021 – 2027. Delegating the responsibility for managing the funding under the new regional concept (10% allocations) to one entity could significantly streamline the implementation process and firmly assert one entity with competences necessary to ensure a stable and standardized cross-OP implementation framework and a more 'beneficiary-friendly' interface.</p>
Lack of experience in elaborating and implementing integrated projects among local stakeholders and their insufficient capacity to single-handedly cope with project pipeline	<p>Recommendation 5: to effectively stimulate the supply side of the new regional concept, namely the process of elaborating integrated project proposals it is recommended that preparatory work for the 2021 – 2027 programming period begin promptly. Proposals for specific activities that could be initiated by MRDPW include:</p> <ol style="list-style-type: none"> (1) utilize financial resources available under OP RG 2014 – 2020 technical assistance and national budget resources as a source of financing the IP preparation phase for local and regional stakeholders; (2) establish a project pipeline to ensure timely identification and sufficient preparation of Integrated projects; (3) conduct an intensive training and coaching program dedicated to key municipal, district, and regional stakeholders, as well as to MAs and regional branches of MRDPW.
Stronger leadership – not just coordination – required in the process of implementing the new regional approach	<p>Recommendation 6: MRDPW and COM (through CCU) to consider strengthening their alliance and taking a greater lead in the process of the implementation of the new regional concept for 2021 – 2027 effectively acting as an anchor, coordinating and facilitating the approach together.</p>

Finding	Recommendation
Operational modalities enabling smooth implementation of the new regional approach must be effectively set up, including e.g. the IT system for processing Integrated projects	<p>Recommendation 7: modification of UMIS is necessary to submit and implement integrated projects, thus work on adapting the system should start promptly to ensure adequate time for conceptualization of changes, the design process, implementation, testing and retesting. MRDPW should consider drafting a roadmap of this activity and collaborate closely with CCU on its implementation.</p>
Prospective integrated project beneficiaries might be reluctant to actively engage in the process of integrated project elaboration given the complexity of the proposed approach, therefore incentives are needed to effectively encourage them to do so	<p>Recommendation 8: one of the ways to encourage prospective beneficiaries to apply for funding under the new regional concept is to create a 'motivation system' – complimenting the IP implementation framework and intensive training/coaching activities – to effectively incentivize potential beneficiaries. A strong incentive would be to increase the probability of obtaining financing for IP proposals through placing them on indicative lists of projects early on once it is verified that they meet eligibility criteria. Another possibility would be to establish financial allocations for each of the NUTS 2 regions ('regional financial envelopes'). Such an approach would reduce the scope of competition (from interregional to intra-regional – if the competitive rule in project selection is to be upheld) and increase chances for obtaining financing.</p>
Clear financial framework for funding Integrated projects (especially estimating approximate volume of funding per IP) is needed to allow the potential beneficiaries to begin preparatory works in project concept elaboration	<p>Recommendation 9: collecting more information on the desired thematic scope of potential integrated projects and required volume of funding would be conducive to estimating the expected demand for financing under the new regional concept. It could also help to identify areas where expertise will be most needed to assist potential beneficiaries in the elaboration of IP proposals and later on to assess them. It is recommended to conduct a country-wide survey and/or call to generate ideas for integrated projects. Such a survey and/or call could also be used as a tool of disseminating information about the new regional concept and increasing stakeholder awareness and engagement.</p>
Choice of RDC scenario will be crucial in terms of creating a much needed longer term perspective for the development of these entities	<p>Recommendation 10: Each of the consulted RDC scenarios holds its merits for enhancing the regional dimension of development policy in Bulgaria. However, the final decision on the RDC scenario selected for implementation should be thoroughly considered not just in the context of operational modalities of the EU funds management system, but within a broader framework of the possible decentralization agenda to be pursued in the coming years by the central government. In order to ensure a more universal buy-in of stakeholders on the subnational level in supporting and recognizing the new roles of RDCs, actively engage them in a sustained intensive capacity building process that will require pooling resources and provide the RDCs with political leverage to effectively represent the regional perspective it is recommended that MRDPW and CCU formulate a longer term, post-2027 vision for the RDCs and a credible action plan for its implementation, involving and bringing along key central and local stakeholders in the process.</p>
Clarity on the broader framework in which the RDCs would operate, including the modalities of integrated projects, their scope and expected volume, is needed to formulate specific recommendations on the composition, governance and capacity of the restructured RDC	<p>Recommendation 11: the recommended way forward would be to:</p> <ol style="list-style-type: none"> (1) clearly define key processes related to the elaboration, assessment, consultation and selection of integrated projects on the regional level, as well as processes related to project selection on the national level in which the RDCs will actively participate, as well as internally within the RDC (relations between management and expert branches); this should highlight internal and external coordination/communication channels as well as decision making arrangements; (2) determine specific RDC roles and tasks to be performed under the identified processes and the corresponding responsibilities; (3) determine the resources necessary to effectively perform identified roles and tasks; and (4) based on the above-mentioned findings – design an adequate RDC structure capable of effectively performing the assigned roles and tasks and determine necessary administrative capacity and training needs.
Stable legal framework and political consensus on new RDC roles are some of the key enabling conditions for effective functioning of restructured RDCs	<p>Recommendation 12: the strategic choice of the RDC scenario to adopt for the purposes of the new programming perspective would need to also take into account legal implications. The adoption of each of the scenarios requires a different scope of legal change to be introduced in the regulations to make sure they are viable. It is therefore recommended to ensure that the final decision taken on the RDC scenario of choice will be pre-empted by a legal analysis which will determine the specific scope of changes to be introduced into the legal system. Political consensus will have to be effectively sought by MRDPW and CCU to ensure that necessary legal changes are adopted in due time to allow for swift implementation of the RDC scenario of choice. Given time constraints, a 'fast-track' approach might be needed.</p>

Finding	Recommendation
<p>Effective mechanism for mobilizing expertise available both on central, as well as regional/district/municipal level is needed to relatively fast ensure adequate capacity of RDCs</p>	<p>Recommendation 13: the optimal way to tackle the issue of relatively fast and effective capacity building for the RDCs and to determine how capable staff could be mobilized to support the functioning of the restructured RDCs is an area that needs further investigation. It would also be useful to consider relevant findings and recommendations from the ongoing OECD pilot action on frontloading administrative capacity related to the strengthening of administrative capacity at the level of central government, and MRDPW specifically, as well as at the level of RDCs and project beneficiaries. A number of findings from this note confirm observations formulated in the OECD roadmap for administrative capacity building. Also, OECD recommendations are relevant in addressing needs of key stakeholders related to the preparation and implementation phase of the new regional concept for years 2021 – 2027. It is therefore recommended that specific actions that are to be taken in the second phase of the OECD pilot action also take into account findings from the strategic consultations. This should be conducive to designing an effective and adequately targeted capacity building program.</p>
<p>Significant risk of conflict of interest likely to emerge on the level of RDCs, if not mitigated it could jeopardize the transparency and effectiveness of the new regional approach</p>	<p>Recommendation 14: one of the most significant challenges related to the restructuring of RDCs will be to reconcile the representative and decision making functions of the RDC 'management tier' with the project assessment function of the RDC 'expert tier', in order to effectively neutralize potential conflict of interest between those functions. The risks are relatively high as members of the 'management tier' will most probably be project applicants/beneficiaries. In order to neutralize – or at least mitigate – this risk the development of clear and unambiguous rules of operation of the two RDC tiers as well as its units ensuring a functional separation.</p>
<p>The need for increasing the quality of the strategic planning process and its coordination with EU funds programming</p>	<p>Recommendation 15: A package of actions is recommended including:</p> <ul style="list-style-type: none"> • finetuning current coordination arrangements on the level of OP RG and across OPs to ensure a more comprehensive coverage and eligibility for financing local development needs with EU funding opportunities • introducing arrangements strengthening the role of territorial strategic documents as platforms for to effective stimulation of bottom-up cooperation between different stakeholders • regular verification and assessment by MRDPW of the degree of implementation of the methodological guidelines for strategy elaboration to improve the quality of planning documents and increase their coherence across planning levels • addressing – in a systemic way and in conjunction with key stakeholders on the central level – the issue of insufficient data availability, and either providing free public access to the above-mentioned data or – if not possible – securing a stable financing framework for stakeholders on the sub-national level to obtain the necessary data on their own
<p>Keeping communication channels open and ensuring on-going exchange of key information with stakeholders as a prerequisite for the successful implementation of the new integrated regional approach</p>	<p>Recommendation 16: Strategic consultations served as an invaluable opportunity to reach out to key stakeholders, get to know their stance on the foreseen policy shift, learn of their reservations, expectations and hopes, and build better common understanding and mutual trust. It is recommended to:</p> <ul style="list-style-type: none"> • share the findings from consultations and recommendations formulated as their result with consulted stakeholders and the public (e.g. on the MRDPW's website) • organize workshop(s) to present the above-mentioned findings and recommendations to local stakeholders as well as to provide them with up-to-date information on the implementation mechanism for the new regional concept and its operational modalities and the mechanism for involving the regional tier.

PART 4

**NEW INTEGRATED
REGIONAL CONCEPT
AND ITS ADAPTATION
– INDEPENDENT REVIEWS
OF WB TEAM**

Apart from supporting MRDPW and CCU in conducting strategic consultations on improving regional development policy, the WB team also engaged in conducting **independent reviews of modalities of the new integrated approach** drafted by MRDPW. Documents (drafts) submitted by MRDPW to the WB team for review have included:

- the model structure of RDC;
- *Guidelines for integrated project beneficiaries*;
- draft amendments to RDA and RDA Rules of Implementation; and
- draft structure of OP RG 2021–2027.

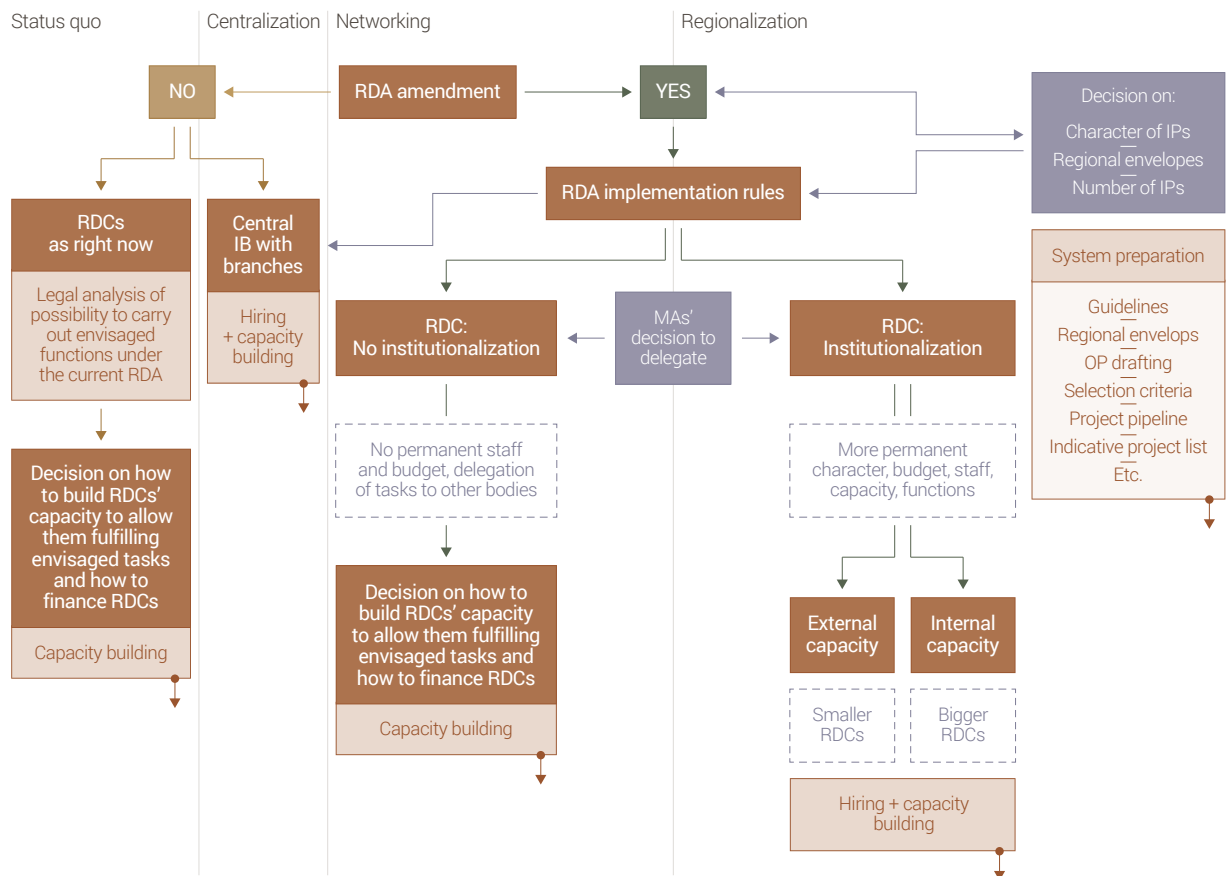
It should be noted that independent reviews of MRDPW's strategic approach to programming for the years 2021–2027 are ongoing **in parallel to other tasks undertaken by WB team within the RAS framework**. Some of them are **very preliminary**, as the draft documents under review are MRDPW's work in progress and will only be finalized in the coming months. By conducting those just-in-time preliminary reviews, the WB team aims to provide MRDPW and CCU with independent observations and recommendations to be considered in the process of government fine-tuning the elaborated arrangements, based on the analysis of the specific situation in Bulgaria, but also drawing from global models and international experience.

The Bank acknowledges the **complexity and multifaceted character of the new integrated regional approach**. Having in mind the limited timeframe for its implementation imposed by the upcoming new EU financial perspective, the government needs to work on several aspects of the policy change in parallel to ensure that strategic decisions are taken before technical details are developed, though sometime these processes will go hand in hand or be tightly scheduled. For instance, a decision whether the RDCs should be institutionalized (permanent bodies, with permanent staff, functions and budget) will influence their capacity to perform functions foreseen for them in the new approach and RDCs' relations and lines of responsibilities against the MAs. Identification of key decision points of the reform process is crucial, as this could guide the work of MRDPW and other stakeholders involved in the reform.

At the time of the consultation process, the Government of Bulgaria faced a number of decisions that would shape the future implementation model of the new territorial concept. These decisions could push the implementation model in various directions, such as: i) maintaining the current solution ('status quo'), ii) strengthening the RDCs by making them more permanent bodies ('regionalization'), iii) enhancing functions of RDCs but without their institutionalization ('networking'), and iv) creating a centralized IB with regional branches ('centralization'). Based on this the team developed a **'decision tree' which in a simplified and synthetic fashion presents key decisions and their sequencing** that will shape the organizational structure of RDCs and their capacity to implement new functions under the new territorial approach (Figure 4).

The decision tree has a time horizon of around 3–12 months and depends on the progress and outcomes of the RDA amendment process. While there will be more decisions to be taken and technical details to attend to than indicated in the graph, the decision tree only intends to focus the attention on key juncture points in the process. The amendment of the RDA is a key element of the new approach and if successful it will pave the way for building stronger RDCs (they could become more permanent bodies with staff and a budget). If the RDA is not modified, the RDCs could still perform functions envisaged by the MRDPW, however, their capacity to do so would effectively be limited compared to the scenario with institutionalized RDCs (more details on that in the legal analysis section below).

Maintaining the current status of the RDA could also open discussions about setting up a central intermediary body for the regional development contributions from all relevant OPs, as then coordination of such funds would be easier. The central IB option could also be possible in a scenario with RDA amendment. Although, as indicated clearly by MRDPW, this is not an option to be considered since they believe it negates much of the new role envisaged for the RDCs. If the RDA is amended, then implementation rules for the RDA will be the next key step as they will define RDCs' functions, organization and powers (potential institutionalization). However, RDCs' functions

FIGURE 4.1 Implementation of the New Integrated Regional Concept – key decisions, sequencing and implications ('decision tree')

Source: Authors

and organizational structure should also be a function of the integrated project's nature. This implies that decisions about scope, size and number of integrated projects per regions as well as general assumptions about partnerships, their establishment and division of roles among partners should come before the RDA implementation rules are established.⁶

One example could be, the more integrated projects expected, the more capacity the RDCs will require to assist projects and partnerships' formation, support grant application and implementation, as well as pre-select integrated projects. The details of the RDA implementation rules will shape the RDCs and will guide many other processes, e.g. hiring,

capacity building at the RDCs, financial decisions on how to finance the RDCs. While the decision tree is not an exhaustive list of decisions, it could focus discussion on key decisions, their sequencing and implications.

New Integrated Regional Approach – independent review and options to consider

While recognizing the merits stemming from the new integrated territorial approach, the Bank team—in light of the findings from strategic consultations, the discussions held

6. Other considerations will also play a role, for instance a selection procedure of integrated projects will determine the workload of RDCs—a competitive selection will require more work than implementing pre-approved indicative projects. Similarly, if the RDCs were to support the implementation of the projects this would require much higher capacity over an extended period of time comparing to a scenario where RDCs' role ends with project pre-selection.

in the RAS Steering Committee, and the teams' own independent review—formulated an initial proposal for a **more phased, gradual mechanism** to its implementation for discussion with MRDPW. The aim of presenting an alternative proposal was to mitigate the so far identified risks, while still effectively promoting the integrated territorial approach. It was also the intention of the Bank team to propose an arrangement that would reconcile sometimes opposing views on the specific modalities of the implementation mechanism expressed by different stakeholders.

It is well noted that **integrated projects are the heart of the new regional approach**. Their implementation is conducive to generating substantial socio-economic benefits and changing the attitude of many stakeholders to development initiatives, proving that **development is not 'a zero-sum game', but rather a 'team sport'**, where pooling resources, planning and implementing investments in a coordinated and synchronized way can yield substantial development effects surpassing those generated by isolated, fragmented projects. In more succinct words, **'the whole is greater than the sum of its parts'**.

The integrated approach requires a number of **'enabling conditions'** to be effectively implemented:

- First, an accurate **recognition of common development goals** among prospective beneficiaries of integrated projects;
- Second, a **cooperation platform, with capable staff** responsible for integrated project proposal preparation;
- Third, the ability to formulate bundles of inter-related and sequenced projects that help achieve the common goals (and can demonstrate this);
- Fourth, **streamlined assessment and contracting of projects**, and
- Lastly but just as important, a **clear implementation framework**.

Since the integrated approach has only been tested in Bulgaria on a very limited scale (mainly under the CLLD approach and within the framework of the CBC programs) the above-mentioned prerequisites will have to

be put in place in the coming year to ensure its smooth implementation.

Taking into account that roughly 20 percent of Bulgaria's EU Cohesion Policy funding for the years 2021–2027 has been earmarked for the purpose of financing integrated projects (including around 90% of the allocation of OPRG 2021–2027 plus 10% from each of the participating OPS) and that **adopting this approach seems to be highly experimental given the very limited previous experience with integrate projects** (that would result in 'learning by doing' on a large scale), it is the opinion of the Bank team that it is **likely to generate significant risks, related to all phases of integrated project elaboration and implementation, that could jeopardize the new regional approach**.

Risks are mainly associated with the **ambitious and broad definition of an Integrated Project** adopted by MRDPW and CCU, which requires an integrated project to constitute at least three interconnected components financed from different OPS with only one grant agreement signed by the lead partner for the entire integrated project. For the purposes of designing this 'phasing-in' mechanism **the Bank team proposed that the definition of an integrated project could be changed** to one where there is an **'umbrella agreement' between partners as the integrating element**, instead of the one grant agreement for all of the integrated project components. More than one 'umbrella agreement' would be required per NUTS 2 region according to the needs of each region; one municipality could participate in more than one 'umbrella agreement' and more than one grant agreement (see details below).

Key elements of the new 'phasing in' implementation mechanism for the integrated approach as proposed by the Bank team are described below:

1. **Partnership agreement (an 'umbrella agreement'):**
 - this would be signed between partners (and prospective beneficiaries) (no public procurement procedure or any other competitive one needed to select them);
 - the agreement would determine:

- the common development objective(s) of the partnership,
 - specific actions to be undertaken by each of the partners to ensure the objectives are successfully met,
 - a timeline and chronology of actions, and
 - a list of projects to be implemented by each of the partners.
2. **Projects identified in the ‘umbrella agreement’:**
- projects could be **financed from different OPs** involved in the new integrated approach;
 - projects would be **assessed against selection criteria specific to the relevant OP** (except for assessment of strategic regional importance conducted by the respective RDC);
 - projects would be assessed as a **bundle or package of projects**, which together and well-sequenced, can demonstrate how they help achieve the common development objectives
 - **separate grant agreements for each of the projects would be signed by partners with relevant MA OPs** (or its Intermediate Bodies—according to each of the OPs implementation system), which also reduces the risk that one failed project substantially affects the others; and
 - **full responsibility of the beneficiary for the project implementation and its aftermath** (no delegation of responsibilities to lead partner).
3. **Partnership leader (lead partner):**
- would act as the ‘interface’ of the integrated project to the external world and main counterpart for MRDPW and the respective RDC;
 - would monitor the implementation of the ‘umbrella agreement’ and each of its package of projects under the terms of the overall partnership agreement, and
 - would facilitate networking between partners and knowledge transfer.
4. **MRDPW** (different roles depending on the measure under PA2) could be responsible for:
- **coordinating ‘fast track’ with MAS of relevant OPs** to ensure smooth implementation of integrated projects, but **no need for the MRDPW (or any other entity) to act as a central Intermediary Body** as the OP MAS would not relinquish their competence for project assessment and contracting;
 - assessing and contracting projects financed from OPRG 2021–2027;
 - capacity building at the regional/local level;
 - collecting and disseminating good practices to promote and facilitate implementation of the integrated approach;
 - **project pipeline** for integrated projects;
 - hands-on monitoring of indicative flagship integrated projects (if any);
 - hands-on support in elaboration and implementation of integrated projects in marginalized areas;
 - monitoring the progress in implementing integrated territorial approach across OPs.
5. **Managing Authorities of relevant OPs:**
- responsible for establishing and maintaining of a **‘fast track’ mechanism for assessing and contracting projects under the integrated approach** (ongoing calls for proposals under the territorial TAS of relevant sectoral OPs);
 - providing **ongoing expert engagement** in MRDPW’s project pipeline to support prospective beneficiaries;
 - working closely with the MRDPW to ensure smooth implementation of the integrated approach.
6. **RDCs** (would have all the new roles as originally envisaged by MRDPW but no pre selection of projects):
- organizing public consultations/hearings for integrated projects;
 - assessing strategic importance of project proposals against regional development objectives and deciding on a ranking list of project proposals based on these criteria;
 - identifying potential integrated projects and partners, networking;
 - facilitating elaboration of ‘umbrella agreements’.
7. **CCU**
- political oversight to ensure smooth implementation of integrated approach across OPs.

The proposed alternative mechanism was envisaged to provide all key stakeholders—both on central, as well as local, district and regional level—with ample **opportunity to test, learn, build capacity for, internalize, and fine-tune (if necessary) the integrated approach**. This ‘phasing-in’ process will lead to the **establishment of a tried and tested implementation framework** that in the coming years will be conducive to reaping development benefits of the integrated approach across Bulgaria.

Feedback from MRDPW on the above proposal

The Bank team discussed with MRDPW on the above proposal and MRDPW clarified the following issues to the Bank team:

- OPRG is fully committed to the existing approach that has been designed and fully intends to delegate the planned functions and roles to the RDCs to demonstrate the approach and build the capacity of the regional tier, which is their main priority.
- Other Managing Authorities will begin the process of becoming involved in the new integrated regional approach and they will need to be further convinced to involve RDCs in the pre-selection process.
- Central government has conducted their review and decided that no new institutions, structures or intermediary bodies will be developed at this stage, so the intention is to proceed with Scenario 1 for the RDC structure. The process for amending the RDA in line with Scenario 1 will begin with the release of the RDA amendment in October 2019 for the public consultation phase.
- The priority going forward will be to focus on the internal rules for the RDC and

strengthening their capacity for pre-selection, public consultation.

- MAS will be able to delegate functions to RDCs based on their assessment of the capacity that will be developed in RDCs and through RDCs demonstrating this increased capacity.
- MAS will have a regional allocation in their respective OPs but will not be in any way obliged to delegate any of their competences to RDCs but rather be convinced of the benefits based on plans for increased capacity of the regional tier.

Structure of OP RG 2021 – 2027 – independent review and options to consider

MRDPW has proposed a future structure of the OPRG consisting of two priority axes (PA):

- **PA 1** dedicated to **Integrated Urban Development** with 8–10 major Bulgarian cities eligible for funding (6% of OP allocation). This would be financed by OPRG only; and
- **PA 2** dedicated to **the new Territorial Approach** that would finance relevant components of integrated projects (Integrated projects) with all Bulgarian municipalities eligible for funding (some restrictions apply to municipalities supported under PA 1). The PA would be financed with 94% of OPRG funds plus 10% from each of the other OPs,⁷ except Transport and Food Provision (in total approximately Euro 2.8 million)⁸.

At this stage, specific measures or sub measures are not foreseen under the proposed OPRG structure to allow for maximum flexibility, which in principle is an understandable and sensible approach.

7. As per the Common Provisions Regulation (COM(2018) 375 final) – Article 106 (May 2018).

8. The estimated funds (EU and national co-financing) planned to be utilized under the new regional approach are approximately 2.8 billion EUR: 1.9 billion Euro (94% OPRG) and 0.9 billion Euro (10% of the other operational programmes except OP Transport and OP for the Most Deprived; Rural Development Programme, as not been part of the scope of the CMD of June 2019, is not included). This constitutes more than 20% of the total budget of all EU co-financed programmes for Bulgaria under Investment for Jobs and Growth goal for the 2021-2027 financial perspective.

General Assessment

The Bank team welcomes the scope of intervention envisaged under the proposed structure of the future OPRG, which is a sign of the commitment of MRDPW to consolidate a critical mass of financing to support the implementation of the proposed new territorial approach with the ultimate aim of addressing regional inequalities. It should be noted that the proposed OP structure marks a clear departure from that of OPRG 2014–2020, which consists of seven PAs offering a broad, but also clearly defined scope of financing for selected types of investments and municipalities.

Specifically focusing on the proposed PA 2, the Bank team recognizes the merits of the concentrated and seemingly very flexible (funds in ‘one big basket’) approach adopted by MRDPW. However, the team would like to draw attention to some risks this creates. These risks are multifaceted—they affect key stakeholders (both beneficiaries and OP Managing Authority) and processes (grant contracting and implementation, including absorption rates), as well as the prospects of meeting the broader development objectives in the domain of regional policy. The Bank team have formulated some key proposals for consideration, which would address the key risks as set out below.

Key risks related to the draft OP RG 2021 – 2021 structure

Risks for the OPRG Managing Authority:

1. **a lack of targeted approach to specific territories** (as recommended by the EC in Annex D of the Country Report Bulgaria 2019), which could result in continued unbalanced growth on the regional level and further deterioration of socio-economic situation of deprived, marginalized, or lagging behind territories.
2. **low absorption rates**—delayed uptake of funds (which could be expected due to the complexity and untested nature of the new regional approach based on integrated projects) will negatively impact OP’s absorption rate; this risk is especially serious

due to the significant portion of OPRG allocation (ca. 94%) earmarked for PA 2.

3. **limited internal flexibility within the OP**—while seemingly providing flexibility, the approach to PA2 actually reduces the possibility to conduct internal transfer(s) of allocation in case of unsatisfactory absorption rates under PA2. Transfers will be limited to take place between only 2 PAs.
4. **limited possibility to monitor and assess progress on achieving development objectives in selected types of territories** due to the untargeted nature of PA2, and as a result limited possibility to introduce necessary policy shifts or adjustments.
5. **uneven competition between funding opportunities at the expense of OPRG**. At this moment it is not clear what type of measures will be financed by other OPs under the territorial approach. If they are the same as the measures the OPs will continue to finance themselves (outside the territorial approach) and/or there is no a “fast track” for grant contracting for these measures under the proposed ‘integrated projects’, there may be limited incentive for beneficiaries to prepare and submit such projects by going through a difficult processes of partnership establishment and project preparation.
6. **need to increase the MA capacity to facilitate the processes of projects identification and partnership establishment**—this will put more pressure on the MA’s staff, especially on regional branches, who will need to actively participate in new concept implementation. The establishment of human resources and capacity will need to be well managed to avoid jeopardizing the processes of closing OPRG 2014–2020 and the start-up of next OP 2021–2027.

Key risks for potential beneficiaries (stakeholders at local, district and regional level):

1. **uneven competition preventing potential beneficiaries from fair access to EU funding** and potentially discouraging them from applying (e.g. an integrated

project led by a big municipality is much more likely to be able to be in a position to apply for, and obtain, financing than that of a grouping of smaller, marginalized communities with limited capacity and experience).

2. **limited interest of potential beneficiaries** as under the ‘one basket financing approach’ they will not see measures addressed specifically to them, which may be read by them as a signal that ‘there is nothing here for us’ and this would be further emphasized by the lack of specific support measures for less advantaged municipalities.
3. **lack of possibility to bridge remaining infrastructure where it is needed**, especially for those municipalities which due to formal restrictions (i.e. the ‘white spots’) could not take advantage of EU funded investments under OPRG 2014–2020.

Possible options of structuring OPRG 2021 – 2027 to consider

Considering these risks described above, the Bank team propose to consider a number of options that could lead to the potential restructuring of OPRG 2021–2027 with a view to addressing and mitigating identified risks and adding more value to the envisaged scope of intervention. These could be considered in parts or whole by the Managing Authority as it further elaborates its approach.

Possible options for OP structure to be considered:

1. **introduction of specific measures under PA2 dedicated to different types of territories** (e.g. sub regional growth centers, supramunicipal areas, marginalized areas) to effectively promote the new integrated approach in a more targeted way suited to the specific situations of different types of territories in Bulgaria.
2. **addressing some problems of a systemic nature** related to the process of provision of social services and asset management (operation and maintenance of existing

assets and services) on the local level given the realities of the demographic crisis through dedicated measures;

3. **providing the MRDPW with flexibility to test new instruments** under a dedicated measure;
4. **systemically addressing the problem of limited availability of socio-economic indicators** for the purposes of elaborating and implementing evidence-based policies on the municipal level under a dedicated measure;
5. **supporting the elaboration of territorial strategies for functional areas and Integrated Projects** under a dedicated measure;
6. **addressing substantial capacity building and networking needs of local stakeholders** crucial for the effective implementation of the new regional approach under dedicated measures.

The decision on the structure of OPRG 2021–2027 would be closely followed by the strategic **selection of the types of projects that would be eligible for funding** under the respective measures. Determining this will be conducive to:

- defining the **thematic scope** and—consequently—the **selection of relevant policy objectives** supported under the OPRG 2021–20207 (expanding from just two policy objectives currently envisaged by MRDWP—namely 2 and 5—might be necessary);
- precisely defining the **demarcation lines between OPs** to effectively support the new regional approach through complimentary interventions with a potential to create development synergies;
- encouraging potential beneficiaries to start elaborating and applying for the financing of specific project proposals as a **clear framework** would be in place addressing the issues raised by municipalities in terms of how they fit in the process of programming the funds;

- **more accurate monitoring and assessment of the progress** of the OP's implementation due to the more targeted nature of the framework.

Feedback from MRDPW on the above review

Based on a discussion with MRDPW on the above review recommendations, MRDPW clarified the following:

- MRDPW considers it too early to discuss details of the structure of the operational program and that it is necessary to define the regional tier first before setting out the structure of the operational programme and defining the risks relating to the programme.
- The focus should now be on the regional model, which is more important than the programme design at this stage.
- MRDPW will, however, review and provide feedback on the identified risks for the RDC involvement but will not consider those risks identified regarding the programme at this stage.
- MRDPW does not plan any other split or sub measures other than regional envelopes under PA2 at this stage but this does not preclude some other splits—for example for Sofia or for mountain areas.
- MRDPW advised that the demarcation lines between most OPs are well understood based on the current program, including for social sector, education, transport, competitiveness, environment etc. Only the demarcation lines between the urban and rural programmes are to be confirmed.

Guidelines for IP beneficiaries – independent review and recommended steps forward

IP guidelines will constitute a significant element of the implementation framework of the new regional approach envisaged for the

years 2021–2027 and—as the outcomes of strategic consultations have proven—are in high demand by the prospective IP beneficiaries. By preparing the first draft the MRDPW has acknowledged the importance of the integrated project guidelines as a useful tool for local stakeholders—the WB team welcomes this positive development and notes that it clarifies some key points.

The elaboration of the final version of integrated project guidelines will have to be preceded by a number of decisions of strategic, institutional and technical nature. It is also important to note that the IP guidelines should be prepared in such a way as to ensure a horizontal approach to integrated projects across MAs is uniformly applied under the 2021–2027 programming period. Therefore, the WB team perceives the draft as a work in progress—as MRDPW continues to further elaborate the IP guidelines as the process moves forward, so they can accurately reflect the final conclusions on the implementation of the new regional approach.

Structure and logic of the Guidelines

It is recommended for the next revised version of the document to be structured in such a way as to be more useful to the potential beneficiaries to understand the approach proposed. Thus, it is suggested it be based on the chronological stages of the process of IP preparation, describing respective requirements and resources. These stages are: identification of project ideas/concept; establishment of partnership; public consultations; project selection and the RDC decision; detailed assessment and contracting by the MAs; implementation by partners (this is particularly important as a number of problematic issues can arise once the IP is contracted and the implementation process begins) and reporting and verification.

The guidelines should provide practical advice for potential beneficiaries on how to advance from one stage to the next, as well as references to available support (incl. Technical Assistance/project pipeline/ etc.). The IP guidelines should also aim to avoid ambiguous or unclear statements that can be open to interpretation or potentially misleading.

Rationale and specifics

It would be helpful to provide the rationale or objective for some of the decisions set out (i.e. number of partners, components).

The next version should ideally include information on:

1. approximate number of IPs to be considered for each NUTS 2 region;
2. (indicative) regional financial envelopes;
3. indicative IP budgets (minimum and maximum volume of financing);
4. indicative project list (if foreseen);
5. plans for competitive calls (if foreseen), and
6. project pipeline.

There is a need for a clear definition of IP, as the one formulated in the draft is not exhaustive and unambiguous. The examples are useful, but a more refined definition would be helpful.

Partnership agreements

There should be clearer information on the expectation of key stakeholders and perhaps an outline of the types of information that would form the partnership agreement (not the agreement itself). On the partnerships, there is a need for more information on how that will be facilitated and managed, is it limited to three or a minimum of three partners, scope of flexibility of partnership agreement to allow for e.g. expanding the partnership by adding new partners.

Project Preparation and Implementation

The guidelines should provide exhaustive information on the preparatory stage of Integrated projects elaboration and its financing, as well as modalities of the project pipeline (if envisaged). It would be useful to add as the annex the pilot application form that was being prepared for the Rodoppi mountains in summer of 2019, once completed, as an example.

Relation with other funding sources

The relation to other activities or regular business of the OPs that are contributing 10% should be clarified. There may also need to be information on specific cases, such as support for PPP projects, combination of grant aid with assistance from financial instruments, State Aid aspects, etc.

Proposals for next steps

The WB team recommended:

1. establishing a networking group for integrated project guidelines preparation consisting of representatives of all MAS involved in the implementation of the new regional concept (coordinated by the MRDPW);
2. launching a public survey (i.e. at MRDPW website) aimed at identifying potential concepts for Integrated projects across the country;
3. involving a sample of local stakeholders (potential beneficiaries and partners) in the process of elaborating and reviewing draft guidelines to ensure they are clear, exhaustive, and comprehensive; and
4. reviewing guidelines for integrated projects (ITI, CLLD, CBC, and other) from selected EU countries to identify good practices to be considered for the integrated project guidelines.

Feedback from MRDPW

MRDPW provided the following feedback to the Bank team on the above recommendations and questions on the guidelines presented by the team:

- The integrated project guidelines will provide more flexibility and partnerships may be developed based on sector and/or territorial integration and there will be limits on number of partnerships.

- There will be a minimum requirement for the number of partners—three—and that one of the partners should be an economic partner/business.
- There will be no limitations on the scope of the projects or partnerships.
- It is likely that there will be 1–2 strategic projects per region, which will be identified on a top down basis. All other projects will be developed taking a bottom-up approach.
- It is not clear yet how many (integrated) projects overall will be implemented under the 2021–27 perspective. The MRDPW assumes that there will be ca. one-third to a half of the number in the current programming period, which is currently around 600.
- Each region will have a regional financial envelope and the algorithm for regional allocation of funds is currently being developed. Other MAS may develop their own regional financial envelopes if they so wish.

RDC model structure – independent review

The review below is preliminary given there remains information to be detailed on the broader framework in which the RDCs would operate, their functions, the specific roles and tasks of the RDC management, the expected nature and scope of integrated projects and the division of tasks between the RDC and Managing Authorities (MAS) amongst others. Moreover, the level of information provided for all elements of the structure and units differs and is in some cases incomplete. It is important to underline that the structure of RDCs should be determined based both on the processes, as well as the functions envisaged for the restructured RDCs.

The assessment, public consultations and facilitation of integrated projects development and implementation will constitute the backbone of crucial RDCs operations. The **expected number and size** (in terms of financing, complexity, number of partners, etc.) of integrated projects in each region, as

well as their **selection method** (indicative projects versus competitive calls for proposals) will impact the **workload** to be processed by RDCs and should be reflected in their **structure, administrative capacity, as well as internal rules of procedure**. The ongoing preparation by MRDPW of the IP guidelines for prospective beneficiaries will shed more light on the above-mentioned modalities, which in turn will allow for a more in-depth review of the proposed RDC arrangements and formulation of more specific recommendations by the Bank team.

Key conclusions from review of the RDC model structure:

- **representation** of different opinions and interests seems to be pursued in the current structure, although participation of political representatives should be encouraged given no voting rights
- design and operational rules of RDCs should encourage **consensus** (uneven number of voting rights), **accountability** (election rules and voting right of the chairperson, continuity of the deputy chairperson, nomination and selection of representatives particularly from civil society) and **effectiveness** of decision making (differentiated majority thresholds)
- **conflicts of interests** could arise between different functions of the management and project assessment units and within the units, and this risk should be adequately addressed
- **the proposed mediation units and public consultation units could be merged** and involved in project preparation (as the creation of partnerships is essential to prepare a project pipeline)
- RDCs could benefit from a **permanent administrative entity with offices, stable leadership (control and oversight), clearly defined roles, an adequate legal mandate, sufficient capacity and a dedicated budget for operations** (in line with the complexity and expected size of integrated projects and therefore coordination and communication needs); **OP Good Governance 2021–2027**

could be utilized as a potential source of financing along with national resources

- a comprehensive **assessment of the existing capacity** at the municipal and regional level should be undertaken (this scope was not covered by the OECD pilot action on front-loading administrative capacity) to formulate capacity building plans; it is essential to build capacity of in house and external staff also for the knowledge hub function of RDC.

Therefore, the Bank team suggests that the recommended way forward to ensure that the RDC structure adequately reflects their new roles and tasks as part of the broader implementation framework for the 2021–2027 programming perspective would be to:

1. clearly **define key processes** related to the elaboration, assessment, consultation and selection of integrated projects **on the regional level**, the processes related to project selection **on the national level** in which the RDCs will actively participate, as well as internally within the RDC (relations between management and expert branches); this should highlight internal and external **coordination and/or communication channels** as well as decision making arrangements (initial visualizations of processes are included in this report for review);
2. formulate clear and unambiguous **definition of the rules of operation** of the RDC tiers (including rules of coordination between regional and OP programming) should be defined and introduced into the ESIF Management Act and/or CoM Decree 162/2016 on Grant Award Procedures;
3. **determine the RDC roles and tasks** to be performed under the identified processes;
4. **determine the resources** (human and financial) necessary to effectively perform identified roles and tasks and transparent guidelines of selection processes for experts;
5. based on the above-mentioned findings —**design an adequate RDC model structure** capable of effectively performing the assigned roles and tasks and **determine the necessary administrative capacity**.

The strategic choice of the RDC scenario and its implications for RDC structure

The **role intended** by MRDPW for the RDCs under the new regional approach for the years 2021–2027 is a **pivotal** one. RDCs are envisaged to reinforce the territorial dimension of development interventions co-financed from the EU Cohesion Policy funds, assist prospective beneficiaries in establishing partnerships capable of implementing Integrated projects, assess project proposals against a set of criteria, including those related to the strategic importance for the development of the region, and to pre-select them for financing, as well as to raise public awareness on the planned interventions.

The draft RDC structure proposed by MRDPW is based on **Scenario 1** given the involvement of MRDPW in the first phase of the selection of projects. As this would be different **than the scenario preferred by stakeholders during the consultations (the majority opted for Scenario 2)**, it would be useful to explain—for the sake of transparency—the **rationale behind this decision and the longer term roadmap for further development of RDCs in relation to Scenario 2, 3 or 4**. Moreover, it would be useful to develop a short narrative to define the main aspects of the RDC functions and composition under the chosen scenario. It would also be useful to explain how the restructured RDCs would support a better tackling of the issue of lagging regions and/or municipalities.

One of the main findings of the strategic consultations was that the process of preparing integrated projects would require **clear leadership and power**, while at the same time ensuring that the **opinions and interests of various stakeholders** are taken into account. This review finds that the latter may have been emphasized over the former in the current proposed structure of the RDCs.

Governance, voting and composition of the RDCs

Empowering the representatives of local and regional level with voting rights will help boost a regional perspective and meet the long

term goal of RDCs becoming an effective regional policymaking entity. Therefore, **political representation** of municipalities and districts at the RDC management level is necessary. As equal participation was highlighted as an important feature during the consultations, the new institutional design and operational rules of the RDCs should encourage efforts to reach **consensus amongst RDC members**. It would be useful to get more clarification on the roles of different RDC units in addition to voting rights, for example on **accountability** of the chairperson (i.e. in terms of reporting).

In terms of nomination of representatives and voting, there are several questions to be raised:

- it appears that the RDC would consist of 20 representatives with voting rights applying a “one representative—one vote” rule. However, it is recommended to have an **uneven number of voting members**.
- it is also important to clarify what **the majority rule or threshold for passing decisions** would be, and—if possible—differentiate thresholds for different types of decisions to be taken by the RDC and to ensure that they guarantee adequate representation of different interests at the same time (including potential rules on obligatory personal presence of RDC representatives for certain decisions and/or on providing replacements).
- it is not clear whether the chairperson is elected among the members of the council

and by whom s/he would be **elected** (the RDC members, the citizens, representatives of entities pre-defined by law, etc.). In the case of the deputy chairperson it is clear that s/he would be elected by the RDC members. To achieve **continuity and predictability** of RDC operations, it could be considered for the deputy chairperson to be respectively the previous chairperson and the future one (elected one year before the start of term), which is a widespread practice among collective entities.

- it would be useful to explain the rationale behind removing the **voting right from the chairperson** of the RDC;
- the **rules of nomination** of representatives from NGOs, local businesses and academia should be clarified as well as the selection process of all representatives and the duration of their terms.

Decision-making process

The **decision and reporting chain** could benefit from further clarification in the proposed RDC structure and needs further elaboration, as it will be essential to ensure effective work processes and reinforce the legitimacy of RDC decisions.

Figures 4.2 and 4.3 are the proposed visualization of the **scheme of the decision making processes** related to project assessment and selection for RDC Scenarios 1 and 2.I.

FIGURE 4.2 Decision-making process under RDC Scenario 1

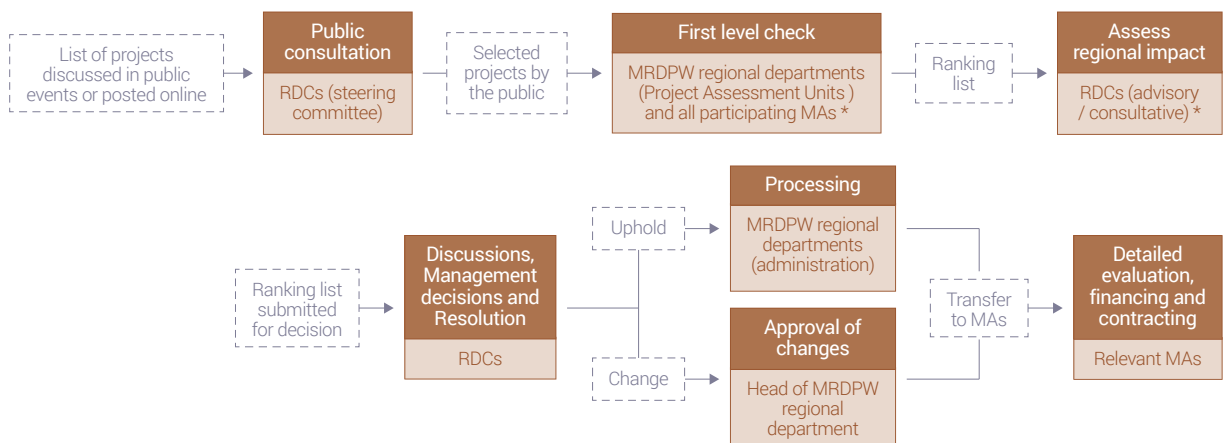
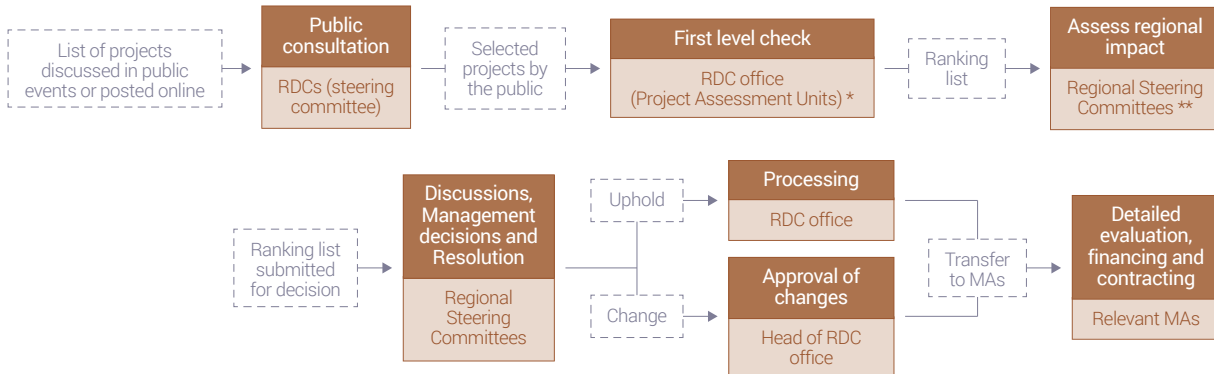


FIGURE 4.3 Decision-making process under RDC Scenario 2.1



It also should be clarified what **criteria** will be applied for the **strategic assessment of regional impact**, who would approve these criteria and which level (management or expert) would conduct the strategic assessment. It is important as well to clarify the linkages between strategic assessment of regional impact and project eligibility checks. This is particularly important as stakeholders raised concerns throughout the strategic consultations about potential **conflict of interest between the preparation and assessment of projects** (i.e. unclear separation of functions between management and expert level).

Solving possible conflict of interests will be one of the biggest challenges to resolve. Addressing this risk is an essential prerequisite for ensuring effective involvement of RDCs in the assessment of integrated projects and the recognition of their decisions. These conflicts could emerge between, for example: (i) the representative and decision making functions of the RDC management level (i.e. members of the RDC management tier being applicants/beneficiaries of Integrated projects); (ii) the decision making at management level and project evaluation at expert level (e.g. subordination); and (iii) the different units within the expert tier (project promotion/counselling, public consultation and project evaluation).

The neutralization or mitigation of this risk would require the development of clear and unambiguous rules of operations of the RDC tiers and units with transparent functional separation as well as specific rules and procedures for the assessment of Integrated projects.

These would be introduced into the ESIF Management Act and/or CoM Decree 162/2016 on Grant Award Procedures.

Coordination, RDC administrative capacity and funding

In order to effectively perform their new roles, RDCs will need to become a vital element of the implementation framework for EU cohesion policy in Bulgaria. Therefore, the performance of their **new roles should be adequately coordinated and synchronized** as they will have to act in concert with multiple partners at different levels to ensure a streamlined and smooth implementation process.

As mentioned throughout the strategic consultations, there is some expectation that the RDCs should be a **permanent administrative entity with offices, stable leadership, clearly defined roles, an adequate legal mandate, sufficient capacity and a dedicated budget ensuring day-to-day operations**. This is in line with the long term goal of institutionalizing the RDCs, but this is not clearly addressed in the draft RDC structure (because it is based on the selection of Scenario 1).

The **scope of RDC financing and the required human resources need to be in line with the expected number and size of Integrated Projects** to effectively sustain the functioning of the RDCs. The proposed **dispersed approach to financing** in the short term (the draft shows two sources of funding: OP Electronic Governance 2021–2027 and Technical

Assistance of relevant OPS 2021–2027) **could create risks** for the functioning of the RDC expert branch, negatively impact timely and effective assessment of project proposals and constitute an additional administrative burden in terms of obtaining financing from different sources. For the expert level, one possibility would be to **secure the entire financing from OP Good Governance 2021–2027 under dedicated (sub)measure(s) which would ensure a horizontal approach to financing based on one common set of rules applicable to all RDCs.**

It is unclear whether the RDC units for mediation, public consultation and preliminary selection would be **administrative units** within the District Information Centers or MRDPW Regional Departments or whether they will be **functions** that will be implemented by the District Information Centers and MRDPW Regional Departments without allocating these tasks to their dedicated sub-units. This requires further clarification before any comments can be provided.

In light of the findings from the strategic consultations, the **existing administrative capacity** of the RDC Secretariat (Regional Departments of MRDPW) can be assessed as **limited** (it is also one of the findings from the OECD pilot action on frontloading administrative capacity). Currently two experts in each of the MRDPW Regional Departments are co-responsible for the RDC secretariat but they have no current or only limited (historical) experience with project assessment and selection.

Clarity is also needed on how the **specialized sectoral OP expertise** would be provided and mobilized to support the functioning of RDCs and how (and which) existing administrative capacity at municipal level would be used to support the RDC Preliminary Selection Unit. It would be useful to conduct a comprehensive **assessment of the existing capacity at the municipal and regional level** (as this was not covered by the OECD in the above-mentioned pilot action, which concentrated primarily on capacity at the central level) and—based on the findings—**formulate preliminary plans on how to increase it in the future and develop in-house expertise to minimize outsourcing.**

For the mobilization of external experts on demand it would be recommended to formulate and use a **list of experts accredited by the relevant MAs** for the purposes of integrated project assessment (similar to the existing list managed by CCU). The MAs would be responsible for recruiting experts and providing them with training on the integrated project implementation framework and assessment criteria. A national list could be complemented by a regional list to ensure effective pooling and utilization of resources at the municipal, district and regional level. These experts could be financed from **OP Good Governance 2021–2027**. This approach would **streamline the process of expert engagement in RDC operations, reduce the administrative burden for RDCs and ensure quality control of experts as well as horizontal rules for their training and financing.**

RDC management level

The introduced **division between the RDC management and expert level is welcome**. However, the proposed setup of the management level gives no answer to the concerns raised during strategic consultations that political representatives from ministries tend not to participate in RDCs activities. In fact, **observers** in RDCs are from line ministries, Council of Ministers and other agencies which could enhance national-regional coordination but depending on how the observer's role is structured or other incentives as they have no voting right.

The specific roles and tasks of the RDC management level should be clearly defined as they are not referred to in the proposed draft RDC structure. Moreover, clarity is needed on how the control or oversight by the RDC management level over the District Information Centers (for mediation and consultation) and MRDPW Regional Departments (for project assessment) would be ensured as they are administratively parts of different structures, not subordinated in any way to RDCs. The structure is missing a description on the task assignment process to RDC Units, as well as information and communication channels to be used to streamline and enhance the effectiveness of RDC operations.

RDC expert level

Preliminary Selection Unit

The name of the unit and scope of tasks may need to be clarified. In fact, “ex ante evaluation” of projects mentioned in the draft structure is not required by the EC on the level of individual projects (only for OPS and this may change for the Programming Period 2021–2027). Moreover, it was understood that the unit would be responsible for project proposal assessment (not selection or ex-ante evaluation), as in Scenario 1 the projects would be selected by the management level of the RDCs based on the outcomes of the assessment and a ranking list prepared by the experts (although it is unclear who exactly would have the final decision). It would therefore be recommended to rename this unit to “**(Preliminary) Project Assessment Unit**”.

It is a positive development that the current structure would seem to **allow for a transition from scenario 1 to 2**, as it would mainly require a change in the composition of the Project Assessment Unit.

Explicit rules of coordination of regional programming with the OPS programming 2021–2027 should be introduced (i.e. coordination of RDA Rules of Implementation with the CoM Decree 142/2019) and various institutions should cooperate to provide unified instructions for programming of integrated projects.

In relation to the already mentioned problematic aspect of potential conflict of interest, a challenging endeavor will be to agree with all concerned MAs on the composition of the RDC Preliminary Assessment/Selection Unit. Therefore, the criteria for in-house staff recruitment, the Integrated projects assessment and selection procedures as well as the rules of hierarchical subordination should be clarified.

RDC Mediation unit

The process of project proposal preparation includes the interdependent activities of identification of potential project ideas, facilitation of the establishment of project partnerships, public consultations and the preparation of

a project application form. It should be clarified who will be responsible for providing **methodological guidance** for the implementation of the mediation and consultation functions to be executed.

It is understood that the Mediation Unit would support the creation of IP **partnerships**, which constitutes a very important role in supporting potential project applicants—one advocated by numerous stakeholders throughout the strategic consultation process. This makes this unit an essential one for the successful strengthening of the bottom-up approach under the new regional concept. Feedback from stakeholders was unambiguous that there is a critical need for a **quality project pipeline** and that local and regional stakeholders would need comprehensive assistance to prepare for the absorption of EU funds given their limited experience with Integrated projects.

It is a welcomed that the RDCs would act as **knowledge hubs**, in line with proposals of additional new functions proposed for RDCs, but it is unclear how this function would fit into the RDC structure and how its required substantial expert capacity would be supported.

Therefore, the **functions, capacity and power of this unit should be clarified and probably strengthened**. Properly equipping the unit with human resources is essential: staff from DICs with their knowledge on EU funds should be complemented by technical experts representing different fields of expertise able to guide discussions with potential partners, support for concept proposal and the application. These **technical experts** should be presumably both **permanent staff and external experts (mobilized on demand to deliver selected tasks)**.

RDC Consultation unit

The **distinction between the Mediation and Consultation Units** is not entirely clear. If the Mediation Unit is to concentrate on supporting the establishment of partnerships and development of project concepts, whereas the Consultation Unit focuses on collecting feedback on pre-selected project concepts, it will be important to clarify at what point

(understood as the stage of project development) the consultation phase would start and what the next step would be after the consultations are finalized (e.g. whether it would be the direct submission of a project application by the RDC Project Assessment Unit to MA OPRG for further checks and eventual contracting).

Draft amendments to RDA and its Rules for implementation – independent review of legal implications

The current legal framework of regional policy implementation in Bulgaria comprises of several main acts, as presented in the Table 4.1.

From a legal perspective, the new regional development approach, prepared by MRDPW, has two main inter-related areas of focus:

- i) **Integrated projects will be the main operational modality**, through which ESIF-funded regional development interventions will be implemented in the next MFF 2021–2027;
- ii) In order to reinforce the territorial dimension of development interventions financed by ESIF, it is envisaged for **the RDCs to have a key role in the preparation and assessment of integrated projects** (RDCs will raise awareness and promote the integrated approach among stakeholders; assist and support prospective beneficiaries in establishing partnership capable of implementing integrated projects; inform the public in the region of, and collect public

TABLE 4.1 Legal framework for regional policy implementation in Bulgaria

Legal act	Scope
Regional development	
Regional Development Act (RDA)	Basic rules for: <ol style="list-style-type: none"> 1. planning, programming, management, resourcing, monitoring, control and evaluation of the implementation of the strategies, plans and programs for the implementation of the regional development policy, 2. planning of the spatial development of the territory at national and regional level
Rules for Implementation of the RDA, adopted through CoM Decree 216/2008	Detailed rules for: <ol style="list-style-type: none"> 1. preparation, coordination, adoption, updating and implementation of the National Regional Development Strategy, the regional development plans, the district development strategies and the municipal development plans; 2. the organizational set-up and operation of the Regional Development Councils (RDCs) and the District Development Councils; 3. monitoring of the implementation of the regional development plans and the municipal development plans
ESIF programming and management 2014 – 2020	
ESIF Management Act	The national institutional framework for the management of ESIF in Bulgaria Basic rules for: grant awards; selections of contractors by grant beneficiaries; verification and certification eligible costs; executing payments; financial corrections under OPs
CoM Decree 79/2014	Establishment of monitoring committees for the Partnership Agreement and OPs co-financed by ESIF for 2014 – 2020 programming period
CoM Decree 162/2016	Detailed rules for the award of grants under OPs funded by ESIF for the period 2014 – 2020
CoM Decree 189/2016	National rules for the eligibility of expenditure on OPs co-financed by the ESIF for the programming period 2014 – 2020
CoM Decree 161/2016	Rules for coordination between Managing Authorities and Local Action Groups (LAGs) and Fisheries Local Action Groups (FLAGs) related to the implementation of the Community-led Local Development (CLLD) approach for period 2014 – 2020
Regulation, adopted through CoM Decree 243/2016	Terms, procedures and mechanism for the functioning of the Information System for the management and monitoring of the funds from ESIF (UMIS) and for conducting proceedings before the Managing Authorities through the UMIS
ESIF programming 2021 – 2027	
CoM Decree 142/2019	Preparation of the strategic and programming documents for the management of ESIF in Bulgaria for programming period 2021 – 2027

feedback on, the planned interventions; assess project proposals against a set of criteria, including those related to the strategic importance for the development of the region, and pre-select them for financing; support beneficiaries throughout implementation, as well as (possibly) take part in the monitoring of implementation on behalf of OP MAS.)

The current national legal framework is not fully compatible with (cannot fully accommodate) those two areas of policy focus and will need to be amended accordingly.

Legal regulation of Integrated Territorial Investments

Integrated projects are now regulated only in the ESIF Management Act and CoM Decree 162/2016. These are defined as **‘project proposals for grant funding under two or more ops, one of which is designated as leading’**. Apart from that definition, integrated projects are mentioned only in four instances in the ESIF Management Act, all of which in the context of competitive selection of projects through a Call for Proposals (CfP). The ESIF Management Act does not provide for any specific rules for integrated projects, except that the project selection and grant award of integrated projects involves the Managing Authorities of the funding ops; in practice the law treats integrated projects as any other project proposal participating in a competitive CfP.

Integrated projects are currently not regulated by the RDA and its Rules of Implementation. Neither is such regulation included in the amendments of the RDA and Rules of Implementation, drafted by MRDPW. This very scarce and blank legal regulation of integrated projects is insufficient, in view of the importance of integrated projects as the main funding instrument of regional development interventions in the next MFF 2021–2027 and is thus regarded **a risk for effective introduction of the new regional approach**.

The WB Team **recommends** to consider the introduction of (i) a more comprehensive legal definition of integrated projects, as well as (ii) legal regulation of the essentials of the

integrated projects (e.g. the structure, the thematic scope and the required synergy of the separate components of Integrated projects to contribute to a common development objective; the Integrated projects partnerships as eligible applicants and the roles and responsibilities of various project partners to integrated project initiation and implementation; the key phases of the integrated projects initiation and implementation; the contractual framework of integrated projects, etc.). The WB team believes that in view of the complexity of integrated projects and the comparative lack of experience with integrated projects of both project applicants/beneficiaries and OP MAS, such legal regulation would facilitate the initiation, implementation and management of integrated projects. It would be most appropriate to introduce this legal regulation in the RDA Rules of Implementation.

Once the legal regulation of integrated projects is introduced, the ESIF Management Act and/or CoM Decree 162/2016 should also be amended, to regulate the specific aspects of integrated projects initiation, application, contracting and implementation modalities in the context of ESIF financing, stemming from the multi-OP nature of Integrated projects.

Legal regulation of RDCs

The current legal framework, contained in the RDA and its Rules of Implementation, provides for the following main functions of RDCs (related to regional development interventions, financed by the ESIF):

- to carry out regional coordination of the implementation of the ops co-financed by the EU funds, impacting the development of the region;
- to participate in the monitoring of the implementation of ops through its representatives in the Monitoring Committees of the Partnership Agreement and of the ops co-financed by the EU funds;
- to review the results and adopt opinions on the implementation and impact of ops co-financed by EU funds on the development of the region.

The **internal structure** of RDCs is scarcely regulated by the RDA and its Rules of Implementation. The latter stipulates that the ‘regional coordination’ function is implemented through ‘Regional Coordination Committee’ (RCC), established by the RDC, which committee may set-up its sectoral sub-committees, related to public infrastructure, competitiveness, human resources development and environmental issues. The RCC is chaired by the chairman of the RDC, other members include representatives of the RDC in the Monitoring Committees of the Partnership Agreement and the OPS, representatives of the OP MAs and of the CCU, as well as district governors.

The activity of the RDCs is **financed** from the budgets of the administrations of the district governors, chairing the RDC during the respective year, up to a ceiling of 10% of the district administration budgets.

The RDA and its Rules of Implementation also provide for ‘**regional units for strategic planning and coordination of regional development**’ of the MRDPW. Those regional units have the following functions, related to the RDCs operation and ESIF interventions:

- to act as secretariat of the RDC and interact with the central and territorial structures of the executive branch in the implementation of the RDC’s decisions;
- to support the activities of the Regional Coordination Committee at the RDC;
- to ensure coordination and interaction with the Central Coordination Unit (CCU) for the implementation of regional coordination in the implementation of the OPS co-financed by the EU funds;
- to coordinate and monitor the implementation of measures funded by the ESIF, including through the CLLD approach, with respect to their consistency with the priorities set out in the Regional Development Plans.

Under the Rules of Implementation of the RDA the regional units of MRDPW **comprise** of a senior

civil servant and three experts. The senior civil servant acts as Secretary of the RDC.

The regional units of MRDPW are **financed** by the ministry.

Amendments to the RDA and Implementation Rules, drafted by MRDPW

MRDPW has drafted amendments to the RDA and its Rules of Implementation, which introduce the new regional concept and RDCs’ new structure and functions.

The proposed amendments are aimed at introducing **two main changes** in the regional development concept and implementation:

- i) Simplification of the regional development programming framework

Currently the regional planning framework includes separate spatial and regional development planning documents:

- spatial planning documents (spatial concepts/scheme at national level, NUTS 2 level and district level (NUTS 3), and
- regional development plans (including national, regional (NUTS 2 level), district (NUTS 3 level) and municipal (LAU level) development strategies/plans, as well as Integrated Plans for Urban Regeneration and Development (IPURDs).

The amendments to the RDA envisage the introduction of two aspects of simplification of planning framework:

- merging the spatial planning documents with regional development plans/strategies, as the new type of planning documents will combine both aspects. The new ‘integrated’ planning documents at NUTS 2 level are envisaged to play the role of ‘territorial strategies’, which are a prerequisite for the implementation of integrated territorial development actions⁹ (ITI and CLLD) under the draft ESIF Common Provisions Regulation (CPR) 2021–2027;

9. Articles 22–24 of CPR 2021–2027.

- reducing regional planning levels from 5 to 3—national, regional (NUTS 2) and municipal, thus removing the district (NUTS 3) planning level¹⁰ and IPURDs¹¹.
- ii) Introduction of the new structure and functions of RDCs

The draft amendments to RDA provide the basic rules for a 2-tier structure and new functions of the RDCs. The structure, composition and functions of the RDC's tiers and units are developed in detail in the draft new **Rules of Implementation of RDA**.

The draft amendments envisage the RDCs structure to comprise of:

- **Management tier** (political level), consisting of voting members (district governors and representatives of municipalities, NAMRB, socio-economic partners, NGOs, local universities, businesses, etc.) and non-voting observers (representatives from ministries, CCU/CoM, NSI and other). The Head of regional unit of MRDPW will act as Secretary of the RDC.
- **Expert tier** (operational level), consisting of three units: Mediation Unit, Public Consultation Unit and Project Preselection Unit. The draft RDA Implementation Rules envisage the first two units to be staffed with experts from the District Information Centres, while the Project Preselection Unit will comprise of experts from MRDPW's regional units and OP MAS, as well as contacted external experts.

This two-tier structure accommodates five **different functions of RDCs**:

- representation of local and regional public and private stakeholders, related to initiation and implementation of regional integrated projects [Management tier];
- counselling and facilitation of integrated project preparation, including partnership promotion [Mediation Unit]

- Integrated projects 'preliminary evaluation' (administrative compliance and eligibility checks of integrated projects, compliance with regional development strategies, 'preliminary assessment' of the capacity of the IP partnership and of the leading partner) [Projects Preselection Unit];
- public consultation on evaluated Integrated projects, aimed at prioritizing them based on public feedback [Public Consultation Unit];
- decision making on the 'advisability of funding' (i.e. on preselection) of integrated projects [Management tier]

The draft amendments of the RDA and RDA Rules of Implementation, prepared by MRDPW, seem to be well formulated, with precise, but still widely-scoped wording, allowing for flexibility of the operational arrangements between OP MAS and RDCs.

The structure, staffing and functions of the two tiers and of the expert tier units of the RDCs are defined in enough detail in the draft RDA and RDA Rules of Implementation. **The proposed organizational structure seems to fit to the proposed functions.**

Legal issues which are not addressed in MRDPW's current drafts

From a legal perspective the **most significant challenge** of the proposed new RDC structure is **to reconcile the representative, project promotion, evaluation and decision making functions of the RDCs**, as potential **conflicts of interest** could arise between those.

In order to neutralize or mitigate this risk, it is **recommended** MRDPW to develop (i) clear and unambiguous rules of operations of the RDC tiers and units, ensuring transparent functional separation between the different tasks of RDCs, as well as (ii) specific rules and procedures for the assessment of integrated

10. It should be noted that the removal of the district planning level was strongly opposed in 2018 by both CoM/CCU and district governors with formal arguments.

11. Integrated Plan for Urban Regeneration and Development.

projects. The basic rules for operation of the RDC tiers and units, ensuring functional separation, should be added to the draft RDA Rules of Implementation (and be further developed in future Operational Manual of RDCs—if envisaged by the MRDPW). The specific rules and procedures for the assessment of Integrated projects should be introduced into the ESIF Management Act, or in CoM Decree 162/2016 if regulatory flexibility is preferred.

The intended simplification of the regional development planning framework and introduction of the new functions and structure of the RDCs would entail collateral amendments in other pieces of legislation too. Those amendments will be only technical, easy to identify and prepare, once a consensus is achieved between the key actors involved (CoM/CCU, OP MAS and MRDPW) on the amendments in RDA and Rules of Implementation, related to RDCS new functions.

Alternative scenario of introducing the new functions of the RDC (in the case that the proposed RDA amendments are not adopted)

While the recommended amendments to the RDA, its Rules of Implementation and the ESIF Management Act (CoM Decree 162/2016) are considered important for the introduction of the new regional concept and functions of the RDCs, it should be noted that **the new regional concept and planned functions of RDCs could be applied even if those amendments are not adopted.**

Under a ‘no amendments’ scenario the current regulation of RDCs—if interpreted flexibly—could still be used as legal grounds for RDCs to perform the intended new functions, including assessment and pre-selection of integrated projects. In this case the Regional Coordination Committee (RCC) at the RDC could undertake the ‘management tier’ functions. The sectoral sub-committees at the RCC (which the latter is free to form), supported by the MRDPW regional units, District Information Centre’s staff and experts seconded from OP MAS could perform the ‘expert tier’ functions. Under the current RDA Rules of Implementation, the RCC is authorised to adopt its own rules of operation, which can be used to regulate the internal organisation, processes and functional separation of different tasks. The operation of the RCC could be financed through the dedicated budget of the RDC (up to 10% of the budget of the district administrations chairing the RDC), as well as from the technical assistance funds of the selected OP(s).

It should be however noted that while theoretically possible, **this mode of operation of RDCs will create practical difficulties, could be subject to severe budgetary limitations and would not allow for a stable framework for strengthening the administrative capacity of the RDCs and asserting their new roles in the longer term.** That is why the non-adoption of relevant amendments to RDA and its Rules of Implementation represents **a high risk for the effective introduction of the enhanced new role of the RDCs under the new regional concept.**



CONCLUSIONS

Regional policy in Bulgaria seems to be at important juncture considering the scope of development challenges observed across Bulgaria's regions on the one hand, and the foreseen policy shift on the other. The outcomes of strategic consultations clearly show that there is **widespread sentiment supporting a paradigm change in how to address regional disparities**, as the current development model has failed to generate all the expected results. This **readiness of stakeholders to embrace a new approach** constitutes a very **well-timed 'window of opportunity' for MRDPW** to effectively introduce measures aimed at strengthening the regional dimension of development policy and a more integrated approach to planning and implementing EU-funded investments.

The **ambitious vision behind the new integrated regional concept and commendable efforts** undertaken so far by the MRDPW and the CCU to introduce it within the framework of the upcoming 2021–2027 programming period deserve praise. The introduction of the territorial approach to a substantial portion of sectoral funds is an **important step towards a more place-based policy making**, sensitive to local challenges and needs and more effective in tapping into local development potential.

In order to reap the expected development benefits this ambitious vision, however, must be complimented by a **clear and comprehensive implementation framework and an intensive capacity building effort** to equip prospective beneficiaries at the local level with the competences and skills necessary to effectively take advantage of new development opportunities. As one of the mayors stated during the consultations: **'We are open to the new approach, but we need a teacher'**. This expectation is justified given the very limited and not necessarily positive experience so far with integrated projects in Bulgaria and the often insufficient and dispersed capacity of local stakeholders to effectively elaborate and implement such projects. It is important for MRDPW and CCU as champions of the new approach to acknowledge and effectively address this need. This report formulates a number of recommended actions to be taken with a view to achieving this goal.

The preparatory phase as mentioned before will have to be followed by **an enhanced monitoring and coordination effort throughout the entire 2021–2027 programming period to assess the progress and ensure that the new integrated approach is effectively implemented across OPs**. As it is a new and previously untested policy approach for Bulgaria different bottlenecks and setbacks are likely to materialize both on the supply and demand side of the new approach. These in turn will generate the need for introducing arrangements aimed at finetuning its implementation mechanism. **Clear leadership will be of paramount importance to make sure there is continued political ownership of the new approach** capable of effectively reconciling the conflicting stakes of different stakeholders on both national and subnational level.

Restructuring of RDCs through entrusting them with new roles and functions plays an important role in the overall paradigm shift to be introduced under the new integrated approach. For many consulted stakeholders the new roles envisaged for the RDCs are not merely considered within the framework of the EU-funds management mechanism and its technical as well as operational modalities. **The choice of RDCs scenario to be applied under the 2021–2027 programming period is perceived as an 'acid test' of the central government's approach to potential future decentralization and further regionalization of development policy.**

Taking into account the fact that equipping the RDCs with sufficient skills, competences and staff will require substantial capacity building effort over a longer period of time and effective pooling of dispersed resources available on municipal and district level it would be sensible **to invest in a scenario that would be likely to produce longer term positive implications for regional policy in Bulgaria**. Therefore, in order to ensure a more universal buy-in of stakeholders on the subnational level in supporting and recognizing the new roles of RDCs, actively engaging them in a sustained intensive capacity building process and providing the RDCs with the political leverage to effectively represent the regional perspective in the longer term, MRDPW and CCU would benefit from

setting out a post-2027 vision for the RDCs and a credible action plan with key milestones for its implementation.

Each of the consulted RDC scenarios holds its merits for enhancing the regional dimension of development policy in Bulgaria. However, **the final decision on the RDC scenario selected for implementation should be thoroughly considered not just in the context of operational modalities of the EU funds**

management system, but within a broader framework of the possible decentralization agenda to be pursued in the coming years by the central government. This decision will carry a lot of weight as it can be either the first crucial milestone in the process of building fully operational administrative structures on the regional level, or merely a singular technical arrangement of the EU-funds management framework that can be easily replaced by a different one post-2027.

ANNEX 1

QUESTIONNAIRE FOR STRATEGIC CONSULTATION

Memorandum Strategic Consultation Meetings

RAS: “Enhancing the Regional Development Process in Bulgaria and supporting Ministry of Regional Development and Public Works (MRDPW) in the programming process for the period 2021–2027”

SUBJECT OF MEETING: Strategic consultation

DATE:

PLACE:

PARTICIPANTS:

MAIN ASSUMPTIONS/PREMISES:

Interviewees are familiar with the following recent developments:

1. MRDPW’s concept note on new regional approach to the next programming period,
2. Council of Minister’s decision (#335) on the minimum financial allocations from OPs to implement integrated territorial development approaches under the next programming period.

Interviewees are familiar with the aim of the strategic consultation, which is to gather information from a range of stakeholders to support MRDPW to:

1. improve regional development policy in Bulgaria;
2. improve awareness of the options for improving the planning, preparation and implementation of regional development planning; and
3. identify possible new functions and responsibilities for regional development councils in regional development.
4. Analyze opportunities to better synchronize and coordinate regional development policy with the programming and implementation of the OPs.

Interviewees are familiar with the World Bank’s role in the process:

The World Bank is **to support MRDPW** to enhance the regional development process in Bulgaria during the next programming period 2021–2027 and **to support MRDPW** in building

the capacity of Regional Councils for their involvement in the implementation of a new OP for regional development by leveraging global expertise and the direct work of the Bank in EU countries.

From the list of questions on the following table, different questions need to be shared with different stakeholders prior to the meetings (as indicated in the last column)

- A multi-stakeholder meeting with simultaneous interpretation lasts at least 3 hrs to allow an in-depth discussion.
- For bilateral meetings with consecutive interpretation at least 1.5 hrs have to be planned.

Main topics for discussion:

- Approaches for improving regional development planning and processes.
- MRD's new concept of regional development (integrated approach to territorial investments)
- RDC—possible new functions and responsibilities in regional development.
- Regional development implementation and coordination during the next financial perspective (2021–27)

#	question	MA	muni /distr	NGO/ Busin
MRD's new concept of regional approach to territorial development (integrated investments)				
1.	Are you aware of the OPRG and MRDPW new regional approach to territorial development? (integrated territorial investments in a broad sense) planned for the next programming period?	x	x	x
2.	Do you have experience with any of the following: Integrated projects (as per Council of Ministers Decree 162 of 2016) • CLLD projects • Inter-municipal projects • forming partnerships to apply for the EU money • Could you please describe main benefits and challenges of such projects?		x	x
3.	Have you had project ideas which could not evolve into EU project applications, because they were multi-sectoral and could not fit into a single OP? (<i>only for beneficiaries</i>). What kind of project ideas were these?		x	x
4.	Which areas of intervention, in your opinion, would be the most suitable for developing as integrated territorial projects?	x	x	x
5.	How would you assess your capacity for preparing integrated (or multi-sectoral) projects? Specifically, what is your capacity in the following areas: needs identification, solution design, finding partners, preparation of a project application, operationalization of a project, implementation – technical and financial management, monitoring)?		x	
6.	Have you collaborated with other actors or used external support to design or implement EU-funded projects? If, yes, please share the main advantages and challenges. Have you worked with any regional development agency?		x	x
7.	How would you describe your capacity to create partnerships to implement joint projects?		x	x
8.	What do you see as the implications for your organization coming from the new regional approach?	x	x	x

#	question	MA	muni /distr	NGO/ Busin
9.	From your perspective, please list the most important prerequisites to ensure successful implementation of the new regional approach to territorial development? At the level of your organization? On a systemic level? (possible areas: capacity building, incentives for effective implementation of the new regional approach, coordination mechanisms, legal changes, project preparation and implementation capacity, resources – both human and financial etc.).	x	x	x
10.	Based on your practical experience, which of the following three stages of designing and implementing an integrated project could be the most challenging? (1) preparation of a concept/project proposal, (2) assessment/selection of projects; and (3) implementation of projects: How could these challenges be overcome?	x	x	x
11.	How to ensure effective assessment of project proposals against regional development needs?	x	x	x
12.	How would you envisage the process of signing an integrated project between various MAs and a multi-stakeholder partnership? Consider a case where at least two MAs need to sign off on the project proposal and are responsible for achieving results? What would need to happen to make such a process possible?	x	x	x
RDC –future role				
13.	In general, what is your view about delegating more roles to the regional level? What are the benefits and risks?	x	x	x
14.	How could RDCs assume the role envisaged in the MRD's new regional development of territorial development?	x	x	x
15.	In your opinion, is the current format of RDCs (the current RDC composition, rotational leadership etc.) suitable for developing and managing the implementation of a strategic approach at the regional level? If not, what changes do you see necessary?	x	x	x
16.	Would you consider the future RDCs a representative forum for discussing the regional perspective?	x	x	x
17.	What new or modified functions would the RDCs have to be empowered with to allow them to play the role envisaged in implementation of integrated territorial investments: • organizational structure • composition • power (tasks/duties) • budget • capacity • other	x	x	x
18.	Which of the two proposed scenarios for RDCs do you consider most suitable to implement in Bulgaria for the next programming period? Why? What are the pros and cons of these two solutions?	x	x	x
19.	In your opinion, would it be useful if the RDCs were to fulfil a function of: • regional knowledge hub for local and regional stakeholders (an entity gathering information about the region) • 'territorial observatory' – an entity performing analyses about the region and monitoring regional development and various socio-economic aspects	x	x	x
20.	How should the members of future RDCs be selected?	x	x	x
21.	How could RDCs be effectively incentivized or supported to perform their new roles in an efficient way?	x	x	x

#	question	MA	muni /distr	NGO/ Busin
Regional development implementation and coordination during the next financial perspective (2021 – 27)				
22.	In your opinion, to what extent is current regional development policy in Bulgaria coordinated with the EU ESIF programming process for post 2020? Could you please provide examples of mechanisms to demonstrate this coordination ?	x	x	x
23.	What are the pros and cons of the current coordination mechanisms? Which specific elements could be improved, if any?	x	x	x
24.	Could you indicate any past and current positive experiences or good practices with regional policy coordination in Bulgaria (or relevant to Bulgaria) that could be shared?	x	x	x
25.	Are you involved in the formulation of regional development policymaking or regional plans? Are you involved in the formulation of the regional approach for the ESIF post-2020 programming period?	x	x	x
26.	Are there any aspects, related to the development of the regional policy and the new integrated regional approach, which were not covered in the meeting that you would like to share?	x	x	x

ANNEX 2

QUESTIONNAIRE STAKEHOLDER MAPPING

STAKEHOLDER MAPPING

RAS:

“Enhancing the Regional Development Process in Bulgaria and supporting Ministry of Regional Development and Public Works in the programming process for the period 2021–2027”

STAKEHOLDER:

DATE:

PLACE:

1. How strong stakeholder supports such approach? (from strongly support to strongly oppose)

Strongly support						Strongly oppose
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If the stakeholder answers that support continue with next questions' if does not support go to question 4.

2. Which aspects of ITIS does stakeholder finds relevant to territorial needs? Please, elaborate.
3. In what manner would stakeholder demonstrate this support?
 - Would they take the initiative in supporting or they prefer to wait for others to do so?
 - Do they have financial and human resources available to support this approach?
 - What conditions would need to exist for them to express this support?
 - Which person/organization do they think share your opinion?
4. Which aspects of IPs do stakeholder find unclear/irrelevant/inadequate?
5. Which person/organization do they think share your opinion? How close are they to them?
6. Under what conditions do they think can change their opinion and support the new approach?

ANNEX 3

SCHEDULE OF STRATEGIC CONSULTATIONS

Strategic consultations planning at central level

Date	Day time				Place
	9.00 – 11.00	11.00 – 13.00	14.00 – 16.00	16.00 – 18.00	
8-Jul	9.00 – 10.30 MA Regions in Growth	11.30 – 13.00 MA Cross-border	14.00 – 15.30 National Center for Territorial Development	16.00 – 17.30 MA Science and Education for Sustainable Growth – <i>not happened</i>	OPRG premises
9-Jul	9.00 – 10.30 CCU	11.00 – 12.30 MA Good Governance	14.00 – 15.30 MA Human Resources	16.00 – 17.30 MA Rural Development	counterparts premises
10-Jul	9.00 – 10.30 MA Innovation and Competitiveness	11.00 – 12.30 MA Transport	14.00 – 15.30 MA Environment	16.00 – 17.30 MA Maritime Affairs	counterparts premises
11-Jul	9.00 – 10.30 National Association of Municipalities in the Republic of Bulgaria	11.00 – 12.30 Fund of Funds	13.30 – 15.00 Ministry of Finance (MF) – Economical and Financial Policy Directorate	16.00 – 17.30 MF – Audit Authority and Certifying Authority	MRDPW premises
12-Jul	9.00 – 10.30 National company Industrial Zones	11.00 – 12.30 Fund for local authorities and governments (FLAG) and the Fund for Sustainable Cities	13.30 – 15.00 Regional Urban Development Fund	15.00 – 16.00 <i>Wrap-up and planning of the regional consultations</i>	OPRG premises

Strategic consultations planning at regional level

Date	Day / time				WB Team	Region
	9.00 – 11.00	11.00 – 13.00	14.00 – 16.00	16.00 – 18.00		
15-Jul	Travelling: Sofia – Lovech (2h)	North-West Region Meeting – RDC + CEAOEF and RPC	North-West Region Meeting – Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.	16.00 – 18.00: Joint meeting small municipalities of North-West and North-Central Regions – Troyan Mayor and Sevlievo Mayor (in Lovech at the premises where RDC meetings are held) Travelling: Lovech – Pleven (0.5h)	WB Common team: J, A, AI	North-West
16-Jul	9.00 – 10.30: Meeting Pleven Mayor Travelling: Pleven – Montana (3h)	Travelling: Pleven – Montana	14.00 – 15.30 – Meeting Mayor Montana	Travelling: Montana – Sofia (2h)	WB Common team: J, A, AI	North-West
17-Jul	Traveling: Sofia – Bojorishte (0.5h) 9.00 – 10.30 Meetings industrial Zone – Bojorishte administration and investors, and the Bojorishte Major	Traveling: Bojorishte – Sofia (0.5h) 11.30 – 13.00: Meeting Sandanski Mayor in Sofia at the premises where RDC meetings are held	14.00 – 15.30: Meetings lefts from the central level: CLLD LAG Association	16 – 17.30: Meeting: Regional Department of DG SPFRD in South-West Region	WB Common team: J, A, Y, AI	South-West

Date	Day / time				WB Team	Region
	9.00 – 11.00	11.00 – 13.00	14.00 – 16.00	16.00 – 18.00		
18-Jul	9.00 – 10.30: Meeting Sofia Mayor	Meeting – RDC + CEAOEF and RPC	Meeting – Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.	16.30 – 18.00: Meeting Kiustendil Mayor in Sofia at the premises where RDC meetings are held	WB Common team: J, A, Y, AI	South-West
19-Jul	Participation in the NCTD conference for presenting the results of the Socio-Economic Analysis	Participation in the NCTD conference for presenting the results of the Socio-Economic Analysis	Participation in the NCTD conference for presenting the results of the Socio-Economic Analysis	Participation in the NCTD conference for presenting the results of the Socio-Economic Analysis	WB Common team: J, A, Y, AI	South-West
20-Jul						
21-Jul			Travelling Sofia – Burgas (4h)	Travelling Sofia – Burgas		
22-Jul	9.00 – 10.30: Meeting – Burgas Mayor	Meeting – RDC + CEAOEF and RPC	Meeting – Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, RDAs, etc.	16.30 – 18.00: Meeting Pomorie Mayor in Burgas at the premises where RDC meetings are held	WB Team 1	South-East
23-Jul	9.00 – 10.30 Meeting Burgas Industrial Zone (administration and investors)	Travelling: Burgas – Stara Zagora (2h)	14.00 – 15.30: Meeting Stara Zagora Mayor Travelling: Stara Zagora to Kazanluk (0.5h)	16.30 – 18.00: Meeting Kazanluk Mayor	WB Team 1	South-East
24-Jul	Travelling: Kazanluk to Plovdiv (1.5h)	11.00 – 12.30 Meeting – Economic Zone Trakia (administration and investors) Travelling: Plovdiv – Kazanluk (1.5h)	14.00 – 15.30: Meeting Plovdiv Mayor	16.00 – 17.30 Meeting: Regional Department of DG SPPRD in South-Central Region	WB Team 1	South-Central
25-Jul	9.00 – 10.00 Travelling: Plovdiv – Pazardjik (up to 1h) 10.00-11.30 Meeting Pazardjik Mayor	Travelling: Pazardjik to Peshtera (0.5h)	13.30 – 15.00 Meeting Peshtera Mayor Travelling: Peshtera to Smolyan (3h)	Travelling: Peshtera to Smolyan (3h)	WB Team 1	South-Central
26-Jul	9.00 – 10.30: Meeting Smolyan Mayor	Meeting – RDC + Committee on European affairs and oversight of the European funds (CEAOEF) and Regional Policy Committee (RPC, National Assembly)	Meeting – Stakeholders not covered by the RDC: Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.	Travelling: Smolyan to Sofia (4h)	WB Team 1	South-Central
22-Jul	8.30 – 11.00 Travelling: Sofia – Gabrovo (2.5)	11.00 – 12.30 Meeting: Gabrovo Mayor Travelling: Gabrovo – Ruse (2h)	15.00 – 16.30: Meeting – Ruse Mayor	17.00 – 18.30: Meeting – Regional Department of DG SPPRDDG SPPRD in North-Central Region	WB Team 2	North-Central
23-Jul	9.00 – 10.30: Meeting Ruse Industrial Zone (administration and investors)	Travelling Ruse – Razgrad (1h)	13.00 – 15.30: Meeting – RDC + CEAOEF and RPC	15.30 – 17.30: Meeting – Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc. Travelling: Razgrad – Targovishte (0.5h)	WB Team 2	North-Central

Date	Day / time				WB Team	Region
	9.00 – 11.00	11.00 – 13.00	14.00 – 16.00	16.00 – 18.00		
24-Jul	Meeting – RDC + CEAOEF and RPC	11.30 – 13.30 Meeting – Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.	14.00 – 15.30 Meeting Dobrich Mayor in Targovishte at the premises where RDC meetings are held	16.00 – 17.30 Meeting Novi Pazar Mayor in Targovishte at the premises where RDC meetings are held Traveling: Targovishte – Varna (1.5h)	WB Team 2	North-East
25-Jul	9.00 – 10.30 Meeting Varna Mayor	11.00 – 12.30: Meeting – Regional Department of DG SPPRDDG SPPRD in North-East Region	14.00 – 15.30 Meeting Varna Industrial Zone (administration and investors)	Preparatory for the MAs joint meeting	WB Team 2	North-East
26-Jul	Travelling Varna – Sofia (5.5h)	Travelling Varna – Sofia (5.5h)	Travelling Varna – Sofia (5.5h)	16.00 – 17.30: Joint Meeting with MAs	WB Team 2	North-East
27-Jul						
28-Jul						
29-Jul	10.00 – 12.00: Joint Meeting MAs					

Abbreviations:

RDC – Regional Development Council
 CEAOEF – Committee on European affairs and oversight of the European Funds
 RPC – Regional Policy Committee (National Assembly)
 DG SPPRD – Directorate General Strategic Planning and Programing of Regional Development

Contacts:

Industrial Zones: <http://nciz.bg/za-nas.html>
 Trakia Economic Zone: <https://tez.bg/>
 LAG CLLD: <https://vomr.bg/en/home/>
Regional Development Agencies
 Stara Zagora: <https://www.szeda.eu/en/>
 Varna: <https://www.veda-bg.eu/bg/>
 Plovdiv: <http://rda-bg.org/index.php/welcome/aboutUs>
 Razlog: <http://www.leda-razlog.org/?lang=en>
 Vidin: <http://www.bcvidin.org/3-3.html>

ANNEX 4

LIST OF PARTICIPANTS STRATEGIC CONSULTATIONS UNDER OPERATIONAL PROGRAMME REGIONS IN GROWTH 2021 – 2027

#	Participant's name	Organization
CENTRAL LEVEL		
July, 8 2019; Sofia		
N.A.	N.A.	OPRG: Strategic development and contracting unit, Department of monitoring, Financial management and control department, Public procurement control department, Unit for program level evaluation and public awareness at program level
N.A.	N.A.	Managing Authority Regions in Growth at OPRG premises
N.A.	N.A.	Cross-border / territorial cooperation Managing Authority at OPRG
N.A.	N.A.	National Center for Territorial Development at OPRG
July, 9 2019; Sofia		
N.A.	N.A.	Central Coordination Unit at MRDPW premises
N.A.	N.A.	OP Good Governance unit at MRDPW
N.A.	N.A.	Managing Authority for Human Resources at MRDPW
N.A.	N.A.	Managing Authority for Rural Development
July, 10 2019; Sofia		
N.A.	N.A.	Managing Authority for Innovation and Competitiveness at MRDPW
N.A.	N.A.	Managing Authority for Transportation at MRDPW
N.A.	N.A.	Managing Authority for Environment at MRDPW
N.A.	N.A.	Managing Authority for Marine and Fishery Affairs at MRDPW

#	Participant's name	Organization
July, 11 2019; Sofia		
N.A.	N.A.	National Association of Municipalities in the Republic of Bulgaria at MRDPW
N.A.	N.A.	Fund of Funds at MRDPW
N.A.	N.A.	Ministry of Finance – Economical and Financial Policy Directorate at MRDPW
N.A.	N.A.	Ministry of Finance – Audit Authority and Certifying Authority at MRDPW
July, 12 2019; Sofia		
N.A.	N.A.	National Company of Industrial Zones at OPRG
N.A.	N.A.	Fund for local authorities and governments (FLAG) and the Fund for Sustainable Cities at OPRG
N.A.	N.A.	Regional Urban Development Fund at OPRG
N.A.	N.A.	Regional Development Councils
NORTH-WEST REGION		
July, 15 2019; Lovech, RA		
N.A.	N.A.	North-West Region RDC + CEAOEF and RPC
N.A.	N.A.	North-West Region Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.
N.A.	N.A.	Small municipalities of North-West and North-Central Regions – Troyan Mayor and Sevlievo Mayor (in Lovech)

#	Participant's name	Organization
1	Boryana Voicheva	MRDPW
2	Svilen Stoyanov	MRDPW
3	Joana Masich	WB
4	Chavdara Pantic	translator
5	Yanko Stoyanov	MRDPW
6	Evelina Parashkevova	Academy of Economics – Svistov
7	Maria Stoyanova	Academy of Economics – Svistov
8	Vera Dobreva	Troyan Mun.
9	Nelly Miteva	Lovech, RA
10	Ivaylo Stoyanov	MRDPW
11	Alexander Hinov	WB
12	Margarita Bogdanova	Academy of Economics – Svistov
13	Yulian Gospodinov	Academy of Economics – Svistov
14	Milen Dulev	Belene Mun.
15	Albena Georgieva	Vidin, RA
16	Anelia Vlahovski	Vidin, RA
17	Julia Tzolova	MF
18	Pencho Penchev	TC Lovech
19	Miroslav Iliev	Pleven Mun.
20	Elena Angelova	BCCI Vratsa
21	Nadia Rabadjieva	Lukovit Mun.
22	Stefan Milev	Pleven Mun.
23	Malina Nikolova	Vratsa, RA
24	Varbinka Borisova	Vratsa, RA
25	Elia Borisova	Lovech, RA
26	Ralitsa Geshovska	Vratsa, RA
27	Lyuba Petrova	Nikopol Mun.
28	Boyko Beltekov	Nikopol Mun.
29	Irina Miteva	DBL Lovech
30	Tsetso Angelov	RZS party Lovech
31	Alexander Hinov	WB
32	Joanna Masic	WB
33	Teodora Hristova	Lovech, RA
34	Petko Petkov	KNSB
35	Madlena Boyadjieva	Teteven Mun.
36	Violeta Nikolova	Lovech, RA
37	Pavlina Nikolova	Podkrepa CL Lovech
38	Hristian Vutov	RIC Lovech
39	Valentin Valev	Lovech , area

#	Participant's name	Organization
40	Gradimir Penkov	ASA
41	Tanya Valova-Petrova	ASA
42	Vessela Dankova	Civil Initiatives Association Lovech
43	Borislav Ilevski	CEIB
44	Tsvetelina Guneshka	BCC Lovech
45	Rennie Matieva	Loznitsa Mun.
46	Galina Petrova	Ecomissia 21 vek Association
47	Galia Shuglyova	Knezha Mun.
48	Elenko Nachev	Regional Management of Education for Lovech
49	Iveta Kriviradeva	RIC Lovech
50	Irina Falpdzhiyska	ASA Lovech
51	Eng. Maria Dimitrova	DA Lovech Region
52	Georgi Georgiev	BCC Lovech
53	Stefan Tarnyovski	Knezha Mun.
54	Petlino Damyanova	CRRI Association
55	Tsanko Tanovski	LAG Apriltsi
56	Darina Docheva	Veni plast Ltd.
57	Maria Nedyalkova	Zakrila Association
58	Rosen Belchev	Montana, RG
59	Galia Donova-Ivanova	Montana, RA
60	Evgenia Bodinkova	Knezha Mun.
61	Dobromir Todorov	Montana, RA
July, 16 2019; Montana, RA		
N.A.	N.A.	Mayor Montana
SOUTH-WEST REGION		
July, 17 2019; Bojurishte and Sofia, RA		
N.A.	N.A.	Industrial Zone representatives, Bojurishte administration and investors, and the Bojurishte Major
N.A.	N.A.	Sandanski Mayor in Sofia at the premises where RDC meetings are held
N.A.	N.A.	Central level stakeholders CLLD LAG Association
N.A.	N.A.	Regional Department of DG SPFRD in South-West Region
July, 18 2019; Sofia, RA		
N.A.	N.A.	Mayor of Sofia
N.A.	N.A.	Representatives of RDC + CEADEF and RPC

#	Participant's name	Organization
N.A.	N.A.	Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.
N.A.	N.A.	Kiustendil Mayor in Sofia at the premises where RDC meetings are held
62	Lyudmila Stoykova	MRDPW
63	Elitsa Gramadska	MRDPW
64	Ivaylo Stoyanov	MRDPW
65	Alexander Hinov	WB
66	Jana Georgieva	WB
67	Yordanka Paunova	citizen
68	Petya Donova	IPPM
69	Isabella Tottina	R C Consult Ltd.
70	Andreana Andreeva	R C Consult Ltd.
71	Boryana Velcheva	BIU
72	Dimitar Kumanov	Balkanka
73	Petko Kovachev	IAE
74	Angel Burov	UUB
75	Lyudmil Ivanov	RASTIA
76	Zdravko Gechov	LGRF
77	Dochka Vassileva	FMFIB
78	Georgi Nikolov	UNWE
79	Georgi Hristov Tsolov	UNWE
80	Desislava Ketsorska	FMFIB
81	Svetlina Lomeva	ADR
82	Sevdalina Voynova	ADR
83	Nikolai Katsarski	Sofia University
84	Dima Koteva	Ecosociety Foundation
85	Rennie Alexandrova	BCC
86	Irina Mutafchiiska	USB
87	Antonia Shalamova	ADR
88	Velina Gencheva	Renus
89	Eng. Rositsa Plachkova	Kyustendil Mun.
90	Tsvetelina Atanasova	MRDPW
91	Ivaylo Stoyanov	MRDPW
92	Lyudmila Stoykova	MRDPW
93	Andrey Mitov	BSN
94	Borislav Tomirkov	Sofia, Vitosha District

#	Participant's name	Organization
95	Magdalena Stoilova-Tsankova	MF
96	Yana Georgieva	WB
97	Anna Banaschuk	WB
98	Alexander Hinkov	WB
99	Emil Slavkov	Satovcha Region
100	Joanna Masic	WB
101	Diana Trifonova	ME
102	Maya Ninova	MES
103	Gloria Petrova Vassileva	Sofia, RA
104	Christina Todorova	Sofia, RA
105	Anna Radeva	Stroitel (press)
106	Zornitsa Krалеva	Blagoevgrad Mun.
107	Maria Grozdanova	Blagoevgrad Mun.
108	Magdalena Ivanova	Zlatica Mun.
109	Denitsa Nikolova	MRDPW
110	Zdravko Beshendzhiev	MRDPW
111	Milen Minchev	MTITC
112	Theodora Mitova	ME
113	Irena Nikolova	ME
114	Biser Mihaylov	Regional Governor
115	Victor Yanev	Regional Governor
116	Pasco Stoilkov	Slivnitsa Mun.
117	Dimitar Dimitrov	MAFF
118	Boris Borisov	Botevgrad Mun.
119	Olga Kitanova	Dupnitsa Mun.
120	Ivanna Veneva	Pernik, RA
121	Boyko Doychinov	non-profit association
122	Grigor Daulov	Chavdar Mun.
123	Marin Pavlev	Slivnitsa Mun.
124	Ilian Todorov	DASD
125	Nikolay Nikolov	DASD
126	Nikolai Borisov	DASD
127	Maya Tsanova	DASD
128	Desislava Dobcheva	DASD
129	Ivaylo Stoyanov	Elin Pelin Mun.
130	Rumen Dimitrov	MK
July, 19 2019; Sofia, RA		
N.A.	N.A.	Stakeholders at NCTD conference (results of the Socio-Economic Analysis)

#	Participant's name	Organization
SOUTH-EAST REGION (AND NORTH-CENTRAL REGION TEAM 2)		
July, 22 2019; Burgas, RA; Gabrovo; Ruse		
N.A.	N.A.	Mayor of Burgas
N.A.	N.A.	RDC + CEAOEF and RPC
N.A.	N.A.	Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.
N.A.	N.A.	Pomorie Mayor in Burgas at the premises where RDC meetings are held
131	Nikolay Nikolov	MRDPW
132	Nikolai Milev	MRDPW
133	Iveta Krasteva	ME
134	Chavdara Pantic	Translator
135	Mirela Georgieva	MTITC
136	Sevdalina Turmanova	RA
137	Zlatka Markova	AIKB
138	Joanna Masic	WB
139	Alexander Hinov	WB
140	Pavlin Ivanov	CEIB Burgas
141	Tsvetelina Atanasova	MRDPW
142	Vitka Vulcheva	BIA Burgas
143	Mariela Pavlova	Yambol , RA
144	Ruslana Miroslavova	Yambol , RA
145	Magda Moskova	MES
146	Diana Nikolaeva-Grozdanova	A1
147	Nedelcho Rachev	Regional Directorate of the Ministry of Interior
148	Nana Gencheva	Nova Zagora Municipality
149	Iancho Iliev	Pomorie Municipality
150	Olga Andreeva	Burgas Municipality
151	Violeta Lazova	Burgas Municipality
152	Ivan Takov	Sredec Municipality
153	Denitsa Nikolova	MRDPW
154	Russka Boyadjieva	Burgas Municipality
155	Juliana Shopova	Kanal 0
156	Nikolai Petrov	Kanal 0
157	G.M.	Stara Zagora, RA
158	Blaga Stoykova	Trakia University
159	Juliana Blagoeva-Yarkova	Trakia University

#	Participant's name	Organization
160	Georgi Simeonov	Stara Zagora Municipality
161	Galia Badeva	Nesebar Municipality
162	Maria Stoykova	Municipality
163	Zdravko Beshendzhiev	MRDPW
164	Ib Mustafa Ib	Ruen Municipality
165	Rumen Dimitrov	LAG Aitos
166	Deyan Gospodinov	LAG Aitos
167	Marusya Lyubcheva	Black sea Institute
168	Ivelina Petrova	Black sea Institute
169	Irene Markovska	Asen Zlatarev University
170	Kremena Chilikova	LFIG Burgas – Kameno
171	Nelly Karneva	NALAGB Elhovo – Bolyarovo
172	Georgi Mitov	LAG Tundzha
173	Nikolay Yanev	Nikolay Yanev
174	Kiro Bradzhev	Kitso Ltd.
175	Evelyn Kouzmanov	RIC Burgas
176	Venelin Dobrev	REDA Stara Zagora
177	Arch. Peter Kiriazov	CAB Stara Zagora
178	Ventsislav Krastev	Artstroi L Construction
179	Maria Kuppenova	Artstroigrup
180	Miryam Mehmet Ib	Ruen Municipality
181	Tanya Kirova	CAB Stara Zagora
182	Maria Panayotova	Burgas Municipality
183	Radko Drenchev	BST party
184	Dimitar R.	RCSP Lozovo
185	Nikolay Slavov	Reha consult Ltd.
186	Julia Sotyanova	Reha consult Ltd.
187	Vanya Yancheva	Via Pontica Org.
188	Georgi Petkov	LFIG Pomorie
189	Veselin Atanassov	Atanchi Ltd.
190	Tonka Karavidova	BCC Burgas
191	Arch. Banko Banov	CAB Stara Zagora
N.A.	N.A.	Mayor of Gabrovo
N.A.	N.A.	Mayor of Ruse
N.A.	N.A.	Regional Department of DG SPPRDDG SPPRD in North-Central Region
July, 23 2019; Razgrad, Hotel Cartoon 5; Stara Zagora; Kazanluk		
N.A.	N.A.	Representatives of Burgas Industrial Zone (administration and investors)

#	Participant's name	Organization
N.A.	N.A.	Stara Zagora Mayor
N.A.	N.A.	Kazanluk Mayor
192	Lyudmila Stoykova	MRDPW
193	Valeri Nikolov	Euro proconsult Ruse
194	Stoyan Bonev	Silistra , RA
195	Svetlin Simeonov	Razgrad, RA
196	Margarita Pernikova	Svistov Region
197	Nourie Tsrangolova	Razgrad Region
198	Orhan Bedihanov	Razgrad Region
199	Evgeni Draganov	Razgrad Region
200	Yordanka Vladimirova	Silistra Municipality
201	Ivelina Pencheva	Ruse Region
202	Dilyana Kirova	Ruse Region
203	Iliana Markovska	MAFF
204	Snezhana Panova	ME
205	Graciela Rankova	KNSB
206	Emilia Peneva	Ruse Municipality
207	Natalia Andreeva	Translator
208	Tsvetan Balevski	OP HRD
209	Stefan Dimitrov	MAS Dve Mogili
210	Bozhidar Borisov	Dve Mogili Municipality
211	Pavlin Petrov	Non-profit association Agrobusinesscenter Kubrat
212	Angel Maysktorski	RES Podkrepa
213	Bayesim Rufad Rasim	Ispereh Municipality
214	Sadet Karova	BTA
215	Dr. Dimitar Stefanov	Tutrakan Municipality
216	Kamelia Radeva	Ruse Municipality
217	Anna Banaschuk	WB
218	Tsvetan Ivanov	Ruse Municipality
219	Fanya Todorova	ES
220	Dr. Valentin Vassilev	Razgrad Municipality
221	Milen Dobrev	DTIK
222	Gyuhay Hyusmem	Razgrad Region
223	Erar Ibrahimov	
224	Diana Petrova	Razgrad Region
225	Emil Gizdov	Getsovo village
226	Ivaylo Ivanov	Kubrat Municipality
227	Stoyanka Yordanova	BTB Bulgaria Corporation
228	Emilia Germanova	Non-profit association LAG Ispereh

#	Participant's name	Organization
229	Gyulchin Ahmedova	Amilum Bulgaria
230	Shenel Hasanova	LAG Tutrakan Slivo pole
231	Angel Angelov	LAG Tutrakan Slivo pole
232	Christina Ruseva	Razgrad Municipality
233	Petya Donova	IPPM
234	Pavlina Peeva	BCC Razgrad
235	Elena Stoyanova	RIC Silistra
236	Selvihan Yavash	LAG Zavet – Kubrat
237	Anna Karadjova	RIC Silistra
238	Brig. Gen. Plamen Bogdanov	NMU V. Tarnovo
239	Galina Ivanova	Ispereh Municipality
240	Petya Komitova	G. Oryahovitsa Municipality
241	Behidzhe Ahmedova	RIC Razgrad
242	Diana Bebetova-Nikolova	NPA Paralel Silistra
243	Hasim Gyuldzhan	NPA LAG Zavet – Kubrat
244	Gabriela Stefanova	RIC Ruse
245	Stanka Damyanova	Ruse University
246	Diana Avramova	RIC Ruse
247	Rosen Avramov	NPA Zhaneta - Razgrad
248	Ertan Bahar	Zavet Municipality
249	Theodor Rolev	local business association
250	Lyudmila Totseva	Council of Ministers
251	Lilia Makaveeva	ROMAST
252	Dimitar Karadjov	NPA Durostorum
253	Nihad Kamal	Zavet Municipality
254	Kamen Makaveev	Intergro
255	Valentin Atanasov	Slivo pole
256	Ismail Celil	Vetovo Municipality
257	Tsanko Stefanov	V. Tarnovo Region
258	Lubomira Popova	V. Tarnovo, RA
259	Anna Banaschuk	WB
N.A.	N.A.	Representatives of Ruse Industrial Zone (admin- istration and investors)
N.A.	N.A.	RDC + CEAOEF and RPC
N.A.	N.A.	Stakeholders not cov- ered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.

#	Participant's name	Organization
SOUTH-CENTRAL REGION (AND NORTH-EAST REGION TEAM 2)		
July, 24 2019; Targovishte, RA; Razgrad; Plovdiv; Kazanluk		
N.A.	N.A.	Representatives of Economic Zone Trakia (administration and investors)
N.A.	N.A.	Plovdiv Mayor
N.A.	N.A.	Regional Department of DG SPPRD in South-Central Region
260	Lyudmila Stoykova	MRDPW
261	Mirela Georgieva	MTITC
262	Genoveva Drumeva	RIC Dobrich
263	Rositsa Yordanova	Dobrich Mun.
264	Tsvetomira Dontcheva	MEW Shumen
265	Lyudmila Totseva	Council of Ministers
266	Desislava Petkova	Varna Mun.
267	Petranka Petrova	Shumen, RA
268	Vladimir Bobev	ME
269	Tsvetan Ivanov	OP HRD
270	Nikolai Dyakov	KNSB
271	Krasimir Kirilov	Dobrich, RA
272	Dorin Dimitrov	Targoviste Mun.
273	Maya Ivanova	Varna Mun.
274	Vladimir Minkov	Varna Mun.
275	Rumiana Ilieva	Omurtag Mun.
276	Yunal Osmanov	Omurtag Mun.
277	Iliana Markovska	MAFF
278	Nevena Stoyanova	Targoviste, RA
279	Nikolai Nenkov	Regional Directorate of the Ministry of Interior
280	Galina Miteva	Dobrich Mun.
281	Miroslava Ivanova	University of Economy Varna
282	Miglena Stefanova Staneva-Todorova	University of Economy Varna
283	prof. Petko Iliev	Znanie I Biznes Ltd.
284	Snezhana Gecheva	BCC
285	Galina Stoyanova Mintcheva	RIC Shumen
286	Yordanka Georgieva	Popovo Mun.
287	Iva Simeonova	Popovo Mun.
288	Tsvetelina Vassileva	Targoviste Mun.
289	Milcho Bonev	RIC Targoviste
290	Ivo	Business Initiative Union
291	Angel	Business Initiative Union

#	Participant's name	Organization
292	Ivelina Taushanova	WB
293	Anna Banaschuk	WB
294	Alexandria Tsvetkova	Targoviste, RA
295	Svetozar Stefanov	Znanie I Biznes Ltd.
296	Daniela Mihaylova	Renstroi Ltd.
297	Yavor Milanov	ViK Ltd. Targoviste
298	Ekaterina Hristova	Targovistki novini (press)
299	Denislava Atanasova	RIC Targoviste
300	Angel Breninski	EUCSI
301	Natalia Andreeva	translator
302	Gregor Volshchak	WB
N.A.	N.A.	RDC + CEAOEF and RPC
N.A.	N.A.	Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.
N.A.	N.A.	Dobrich Mayor in Targovishte at the premises where RDC meetings are held
N.A.	N.A.	Novi Pazar Mayor in Targovishte at the premises where RDC meetings are held
July, 25 2019; Pazardjik, RA; Peshtera; Varna		
N.A.	N.A.	Pazardjik Mayor
N.A.	N.A.	Peshtera Mayor
N.A.	N.A.	Varna Mayor
N.A.	N.A.	Regional Department of DG SPPRDDG SPPRD in North-East Region
N.A.	N.A.	Representatives of Varna Industrial Zone (administration and investors)
July, 26 2019; Smolyan, RA; Sofia (also for Team 2)		
N.A.	N.A.	Smolyan Mayor
N.A.	N.A.	RDC + Committee on European affairs and oversight of the European funds (CEAOEF) and Regional Policy Committee (RPC, National Assembly)
N.A.	N.A.	Stakeholders not covered by the RDC: Stakeholders not covered by the RDC: NGOs, businesses, citizens, universities, LCCD, Regional Development Agencies, etc.

#	Participant's name	Organization
N.A.	N.A.	Joint meeting Teams 1 and 2 with MAs representatives
303	Slaveiko Komsalov	Pazardzhik Mun.
304	Stanislava Nikolova	OMTA Rodopi
305	Tsvetelina Atanasova	MRDPW
306	Bozhidar Strehin	Rakovski Mun.
307	Alexander Hinov	WB
308	Chavdara Pantic	Translator
309	Joanna Masic	Wb
310	E. Hadzhieva	Podkrepa CL
311	Milen Minchev	MTITC
312	Vesselina Troeva	NCRD
313	Resmi Murad	Ardino Mun.
314	Krasimira Dimitrova	Asenovgrad Mun.
315	Velizar Petrov	Business Support Centre for Small and Medium Enterprises
316	Alexander Tonkov	Business Support Centre for Small and Medium Enterprises
317	Catherine Godieva	RIEW Smolyan
318	Nicola Bolishki	Panagyuriste Mun.
319	Gerichka Milanova	MLSP Sofia
320	Nikolay Dimov	Regional Directorate of the Ministry of Interior
321	Snezhana Aleksandrova	Plovdiv, RA
322	Velika Kostadinova	MRDPW
323	Yordan Velikov	ME
324	Dobrina Bradarova	National Union of worker producers co-operatives Plovdiv
325	Dimitar Gishin	AIKB
326	Krasimir Daskalov	Devin Mun.
327	Maria Semerdzhieva	MES
328	Denislav Kostov	State Fund Agriculture
329	Katia Dimova	Kardzhali, RA
330	Sabina Syulnokchieva	Kardzhali, RA
331	Ivan Frenkov	MES
332	Petya Nusheva	MRDPW
333	Valentina Dimulska	Harmanli Mun.
334	Desislava Zlateva	MRDWP
335	Marin Zahariev	Smolyan Mun.
336	Kiril Asenov	CEIB Smolyan
337	Rumen Pehlivanov	Rudozem Mun.

#	Participant's name	Organization
338	Slavka Chakurova	Chepelare Mun.
339	Miroslav Yanchev	Zlatograd Mun.
340	Rada Kuzmanova	Smolyan, RA
341	Ivanka Mitovska	ME
342	Dimitar Koverdzhinov	ME
343	Stefan Mirev	Pazardzhik, RA
344	Zdravko Betendzhiev	MRDPW
345	Nicola Sanev	Kardzhali, RD
346	Peter Petrov	Plovdiv, RA
347	Denitsa Nikolova	
348	Stefan Koychev	NEK EAD Dams and cascades
349	Nedyalko Slavov	Smolyan, RA
350	Mariana Ivanova	RAZ I SR Ltd.
351	Krasimira Kiryakova	Labor Office Directorate Smolyan
352	Nedyalka Margaritova	BCC Smolyan
353	Velin Indjov	Gorubso-Madan
354	Iveta Petrova	Regional Museum of History
355	Iveta Nikolova	Association of Rhodope Municipalities
356	Sonia Yosifov	CIS Zagreb
357	Kostadinka Milanova	RRA Smolyan
358	Eftima Petkova	Smolyan Mun.
359	Zaprinka Halacheva	RFD Smolyan
360	Victoria Terzieva	Chepelare Mun.
361	Dimitar Stanishev	Contracts – Smolyan
362	Tsvetanka Gencheva	RRA Smolyan
363	Tsveta Koleva Petkova	Regional Museum of History
364	Tinka Belechova	Regional Museum of History
365	Yana Tsirkova	ViK Ltd. Smolyan
366	Elena Keykueva	ViK Ltd. Smolyan
367	Stoyanka Lilcheva	NPA New Horizons
368	Antoaneta Nikolova	NPA New Horizons
369	Vasco Ayvazov	ARO Smolyan
370	Nadezhda Foteva-Ilieva	Smolyan Mun.
371	Radka Tunev-Yanchevska	ARO Smolyan
372	Nadezhda Hristeva	Chepelare Mun.
373	Radka Kalfova	Chepelare Mun.
374	Todor K. Mitov	ADP Smolyan Ltd.
375	Dimitar Dulguchev	Mihalkovo Corp.

#	Participant's name	Organization
376	Kostadin Chatalbashev	Open society
377	Stanislava Nikolova	Fun in the mountain Association
378	Valeri Pazarev	Biovet Corp.
379	Georgi Shterev	Biovet Corp.
380	Rumen Rossenov	Smolyan Mun.
381	Atanas Kaykov	NPA Chasten Lesovad
382	Ivanka Georgieva	RFD Smolyan
383	Siyka Radeva	ARO Smolyan
384	Tsonka Peevska	ADP Smolyan Ltd.
385	Zorica Stavreva	RIC Smolyan
386	Nikolay Boyadzhiev	Regional Museum of History
387	Angel Kirjakov	KNSB
388	Momchil Karaivanov	Smolyan, RA
389	Elitsa Chavdarova	Smolyan, RA
390	Anita Kecheva	RRA Rehovo
391	Tanya Vasileva	Smolyan, RA
392	Luba Peeva	Smolyan, RA
393	Alexandra Radkova	Smolyan, RA
394	Stefka Garova	Smolyan, RA
395	Milen Belchev	Banite Mun.

