BULGARIA

MILLENNIUM DEVELOPMENT GOALS

2003

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FOREWORD

The first national report on the achievement of the Millennium Development Goals (MDGs) for Bulgaria is now complete. The Republic of Bulgaria currently has its own adaptation of the Millennium Development Goals, which are derived from the United Nations Millennium Declaration signed by 189 UN member countries. The present report sets specific targets and indicators for each of the eight goals, which provide the baseline and the direction for the future development of the Republic of Bulgaria during the next twelve years by 2015. In 2015, our country will be a nine-year-old EU member state and that is why our MDG targets and indicators have to be comparable to those of the EU member states.

The set targets and indicators are very ambitious, yet quite achievable. First, because they are based on Bulgaria's preparation for EU membership and on the large number of chapters from the Acquis Communautaire that the country has closed. Second, because in achieving the set MDG targets, Bulgaria will rely on the technical assistance of the EU pre-accession funds and, later on, of the EU cohesion and structural funds.

Placing the national MDGs at the heart of the public agenda will ensure their achievement. In reality this means that the eight MDGs will have to become an integral part of the priorities and action plans of all Bulgarian governments between now and 2015. Achieving the MDGs entails systematic coordination and partnership between all Bulgarian governments and regional and local authorities, trade unions, small, medium and large businesses and NGOs.

Achieving the MDGs by 2015 also requires the availability of financial and human resources at all levels and sectors. This requires a considerable and targeted investment in what remains the greatest incentive for development – people. And this investment must be made in reproductive health, healthcare, education, employment, environment and living standards of all Bulgarian citizens. So, let us do it!

Georgi Parvanov
President of the Republic of Bulgaria

FOREWORD

The Millennium Development Goals Report has been prepared following Bulgaria's commitments as a signatory to the United Nations Millennium Declaration of September 2000. Out of this Declaration, a set of eight Millennium Development Goals (MDGs) to be achieved by 2015 were established, in the areas of poverty, education, gender equality, child mortality, maternal health, HIV/AIDS and other diseases, environmental sustainability and a global partnership for development. All 191 UN member countries have signed on to these goals. Each country adapts the eight goals to its national development context and sets specific targets and indicators for their achievement.

The present report is the outcome of a consultative process of a wide group of stakeholders from government, parliament, administration of the President, civil society, media and the UN who came together and adapted the eight goals to Bulgaria's national development context and set specific targets and indicators for achievement by 2015. The year 2015 is an important milestone for Bulgaria – by then it is hoped that Bulgaria will be a member of the European Union. In this sense, the adapted eight goals and targets represent a framework for achieving this aim. Achievement monitoring of the MDGs based on specific and measurable indicators will help create a more realistic vision for the development of Bulgaria in the next twelve years. The present report is a first step in this process.

The purpose of the MDG report is to raise public awareness, promote debate on development challenges for Bulgaria and forge stronger alliances between government, civil society, media, private sector and the general public for overcoming these challenges. We hope the report will facilitate and guide the national debate on specific development priorities for Bulgaria, which in turn will help trigger action in terms of policy reforms, institutional change and resource allocation.

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CONTENTS

INTRODUCTION

The United Nations Millennium Declaration

In September 2000, the United Nations convened the Millennium Summit where 189 United Nations member countries signed the United Nations Millennium Declaration[1].

Derived from the Millennium Declaration, the United Nations established eight specific goals known as the Millennium Development Goals (MDGs) to be achieved globally by 2015. These goals do not assign to governments specific development tasks but rather aim to encourage debate on the roadmap for achieving the MDGs.

The debate on the achievement of the MDGs takes into consideration the commitment of developed countries to support development through the provision of grants, trade promotion and debt relief, as well as through investment in the poorer parts of the world. This concept was confirmed in March 2002 at the Monterey International Conference on Development Financing, as well as at the Sustainable Development Summit Meeting in Johannesburg during the summer of 2002. In February 2003, the International Development Conference in London discussed the increase of financial commitments on the part of the G-7 countries as an effort to integrate poor countries in the global economy, and subsequently achieve the MDGs.

International assistance will not be the solution for Bulgaria – by 2015, Bulgaria would like to no longer be a country that absorbs international assistance but rather be a seven year-old member of the European Union; a community of developed donor countries. The achievement of the Bulgarian MDGs, therefore, is a Bulgarian responsibility, which entails adapting the goals to the specific features of Bulgarian development.

Objectives of the Millennium Development Goal Report

The purpose of the present report is not to provide comprehensive analyses or projections. The report rather has the limited objective to adapt the MDGs to Bulgaria's national development and give a picture of the main trends and indicators for their achievement by 2015. The report outlines the roadmap for achieving the MDGs by listing possible policies for their achievement without going into specifics.

The target indicators used in this report aim to promote a political commitment for the achievement of the goals rather than forecast future developments. The purpose of the report is to foster debate in Bulgarian society on what is to be achieved in the next twelve years and on how this achievement could be realised.

Adaptation of the Millennium Development Goals (MDGs)

The goals listed in Box 1 have been set at the global level. While preserving their values and principles, each country may adapt the goals, formulating specific targets and indicators to be monitored nationally until 2015. In Bulgaria, the goals have been adapted to suit a transition country that is working towards reaching European Union (EU) development levels in the near future. The adaptation of

Box 1

THE MILLENNIUM DEVELOPMENT GOALS

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

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[1] The United Nations Millennium Declaration is available on: http://www.un.org/millennium/summit.htm

the economic indicators takes into consideration the fact that decreasing poverty in Bulgaria would require a sustainable and gradual increase of incomes. The adaptation of the education and health indicators aims to restore the values of the beginning of the transition process, while the adaptation of the environmental indicators takes into account the commitments assumed by the Bulgarian government under international treaties and agreements[2]. Wherever possible, the current values of European Union indicators have been adopted as guidelines, and in particular, the indicators of the less developed EU member states have been used because the comparison with Bulgaria is more realistic. The year 2001[3] has been used as a baseline for all target indicators to be achieved by 2015, as it has the most accessible and available data.

For each of the eight goals, specific targets have been set, with indicators for monitoring their progress. The Bulgarian adaptation of the MDGs sets some indicators as targets for 2015 and others as analytical elements for monitoring progress. For instance poverty and unemployment indicators are set as targets to be achieved by 2015 while other economic indicators are set as non-target indicators to be monitored until 2015.

The philosophy of the Millennium Development Goals aims to eliminate inequality both at the global and at the national levels. The present report makes a concerted effort to report the situation of specific groups in Bulgarian society who have been pushed to the periphery of national development.

Preparatory Process of the Millennium Development Goal Report

The adaptation of the MDGs to the Bulgarian development context and the preparation of this report have involved the participation of government institutions, parliamentary commissions, the Office of the President of the Republic of Bulgaria, civil society, media and the UN. This process has been supported by the UN Resident Coordinator and UNDP Resident Representative in coordination with the Office of the Deputy Prime Minister and Minister of Labour and Social Policy.

The Millennium Development Goal Report for Bulgaria is the outcome of this consultative process and has comprised three stages: adaptation of the MDGs to the Bulgarian development context; formation of five working groups on poverty, education, health, environment and partnership for development to fine-tune the targets and indicators for Bulgaria; and review of the final draft of the present report.

Next Steps

The achievement of the MDGs in Bulgaria will be monitored until 2015. In that period new indicators may be added and the present ones may be amended. A new indicator, for instance, could be a national poverty line, which the Bulgarian government intends to introduce in 2003. The present report is intended to initiate the monitoring process on the achievement of the MDGs in Bulgaria. Subsequent reports will monitor the impact of implemented policies and the financial resources allocated for the achievement of the MDGs in Bulgaria by 2015.

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[2] For instance, the Kyoto commitment of Bulgaria with respect to carbon dioxide emissions.

[3] The global MDGs set the year 1990 as baseline. This was, however, the year when the transition process started in Bulgaria, and it would present a high benchmark from which to establish a 2015 target, while the subsequent years of transition have led to a significant worsening of development indicators. It has therefore been thought better not to use 1990 as the baseline for Bulgaria.

Goal

1

Halve Extreme
Poverty and Malnutrition

	Between 2001 and 2015	**In comparison with the EU**
Target 1	Threefold increase of average incomes	Bulgarian average incomes approximately ten times lower than EU average incomes and twice as low as EU accession countries
Target 2	Decrease of unemployment by one-third	Bulgarian unemployment twice as high as that of the EU

1. DESCRIPTION

The United Nations Millennium Declaration predominantly addresses the overarching problem of poverty, which is to a large extent the source of problems in education, healthcare and environment. However, the definition of extreme poverty differs from country to country. According to the UNDP Global Human Development Reports, Bulgaria belongs to the group of medium human development countries[4]. Although Bulgaria has the lowest income per capita in the Central European countries (Macedonia and Albania excluded), it does not fall under international standards of extreme poverty. Bulgaria does not suffer from the kind of poverty that is typical of countries with a high level of hunger[5].

The targets for the reduction of poverty between 2001 and 2015 include:

1. Raising the average[6] monthly income from EURO 91 to EURO 280
2. Raising the poverty threshold from EURO 54.6 to EURO 170, while keeping the proportion of people with incomes lower than the poverty

Box 2

EXTREME POVERTY LEVELS IN BULGARIA

There are at least three different approaches to measure poverty. The first approach measures the proportion of the population with incomes below **absolute poverty** measured in national currency or in a comparable international currency. Using parity dollars ($PPP)[7], the international community establishes the extreme poverty line at the absolute value of $1 (PPP) per day, under which lived only 0.1 % of the Bulgarian population in 2001. If a higher absolute poverty line is applied of $2.15 (PPP)[8], the proportion of extremely poor people in Bulgaria in 2001 grows to between 2.3% (according to National Statistical Institute data) and 7.9% (according to World Bank data)[9].

The second approach to measuring poverty uses **relative poverty**, which measures the proportion of people living in a much poorer way than the majority of the population of a certain country. Using the relative poverty approach, EUROSTAT defines as extremely poor persons those with incomes below 60 % of the income distribution median. Using this approach, the proportion of poor people in 2001 in Bulgaria is 15 % (according to the National Statistical Institute). At 50% of the median[10] the World Bank defines the proportion of relative poverty at 12.6%.

The third approach, commonly used by trade unions, measures poverty through the **minimum support costs**. Using this approach, the Institute of Social and Trade Union Studies sets the level of absolute poverty in Bulgaria at end-September 2002 at BGN 106.38. This approach, however, makes it difficult to compare the incomes of people in different countries, or to make long-term projections.

The poverty monitoring indicators proposed in this report apply the EUROSTAT approach for measuring relative poverty as the proportion of the population with incomes below 60 % of the equivalised[11] total[12] incomes median[13]. According to this approach, the proportion of extremely poor people in Bulgaria in 2001 was 15 %, with a monthly income below EURO 54.6 or BGN 106 per capita (equivalised incomes). In line with this approach, the average median monthly income per capita in Bulgaria for 2001 is calculated at EURO 91. This means that 50 % of the people have incomes below 91 Euro and that respectively 50 % of the people have incomes above 91 Euro.

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[4] In the last three UNDP Global Human Development Reports, Bulgaria is ranked between 59-st and 61-th place in the upper half of the group of medium human development countries.

[5] The present report adapts Goal 1 by substituting *hunger* with *malnutrition*.

[6] Median monthly equivalised income per capita

[7] Household incomes or expenditures by themselves cannot be used as a poverty indicator, if an item, such as the usage of a subway ride in Sofia costs BGN 0.40, while in London it costs BGN 5.00. One of the approaches to compare the purchasing power of incomes in the different countries is the use of parity dollars ($PPP) or the purchasing parity standard (PPS), so that one is able to purchase the same amount of goods in Bulgaria with 1 parity dollar ($PPP), as in the United States, for example.

[8] Box 1: Millennium Development Goals in Bulgaria, p. 5, Memorandum of the President of the International Bank for Reconstruction and Development and the International Finance Corporation to the Executive Directors on a Country Assistance Strategy of the World Bank Group for Bulgaria, May 31, 2002, Report No. 23927-BUL, Bulgaria Country Unit, Europe and Central Asia Region, The International Finance Corporation, Southern Europe and Central Asia Department

[9] National Statistical Institute (NSI) absolute poverty data are based on consumption of households (NSI Survey of Household Budgets, 2001). World Bank absolute poverty data are based on consumption, as well but come from a different source: Bulgarian Integrated Household Survey. For details see Bulgaria Poverty Assessment, World Bank, October 2002, Report No 24516, p.5.

[10] Ibid.

[11] Equivalised incomes are used by EUROSTAT to measure poverty taking into account the structure of households through the indexation of every first member of household with 1, every second member with 0.5 and every child with 0.3. This approach takes into account the economy of resources obtained as a result of living together in one household. Such is the situation, for example, when a TV set is purchased and then used by the entire household. For more details, see: Bogdan Bogdanov, "Applicability of the equivalence scales in poverty research", "Economics" periodical, No. 6, 1999.

[12] Total incomes include in-cash and in-kind incomes.

[13] A statistical value over and under which there are an identical number of cases within a given distribution.

threshold to no more than 15 %;

3. Reducing youth unemployment from 35.34% to 25%;
4. Reducing long-term unemployment from 9.59% to 7 %.

Methodologically, the proposed indicator for measuring incomes is compatible with EU criteria. This approach introduces a poverty line, which is similar to the trade unions' assessments of minimum required incomes. The targets focus on substantially raising average incomes, raising the poverty threshold, and reducing considerably youth and long-term unemployment.

The growth of average incomes is forecast at an average annual growth rate of 4.5%, an annual inflation rate of 3.5%, a significant opening up of the gray economy and bringing the structure of households closer to the average for the EU. The proposed indicators aim to maintain the proportion of the poor at the current level of 15%, which is also valid for EU member states. But the primary goal is to raise the poverty threshold, so that these 15% of poor receive no less than EURO 170 monthly by 2015.

With respect to unemployment, the indicators that have been selected reflect two aspects of poverty. The reduction of youth unemployment is of fundamental importance as it is young people who will bear the responsibility for achieving the MDGs over

the next twelve years. It is also important to reduce the share of long-term unemployed persons who are permanently isolated from the economic life of the country.

The share of underweight children has been selected as a non-target indicator which is closely related to maternal nutrition during pregnancy, and is used for measuring malnutrition. Between 1990 and 2001 this indicator grew by two points and can be also used for measuring poverty.

2. STATUS AND TRENDS

2.1. Income levels

Average per capita incomes grew from ECU 59.7 in 1992 to EURO 91 in 2001 (Figure 1). By comparison, average EU incomes calculated according to the same methodology[14] were EURO 1,018 and

Figure 1: *Average monthly incomes in Bulgaria*

2015	280,0
2001 – rural	63,5 / 91,5
2001 – urban	80,3 / 90,9
2001 – total	75,0 / 91,1
1999	66,6 / 87,4
1997	39,6 / 56,8
1995	49,9 / 71,7
1992	44,3 / 59,7

■ Monetary monthly median income (Ecu/Euro)

■ Total monthly median income (Ecu/Euro)
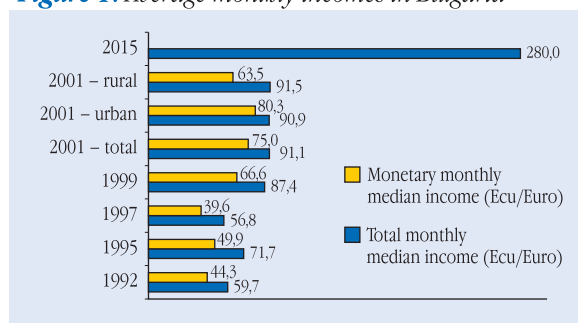
Source: *National Statistical Institute, EUROSTAT*

Table 1: *Targets and Indicators for Goal № 1*

HALVE EXTREME POVERTY AND MALNUTRITION				
	1990/1992	2001	2015	EU 2000
Target 1: Reduction of Poverty				
Indicators				
1. Average* monthly income	ECU 59.7 (1992)	EURO 91	EURO 280	EURO 1,018
2. Proportion of the poor (with incomes under 60% of the average monthly income)	13%	15%	15%	15%
3. Poverty threshold (60 % of the average monthly income)	ECU 35.8 (1992)	EURO 54.6	EURO 170	EURO 611
4. Proportion of underweight newborns under 2,500 grammes per 1,000 live births	7.2 (1990)	9.7		
Target 2: Reduction of Unemployment				
Indicators				
5. Youth unemployment (15 – 24 years of age)	47% (1993)	35.34%	25%	14.9%
6. Share of long-term unemployed in the workforce	11.23% (1990)	9.59%	7%	3.3%

Source: *National Statistical Institute, EUROSTAT*

* All income values presented in Table 1 are calculated on the basis of equivalised total median incomes per capita.

[14] Equivalised incomes in EURO according to EUROSTAT data.

about EURO 200 Euro for the ten Central European accession countries (2001).

One should bear in mind, however, that the average monthly Bulgarian income of EURO 91 comes shortly after the most critical period of the transition process in the country. At the beginning of 1997, real monthly incomes amounted to US$5-10. However, the positive changes after 1997 did not change substantially Bulgarian income expectations for the expected year of accession to the EU, 2007, of about BGN 400 (approximately EURO 200). This data conforms to a certain extent with the average income target of EURO 280 in 2015.

2.2. Divergence between the incomes of the rich and of the poor

Income inequality[15] in Bulgaria is lower than that in the European Union and even lower than in countries such as Hungary, Slovenia, Poland and Russia. This data, however, does not account for the high level of unregistered incomes. According to different assessments,[16] in Bulgaria the share of the gray economy in GDP is between 20% and 35%. According to the Ministry of Labour and Social Policy, two thirds[17] of the employed receive social security on the minimum wage. The gray economy, however, cannot justify the gap between income levels in Bulgaria and in the EU accession countries.

2.3. Unemployment

Unemployment is a relatively new phenomenon in Bulgaria. The Employment Agency has been

collecting statistical data on registered unemployed persons as of 1990, while the NSI conducted its first labour force survey in September 1993. At that time, youth unemployment stood at 47%, while in December 2002 it dropped down to 35.4% of the labour force in the 15 – 24 age group. It should be noted, however, that youth unemployment[18] may include young people on temporary employment and students. By comparison, EU youth unemployment is two times lower (14.9%).

Bulgaria has one of the highest unemployment rates among the EU accession countries (Figure 2). In the last two years, however, total unemployment levels decreased[19] by two percentage points (from 19.8% for 2001 to 17.8% for 2002).

Figure 2: *Unemployment rates in EU accession countries*
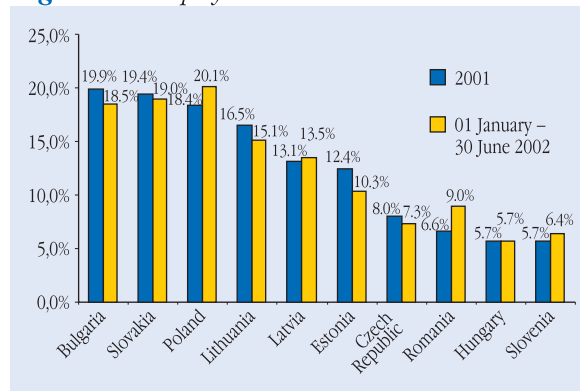
Source: *Ministry of Labour and Social Policy*

A particularly problematic group from a poverty perspective is that of the long-term unemployed, who marked 9% of the labour force in December 2002. They subsist with critically low incomes for long periods of time without serious chances of finding work because of the gradual loss of qualification. In 2000, long-term unemployed repre-

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[15] During the last ten years, the Gini coefficient, which measures the income differentiation, grew by 5 percentage points. Nevertheless, it remains about 4 percentage points lower when compared to EU member states and EU accession countries. The ratio between the incomes of the poorest 20% and the richest 20 % of the population of the country is also lower: 1:3,6 for Bulgaria, 1:4,4 for the EU accession countries and 1:4,6 for EU member states (1999).

[16] The National Statistical Institute, based on the national accounts data, assessed the gray economy in 1999 as 23% of GDP. According to the Bulgarian National Bank, which uses the monetary transaction, the gray economy was 15.2% in 1997, 35.3% in 1998 and 24.1% in 1999. For further details, see Nikolai Nenovsky and Kalin Hristov (1999): "A Study of the Money in Transaction after Establishing the Currency Board in Bulgaria". Using different methods (consumption of electricity and sociological surveys), the Institute for Market Economics calculated the share of the gray economy for 1998 between 22% and 35%. For further details, see: The Shadow Economy in Bulgaria, 2000, Harvard Institute, IME, AEAF. Based on a study of employment, the National Statistical Institute assessed the share of the gray economy at 25% for 2001. For further details, see Mariana Kotseva, "An option to study informal employment", "Statistics" periodical, No. 3/2000.

[17] For further details see: New strategy in social policy, http://www.mlsp.government.bg/bg/docs/strategy/strategy-1.htm

[18] Share of unemployed young people (aged 15-24) in the work force for that age group.

[19] According to NSI data for average annual unemployment levels.

sented 11.5% of the workforce, while their share in the EU countries during the same time was three times lower, or 3.3%. These notable figures make the target of reducing long-term unemployment to 7% by the year 2015 no less challenging than the target of reducing youth unemployment.

2.4. Specific issues

The general, and relatively acceptable, picture of official Bulgarian poverty is more alarming, when we look at specific population groups. According to a 2002 World Bank report[20], poverty in Bulgaria is at its worst among the undereducated, the unemployed, as well as large families and ethnic groups. If a person in Bulgaria is of Roma origin, he or she is ten times more likely to be poor than an ethnic Bulgarian. In the case of ethnic Turks, this ratio is 1:4 in favour of Bulgarians. Similarily, poverty in rural areas is four times higher than urban poverty. According to the UNDP Municipal Human Development Index, per capita incomes are lowest in the northwestern, northeastern and southeastern regions of the country, with particularly critical levels in municipalities with a high concentration of Roma and Turks[21].

Continued poverty, and in particular long-term isolation from the labour market, can create social assistance dependency among certain ethnic and social groups. According to a UNDP report[22], the main source of income for approximately 50% of Bulgarian Roma households is derived from social transfers (allowances, benefits and pensions). In terms of this indicator, Bulgaria ranks after Slovakia and Hungary, but before both Romania and the Czech Republic, although Bulgaria has the lowest GDP per capita among the five countries analysed in the report.

3. GOAL ACHIEVEMENT POLICIES

3.1. Incomes

According to the poverty targets set, Bulgaria should reach the present income levels of the ten Central European accession countries (approximately EURO 200 per capita) in 2010. It can be assumed that between now and 2007 incomes will not grow faster than during the last few years. The set 4.5% annual income growth target used is a rather optimistic scenario for sustainable economic development. Incomes could grow more than 4.5% annually after 2007, when Bulgaria may access the EU structural funds if the country joins the EU in 2007.

Figure 3: *Poverty indicators*

- Average incomes
- Long-term unemployed
- Proportion of the poor

| 2001 Bulgaria | 2015 Bulgaria | 2000 EU |
| Euro 91, 9,6%, 15% | Euro 280, 7%, 15% | Euro 1,018, 3,3%, 15% |
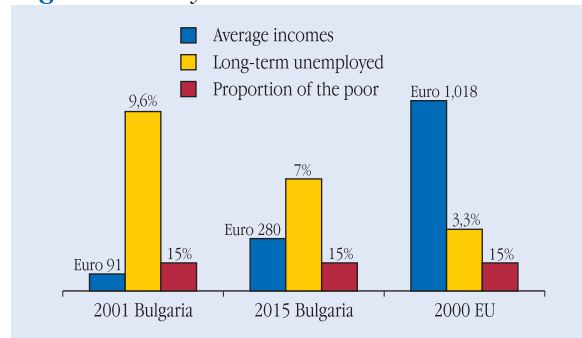
Source: *National Statistical Institute*

3.2. Unemployment

The targets set for the reduction of unemployment are ambitious and require a restructuring of the linkage between the education system and the labour market, as well as significant investments in proactive employment programs.

3.3. Differentiation and gray economy

Unregistered incomes, particularly unregistered high incomes, limit opportunities for active social programmes and tax reduction, and create mistrust

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[20] Bulgaria Poverty Assessment, World Bank, October 2002, Report No. 24516

[21] Bulgaria Human Development Index 2002: Municipalities in the Context of Districts, UNDP, http://www.undp.bg/bg/publications

[22] The Roma in Central and Eastern Europe: Avoiding the Dependency Trap, A Regional Human Development Report, UNDP Regional Bureau for Europe and the CIS (RBEC), Bratislava 2002, pp. 40 – 41

with respect to the fairness of the reforms. In 2015, Bulgaria could be confronted not so much with the problems of low average salaries but with a gap between extremely low registered incomes and extremely high non-registered incomes. Therefore, reducing extreme poverty may depend first of all on the inclusion of isolated social groups from ethnic minorities, from rural and underdeveloped regions in the social and economic life of the country. Policies that could contribute to poverty reduction may be targeted at:

1. Promoting investment in regions and in villages with high unemployment;
2. Promoting self-employment and small-scale family business;
3. Lowering taxes coupled with an efficient growth of tax collection, as well as improvement of the judicial system;
4. Capacity building of local institutions, including building their absorption capacity for EU pre-accession funds and later for EU structural funds;
5. Decreasing dependency on social assistance;
6. Alligning secondary and tertiary education to labour market demand;
7. Integrating training and retraining mechanisms in temporary employment promotion programmes.

These socially oriented programmes may change public perceptions that the transition process increases poverty rather than promote better living standards. In addition, maintaining macroeconomic stability and improving the business climate in the country are the necessary preconditions for the growth of internal and foreign investment.

Goal

2

Improve Primary and Secondary Education

	Between 2001 and 2015	In comparison with the EU
Target 1	100 % initial stage of primary education	Similar levels of development
Target 2	95 % junior high stage of primary education	Similar levels of development
Target 3	85 % secondary education	Similar levels of development

1. DESCRIPTION

Goal № 2 calls on all countries to achieve universal primary education by 2015. Bulgarian society has traditionally had high educational values and in spite of the difficulties of the transition continues to maintain a relatively competitive educational system. Therefore, Goal 2 "Achieve universal primary education" has been adapted to the Bulgarian context to the more ambitious goal of improving primary and secondary education.

The reasons for adapting this goal to include primary and secondary education are:

1. The comparatively high levels of the educational indicators for primary education;
2. The compulsory character of school education up to age 16 according to Bulgarian legislation;
3. The need to achieve a significant reversal of the dropout trend in the upper grades of primary and secondary education.

Progress in the educational targets will be monitored by keeping track of the enrollment rate and the completion and dropout rates, disaggregated by the initial stage of primary education, junior high stage of primary education and secondary education (Table 2).

2. STATUS AND TRENDS

2.1. General situation

Bulgarian primary education is a very important means of keeping relatively high levels of literacy. According to UNDP's Human Development Index[23], Bulgaria is in the upper half of medium human development countries, primarily thanks to its high literacy levels, comparable to those of the most advanced countries in the world. In 2001, enrollment rates[24] in the initial stage of primary education (up to the fourth grade) exceeded 95%. Nevertheless, some 7% of children did not complete[25] this stage of primary education in 2001, which sug-

Figure 4: *Combined educational indexes of some European countries*
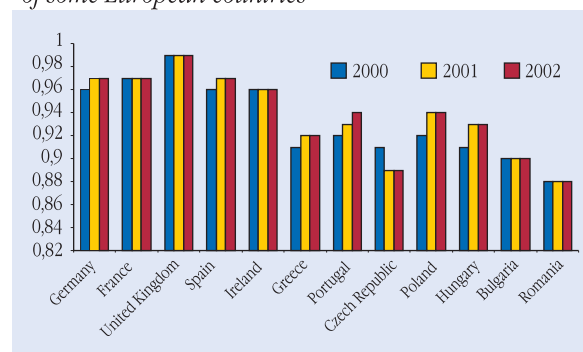
Source: Global Human Development Reports, UNDP, 2000 - 2002

Table 2: *Targets and Indicators for Goal № 2[*]*

IMPROVE PRIMARY AND SECONDARY EDUCATION	1990	2002	2015
Target 1: Improvement of the initial stage of primary education			
Indicators			
1. Net enrollment rate in the initial stage of primary education (6/7 – 9/10 years of age; 1 – 4 grade)	86.10 %	96.40 %	100 %
2. Net completion rate in the initial stage of primary education (6/7 – 9/10 years of age; 1 – 4 grade)	92.60 %	93.30 %	100 %
Target 2: Improvement of the junior high stage of primary education			
Indicators			
3. Net enrollment rate in the junior high stage of primary education (9/10 –13/14 years of age; 5 – 8 grade)	89.80 %	84.20 %	97.00 %
4. Net completion rate in the junior high stage of primary education (9/10 –13/14 years of age; 5 – 8 grade)	84.00 %	84.40 %	95.00 %
5. Net dropout rate in junior high primary education (9/10 –13/14 years of age; 5 – 8 grade)	2.40 %	2.90 %	2.00 %
Target 3: Improvement of secondary education			
Indicators			
6. Net enrollment rate in secondary education (15 – 19 years of age; 9 – 12 grade)	68.60 %	68.30 %	86.00 %
7. Net completion rate in secondary education (15 – 19 years of age; 9 – 12 grade)	82.90 %	85.10 %	90.00 %
8. Net dropout rate in secondary education (15 – 19 years of age; 9 – 12 grade)	5.90 %	2.60 %	1.00 %

Source: *National Statistical Institute*

[*] According to Bulgarian legislation, education is divided into three degrees: first degree – primary education, second degree- secondary education and third degree – tertiary (university) education. First degree – primary education is subdivided into two stages – initial stage (1st to 4th grade) and junior high stage (5th to 8th grade). Secondary education is from 9th to 12th grade.

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[23] UNDP Global Human Development Report 2002: Deepening democracy in a fragmented world, www.undp.org

[24] The number of students in the age groups 7-10, 11-14, 15-19 compared to the total number of the population in the same age groups (as of 31 December of the respective year).

[25] The completion rate is the ratio between the number of students having completed their education and the number of those enrolled at the beginning of the educational degree.
The dropout rate is the ratio between the number of students who have dropped out of school and the number of students who have enrolled in the same year.

gests that the dropout problem exists even at the entry level of the education system[26].

Indicators for the junior high stage of primary education are far more critical (grades 5-8). In 2001, enrollment in this stage of primary education was 5% lower than in 1990. However, during the last few years, there have been some signs of improvement. Enrollment in the junior high stage of primary education increased by about 6% in 2001 compared to the 1996/97 academic year that was a crisis year in all respects. The completion rate has remained relatively stable during the last ten years, with 16% of children who enroll in the junior high stage of primary education not completing their education (2001).

The lowest enrollment rate is in secondary education. Under Bulgarian legislation education is compulsory up to age 16[27]. In 2001, secondary education enrollment rates recovered from the transition period and reached 68.3%. This positive trend, however, is offset by the decreasing number of students who complete their secondary education (85.1% in 2001, compared to 87.6% in 2000).

2.2. Specific issues

Educational issues vary significantly depending on the different types of communities and ethnic groups involved. During the 1996/97 school year, rural children were 17% less likely than urban children to complete their primary education. The completion rate for the junior high stage of primary education (5-8 grade) is higher for cities but lower for villages (Figure 5). In 2001, 15% less rural children completed the junior high stage of primary education (5-8 grade) than urban children.

The 2002 National Human Development Index further confirms this trend by indicating that remote municipalities and municipalities with a high concentration of residents of Turkish and Roma

Figure 5: Net completion rate for Grades 5 – 8 by rural and urban areas
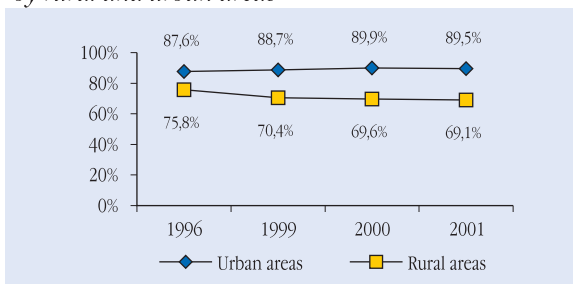
Source: National Statistical Institute

ethnic identity are characterized by a low level of literacy and school enrollment[28]. According to UNDP[29], Bulgarian Roma are second only to Romanian Roma as the most vulnerable group when it comes to education. As has already been mentioned, according to official data for 2001, some 7% of children in Bulgaria do not complete their primary education, while according to sociological data (2002), more than 42% of Roma households have children who have not completed their primary education. By comparison, the latter indicator is 11.8% for Slovakia and 22.0% for the Czech Republic.

Gender inequality in education is not a critical issue for Bulgaria. Girls generally have the same levels of education as boys. However, during the last few years there has been a sustained difference of about 5% in favour of boys who have enrolled in the junior high stage of primary education (5-8 grade).

3. GOAL ACHIEVEMENT POLICIES

The targets set are aimed mostly at achieving school education up to age 16, substantial improvement in enrollment rates, as well as a significant improvement of the completion rates for primary and secondary education. These targets would be difficult to achieve without the full integration of the vulnerable social groups into the educational system of Bulgaria. Increasing the completion rate of the junior high stage of primary education (5-8 grade) is particularly critical in this

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[26] The completion rate for 2002 is 93.3%.

[27] This entails education up to grades 9 or 10, if no grades are repeated.

[28] Bulgaria Human Development Index 2002: Municipalities in the Context of Districts, UNDP, 2002

[29] The Roma in Eastern and Central Europe: Avoiding the Dependency Trap, Regional Human Development Report, UNDP RBEC, 2003

respect, especially considering the discrepancy between rural and urban areas and between boys and girls.

The educational policies that may help achieve these targets include:

1. Alligning secondary education courses with the labour market;
2. Restructuring the school network so as to ensure access to education for children from rural and semi-mountainous regions;
3. Gradually desegregating Roma schools and improving the qualification of teachers working with ethnic minorities;
4. Maintaining financial stability of municipal budgets with respect to educational activities;
5. Improving school management through the school board of trustees and other civil society institutions related to education;
6. Improving educational statistics, particularly at the municipal level.

Achieving the education targets depends to a large extent on the social, economic and cultural development of the country. Slow rates of economic growth, the differentiation between urban and rural areas, and differences among ethnic groups may prove to be barriers to achieving the education targets.

The set indicators do not (and cannot) assess the quality of Bulgarian education. The participation of Bulgaria in international educational monitoring systems (such as the OECD Programme for International Student Assessment – PISA) may guide the competitiveness of Bulgarian education towards EU standards.

Goal

3

Promote Gender Equality and Empower Women

	Between 2001 and 2015	In comparison with the EU
Target 1	Eliminate the disproportion between the incomes of men and women	Similar levels of development
Target 2	Ensure the participation of women in governance	Similar levels of development

1. DESCRIPTION

Goal № 3 aims at the elimination of gender inequality. The adaptation of this goal for Bulgaria focuses on the achievement of two key targets: the political and economic equality of women. In order to achieve these two targets Bulgaria needs to eliminate income differences between men and women, and increase women's participation in decision-making and governance.

The specific adapted targets for Bulgaria are shown in table 3.

2. STATUS AND TRENDS

2.1. Income inequality

Income inequality between men and women in Bulgaria is relatively small, though Bulgarian women are in general employed in lower-paying activities than men. In Bulgaria, the income disparity between women and men follows a similar pattern as in EU countries. For example, as compared with Germany where women earn 76% of what men earn, in Bulgaria this figure is 72%. According to this indicator, Bulgarian women are faring better than the women of Luxembourg (66%), Ireland (68%), Austria (67%), and Great Britain (69%) but not as well as the women of France (79%) or Sweden (86%).

Figure 5 presents gender-disaggregated data on employment in selected sectors. Women are the predominant workforce in lower-paid sectors such

as education (79% women vs. 21% men), and healthcare and social services (78% women vs. 22% men). In contrast men are more often employed in the highly-paid sectors of electrical industry (74% men vs. 26% women), construction (87% men vs. 13% women), and transport and communications (72% men vs. 28% women).

Figure 6: *Employment of men and women in selected sectors*
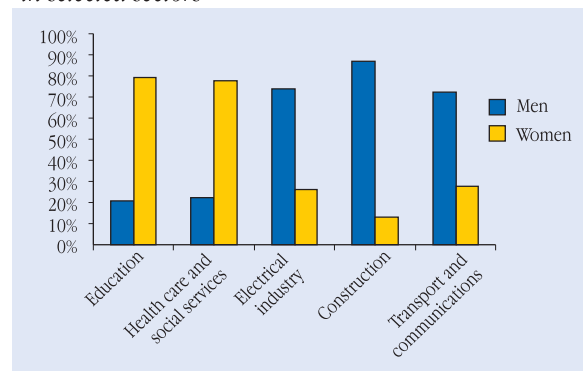
Source: *National Statistical Institute**
**Labour force survey, Employment and Unemployment, National Statistical Institute, June 2002*

Women also frequently face obstacles ("the glass ceiling" phenomenon) in their career advancement and are appointed to senior positions, be it in the public or private sector, in only a very low percentage. Assessments by the International Association of Professional and Business Women in Bulgaria indicate that women are most often represented in middle level management positions, and only rarely at a senior level. The share of women owning a business (SME) in 2000 was 26%[30], while in 2002 the share of women SME employers was 25% and the share of self-employed women was 37%[31].

The prevailing opinion[32] in Bulgaria is that men and

Table 3: *Targets and Indicators for Goal № 3*

PROMOTE GENDER EQUALITY AND EMPOWER WOMEN		
	2000/ 2001	2015
Target 1: Eliminate the disproportion between the incomes of men and women		
Indicator		
1. Percentage of the pay of women compared to the pay of men	72 % (2000)	80 %
Target 2: Ensure the participation of women in governance		
Indicator		
2. Women's share in the number of parliamentarians in the National Assembly and in Municipal Councils	26 % (2001)*	40 %

Source: *Joint Assessment of the EU and the MLSP on Employment Priorities, October 2002*
* Parliamentary elections in 2001.

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[30] Report on SMEs, Agency for Small and Medium Enterprises, 2000, p. 69

[31] Labour force survey, Employment and Unemployment, National Statistical Institute, June 2002

[32] A nationwide survey of the National Center for Public Opinion Studies, 2001

women are equally represented in politics and that a wider participation of women is not necessary. This attitude could be attributed to the sharp growth in the share of women in the National Assembly from 10.4% in the general elections of 1997 to 26% in the general elections of 2001. Public attitude towards women in politics is not necessarily negative, however there is also little expectation that their involvement may lead to an improvement in governance.

Figure 7: Share of women in the National Assembly
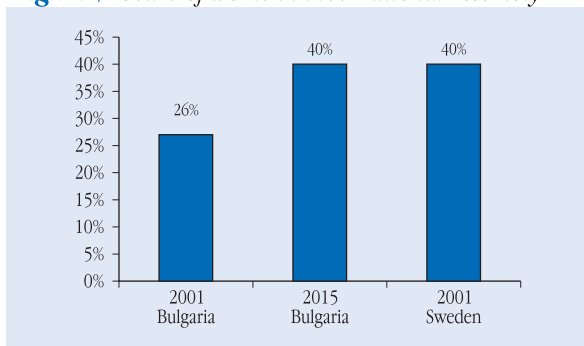
Source: National Statistical Institute

The number of women in the present National Assembly (26%) is the highest in the last 50 years, and two and a half times that of the previous National Assembly. The share of women in the parliamentary group of the National Movement Simeon the Second (NMSS) exceeds 38%, which makes the levels of women's political participation in this party similar to women's political participation in the Swedish Parliament (40.4% women). The other large parliamentary groups have approximately the same numbers of women as in the previous National Assembly – between 10% and 14%. As a result of the latest elections, Bulgaria has overtaken all other Eastern European countries with respect to the indicator "Number of women in Parliament". Second place is occupied by Croatia with 21.8%, while the region's remaining countries have parliaments with considerably fewer women.

Figure 8: Participation of women in municipal governance
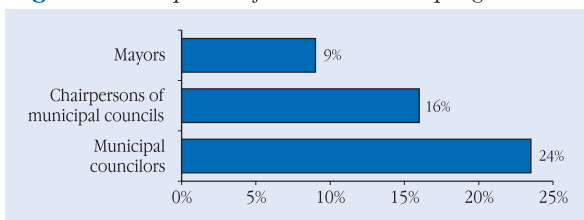
Source: Women's Alliance for Development

Figure 9: Participation of women in state governance
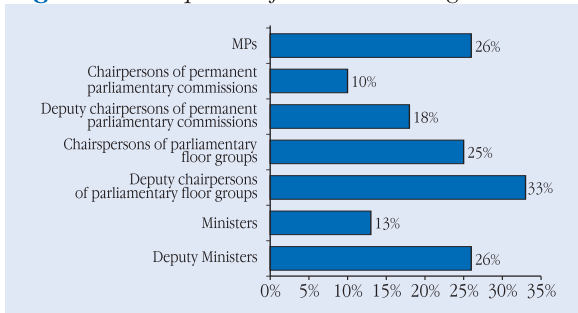
Source: National Assembly, Council of Ministers

The participation of women in municipal governance (municipal councilors) is slightly lower than in the National Assembly – 24% vs. 26% (Figures 7 and 8). However, these municipal councilors were elected two years earlier (at the local elections in 1999) than the last parliamentary elections (in 2001), when women parliamentarians were 10.4%. The participation of women in governance reflects a growing pattern of women in elected positions (in parliament and in local governance) in the last few years.

The manner in which women acquire their place in governance is also important – whether they are "appointed" in the party lists or directly. As Figures 7 and 8 indicate, women are comparatively competitive participants in politics, whether nominated through proportional election party lists or through administrative appointments. Women are well represented in the forums of the proportionally constituted National Assembly and of municipal councils. They also hold good "second line" positions as deputies to the chairpersons of parliamentary commissions and to mayors. This can also be regarded as evidence of the professional competence of Bulgarian women, because the positions of deputies are often "expert" positions and are more stable than political ones.

Despite this, the key positions in the legislative and administrative power are held much more frequently by men than by women. For instance, although 17 out of the 20 commissions in the current National Assembly are presided by representatives of the NMSS, and although nearly 40% of parliamentarians from this group are women, there

are only two women in charge of parliamentary commissions. The share of women ministers is also low and in the current National Assembly there is only one woman parliamentarian from an ethnic minority.

In the last two years there have been a growing number of opportunities for women to reach key positions where important political decisions are made. According to opinion survey data from March 2003[33], 52.6% of those surveyed indicate that they would vote for a woman candidate for President and 72.6% would vote for a woman candidate for Parliament.

3. GOAL ACHIEVEMENT POLICIES

The target indicators aim at a gradual increase in the economic equality of women and their adequate participation in the governance of the country.

Administrative measures, such as the introduction of neutral quota representation that would allow neither men nor women to be underrepresented could be taken. However, Bulgarian society does not seem ready to accept such measures - as few as 13% of Bulgarian citizens in 2001 would support such changes[34]. A quota representation would also require fundamental legislative amendments, which would

mean limiting the free choice of voters. In addition, the idea of quota representation is generally not well accepted by parliamentarians themselves[35] (the draft law on Equal Opportunities was rejected in April 2002 by the National Assembly). It is more likely that the promotion of women's participation in governance will remain the responsibility of political parties.

The development of policies and mechanisms for equal opportunities is an EU accession requirement for Bulgaria. Such policies may be based on:

1. Promoting political sensitization to gender equality;
2. Creating a national machinery on gender equality;
3. Monitoring gender equality indicators;
4. Reporting on achievements in gender equality in Bulgaria.

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[33] A representative survey of the National Center for Public Opinion Studies, 2003

[34] The National Center for Public Opinion Studies, 2001

[35] According to data from a survey of the National Center for Public Opinion Studies among parliamentarians, 2001

Goal

4

Reduce
Child Mortality

|	Between 2001 and 2015	In comparison with the EU
Target 1	Considerable reduction in child mortality	In Bulgaria child mortality is almost two times higher
Target 2	Immunization of all children up to the age of 1 year	Similar levels

1. DESCRIPTION

Goal № 4 is related to the health of children and a reduction in child mortality. The changes in child mortality are one of the most important indicators of the economic and cultural development of society, since poverty and social isolation directly affect access to health care.

The adaptation of this goal for Bulgaria aims to reduce child mortality by half in the 0 – 5 age group by 2015 as compared to 1990. Infant mortality in this age group is an indicator for the health status of children at birth and in the period immediately after birth. The indicators selected to monitor the adapted goal (Table 4) of early childhood health will monitor immunization targets as well as the overall social and healthcare environment for the early development of children.

The proposed indicators have been monitored in

Figure 10: *Child mortality indicators*
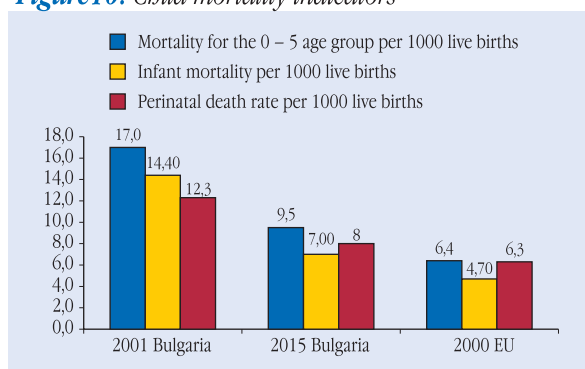
Source: National Statistical Institute

Bulgaria for many years, which means long term trends can be analyzed and forecasts made. Additionally, these are the most frequently used indicators at the international level, recommended by the World Health Organization and UNICEF, and their achievement can guide Bulgarian ambitions and achievements towards EU accession.

2. CURRENT STATUS AND TRENDS

2.1. General situation

During the last few years, infant mortality in Bulgaria has consistently been about three times higher than that in European Union countries. It was at its lowest in 1988 (13.6 per 1000)[36], after which it began to rise, peaking during the crisis year of 1997 (17.5 per 1000). Afterwards, the level of infant mortality has gradually stabilized at about 14 cases per 1000 live births. In comparison, infant mortality in European Union countries was as low as 4.7 cases per 1000 live births in 2000. In 2001, child mortality in Bulgaria (14.4 per 1000) was higher than the average for Central and East European countries (10.7 per 1000). Comparisons with individual countries within this group show a higher variance: 8.1 per 1000 in Poland and a mere 4.0 per 1000 in the Czech Republic.

Child mortality in Bulgaria has maintained alarmingly high levels. As indicated in Table 4, in 2000 child mortality in Bulgaria was over two times

Table 4: *Targets and indicators for Goal № 4*

REDUCE CHILD MORTALITY					
	1990	2000	2001	2015	EU 2000
Target 1: Considerable reduction of child mortality					
Indicators					
1. Child mortality for the 0 - 5 age group per 1000 live births	18.7	15.8	17.0	9.5	6.4
2. Infant mortality (children deceased before one-year of age) per 1000 live births	14.8	13.3	14.4	7.0	4.7
3. Perinatal death rate (still-born + dead before the 6th day) per 1000 births	11.1	12.2	12.3	8.0	6.3
4. Proportion of underweight live births (under 2500 g.) per 1000 live births	6.9%	n.a.	9.1%	6%	6.6%
Target 2: Immunization of all children up to the age of 1 year					
Indicators					
5. Proportion of children immunized with BCG*, DPT**, OPV*** and Hepatitis B vaccine	99.5	96.0	93.6	99%	≅98%****

Source: National Statistical Institute, EUROSTAT

* Anti-tuberculosis vaccine
** Vaccine against diphtheria, pertusis and tetanus
*** OPV – oral poliomyelitis vaccine
**** Vaccine against tetanus – approximately 98% for Portugal, Poland and FR Yugoslavia, European Health for All Database, 2001

[36] Per 1000 live births

higher (15.8 per 1000) than the average for the EU (6.4 per 1000).

The proportion of children immunized with the main vaccines before the age of one (Table 4) has decreased by about 6 % during the last 10 years. Nevertheless, immunization coverage in Bulgaria is still relatively high (93.6 % for 2001). Some of the immunization indicators for Ireland and Portugal, which are comparatively new EU member states are lower than in Bulgaria[37].

Many of the causes of death among infants can be prevented through their timely detection and adequate treatment. A considerable proportion of deaths are caused by birth traumas, diseases, retarded growth and premature birth, diseases of the respiratory system (mainly pneumonia and influenza), infectious diseases (intestinal infections), and diseases of the nervous system and of the sensory organs.

2.2. Specific issues

Infant mortality varies across different groups of the Bulgarian population. In 2001, the number of infant deaths in rural areas (18.2 per 1000) exceeded that in urban areas by about 6 (12.9 per 1000). There are also substantial differences by district, the most alarming indicators being registered in the districts of Sliven (29.6 per 1000), Montana (23.2 per 1000), Razgrad (22.0 per 1000) and Dobritch (21.5 per 1000). These districts have a comparatively high concentration of ethnic population and as a whole rank lower according to the UNDP Human Development Index[38]. A Bulgarian child has a much better chance of survival if born in the city of Sofia, where infant mortality is already close to the EU targets (7.6 per 1000).

3. GOAL ACHIEVEMENT POLICIES

The adaptation of this goal for Bulgaria aims to reach 65% to 75% (depending on the indicator) of the average values for European Union countries by 2015. The indicator on infant mortality is particularly ambitious – it is expected to be cut in half (from 14.4 cases to 7.0 cases per 1000) by 2015. It is also hoped that immunization coverage will return to what it was before the beginning of transition, when 99.5 % of children below one year of age were immunized.

These targets cannot be achieved by improving healthcare alone. To a large extent, child mortality reflects the degree of isolation of whole groups from the social and healthcare systems in the country. Therefore, the achievement of the set targets and indicators depends on whether the gap between Bulgarian urban and rural areas will narrow or will continue to grow. To put it differently, the achievement of the targets and indicators will depend on whether health indicators in remote Bulgarian districts get closer to EU levels, as has been the case for Sofia.

The policies that will help achieve the targets include :

· Improving access to qualified healthcare for pregnant women and children in rural areas

[37] Portugal 2000: BCG (81,5%), DPT (96,1%), OPV (95,9%); Ireland 2000: DPT (85,9%), OPV(85,7%), data from the European Database Health For All
[38] Bulgaria 2002 Human Development Index: Municipalities in the Context of Districts, 2002, UNDP

and in settlements with a high concentration of ethnic population
- Improving healthcare for pregnant women suffering from risk-related diseases and for pregnant women from disadvantaged social groups;
- Improving the quality of obstetric services and care for pregnant women through the introduction of good medical practice standards;
- Introducing medical and social measures for the application of rational nutrition for children and their regular monitoring by the GP;
- Implementing targeted action on the part of governmental agencies and nongovernmental organizations to limit child traumas and violence on children in the family.

Goal
5

Improve
Maternal Health

|	**Between 2001 and 2015**	**In comparison with the EU**
Target 1	Considerable reduction in maternal mortality	Bulgarian maternal mortality is approximately four times higher than in European Union countries
Target 2	Considerable improvement of healthcare services for pregnant women	Similar levels

1. DESCRIPTION

Goal № 5 is related to the improvement of maternal health[39]. The health status of women, their reproductive behaviour and maternal security are linked to the entire development of the nation (particularly in view of the aging population and the increasing rate of emigration in Bulgaria).

Goal № 5 adapted for Bulgaria envisages maternal mortality decreasing from 19.1 per 100,000 live births to 12 per 100,000 live births in 2015. The targets and indicators for monitoring the achievement of this goal are presented in Table 5.

The data related to these indicators have been monitored in a sustained way, which allows for analysis in the long-term. The selected indicators are compatible with EU healthcare statistics.

Figure 11: Maternal mortality rate (per 100,000 live births)
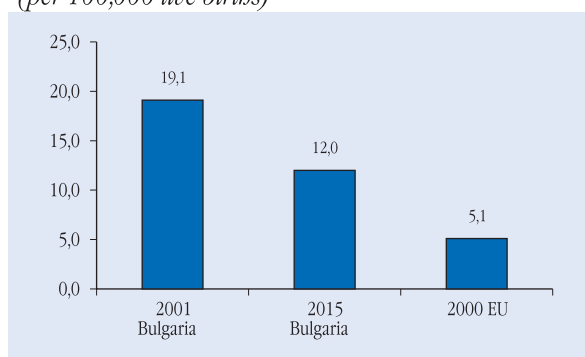
Source: *National Statistical Institute*

2. STATUS AND TRENDS

Maternal mortality dynamics[40] during the last ten years have been unstable. After a considerable increase to 23.5 cases per 100,000 live births in 1999, the mortality rate decreased in 2000, after which it increased again to 19.1 cases per 100,000 live births in 2001. Such data suggests that maternal mortality is a comparatively dynamic phenomenon, which can be influenced through appropriate healthcare policies[41].

As with other health indicators, maternal mortality is much higher in rural areas than in urban areas. In 2001, 25.5 cases (per 100,000 live births) were registered in rural areas, compared to 16.5 cases in urban areas. Maternal mortality in EU member states is about four times lower than in Bulgaria (5.1 cases per 100,000 live births in 2000).

Abortions have been included in the list of monitored indicators because of their complex social and healthcare significance. Even when performed by qualified doctors in a healthcare institution, abortions are dangerous for women's health and their childbearing ability. The high incidence of abortions is one of the indicators for an underdeveloped health education. During the last 11 years, the number of abortions in Bulgaria has been halved, from 1,375 abortions per 1,000 live births in 1990 to 750 in 2001. Notwithstanding this positive trend, abortions remain the main family planning method in Bulgaria. Abortions in Bulgaria are three times higher than in the EU and 100 cases

Table 5: Targets and indicators for Goal № 5

IMPROVE MATERNAL HEALTH					
	1990	2000	2001	2015	EU 2000
Target 1: Considerable reduction of maternal mortality					
Indicator					
1. Maternal mortality (women deceased during pregnancy and childbirth per 100,000 live births)	20.9	17.6	19.1	12	5,1
Target 2: Considerable improvement of healthcare services for pregnant women					
Indicators					
2. Abortions (per 1000 women)	1,375	833	750	550	219/1990
3. Pregnant women under medical monitoring (until the third month of pregnancy)	89.4%	81.8%	-	90%	n.a.
4. Proportion of births assisted by qualified medical personnel	99.1%	98.8%	98.9	99.8%	n.a.

Source: *National Statistical Institute, European Database Health for All*

[39] Women of fertility age (15 – 49 years of age)

[40] The number of deceased pregnant women, deceased women during child birth and deceased women, who have given birth per 100,000 live births

[41] The reasons for maternal mortality are linked to eclampsia and other diseases of pregnancy and childbirth

higher than the average for Central European countries (645 per 1,000 live births in 2001).

The percentage of births assisted by qualified medical personnel in Bulgaria is relatively high (98.9 % in 2001). There is, however, a current trend towards childbirth at home, particularly among the Roma ethnic minority.

3. GOAL ACHIEVEMENT POLICIES

The targets for 2015 aim to provide better care for pregnant women and to secure qualified medical assistance at childbirth. The target of reducing maternal mortality to 12 cases per 100,000 live births seems feasible considering the dynamics of this indicator during the last few years. Even if achieved, however, Bulgaria will still lag behind average EU values.

An improvement in maternal health entails the re-introduction of early pregnancy monitoring. Prevention of pregnancy and childbirth complications are needed especially in remote and rural areas where access to healthcare services is limited. Abor-

tions must be more closely monitored, with better controls at registration and reporting, which would improve the reliability of reported results.

A reduction in maternal mortality is a priority of the National Programme for Reproductive Health[42], which is expected to integrate the efforts of a wide circle of stakeholders from NGOs and governmental agencies.

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[42] This programme is being developed with UNFPA technical and financial support.

Goal

6

Limit the Spread
HIV/AIDS, Syphilis and Tuberculosis

	Between 2001 and 2015	In comparison with the EU
Target 1	Prevent the epidemic spread of HIV/AIDS	Greater geographic proximity to countries with an HIV/AIDS epidemic
Target 2	Reduce tuberculosis cases in half	Tuberculosis incidence in Bulgaria is approximately four times higher
Target 3	Reduce fourfold syphilis cases	Syphilis incidence in Bulgaria is approximately twelve timeshigher

1. DESCRIPTION

Goal № 6 strives to eliminate diseases which represent a serious threat to security and quality of life. The Bulgarian adaptation of this goal to limiting the spread of HIV/AIDS, syphilis and tuberculosis is related to their social importance and to the alarming increase in the incidence rates of these diseases during the last few years. Also, these diseases are closely linked to poverty. Their prevention has not only social but also financial implications, since their treatment requires more resources than their prevention. The targets and indicators for this goal are presented in Table 6.

Box 3

PREVALENCE OF HIV/AIDS AND TUBERCULOSIS IN EUROPE AND WORLDWIDE

At present there is no single state or region which has remained unaffected by HIV/AIDS. According to UNAIDS data, the number of HIV positive persons has reached 45 million, while the number of deceased exceeds 28 million. In 2002 alone, the number of newly infected persons has exceeded 5 million.

According to data from the European Regional Office of the World Health Organization (WHO), newly registered tuberculosis cases in Europe during the year 2000 were 369,935, while in 1991 they were 231,608. Most of these cases are in Eastern Europe and in the Newly Independent States where the incidence of tuberculosis is growing at a particularly alarming rate. In contrast to Western Europe, tuberculosis in Eastern Europe is mostly prevalent among people of active age. WHO forecasts that if tuberculosis control does not improve, nearly 1 billion persons will be infected with tuberculosis by 2020, 200 million will contract the disease and 35 million of them will die.

The specific targets related to the HIV/AIDS epidemic aim to prevent the spread of HIV/AIDS, which means keeping the prevalence under 1%. The target indicators related to tuberculosis aim to halve the incidence as well as to refine preventive measures and treatment.

The monitoring of the "healthy life expectancy" as a non-target indicator has been included as a World Health Organization (WHO) suggestion[43]. Life expectancy is related to all healthcare indicators within the Millennium Development Goals and takes into account, inter alia, progress achieved in controlling non-communicable diseases.

2. STATUS AND TRENDS

2.1. General situation

HIV/AIDS and syphilis

Bulgaria is still a country with a low prevalence of HIV/AIDS. There is a risk, however, of a rapid spread of the infection, because Bulgaria is located in the region with the fastest growth of HIV/AIDS infection in the world. In some countries that are close to Bulgaria (Ukraine, for instance) an epidemic situation is at hand with more than 500,000 infected persons. Therefore, the relatively low level of HIV/AIDS in Bulgaria does not mean there is little to worry about. By end 2002, the number of officially registered HIV positive persons in Bulgaria was 403. In 91% of the

Table 6: Targets and indicators for Goal № 6

LIMIT THE SPREAD OF HIV/AIDS, SYPHILIS AND TUBERCULOSIS				
	1990	2000	2015	Other countries
Target 1: Prevent the epidemic spread of HIV/AIDS				
Indicator				
1. HIV/AIDS prevalence* among people aged between 15 and 24	<0.01%	< 0.01 %	<1 %	> 1% Russia, Ukraine
Target 2: Reduce twofold tuberculosis cases				
Indicators				
	1990	2000	2015	EU
2. Tuberculosis incidence (new cases per 100,000 persons)	25,1	41,0	20,0	11,5
3. Full coverage of the country with the DOTS strategy and increased proportion of healed cases	n.a.	70,0	83,0	n.a.
Target 3: Reduce fourfold syphilis cases				
Indicator				
4. Syphilis incidence (per 100,000)	4,4	19,4	5	1.6

Source: *Institute for Health Information, Ministry of Health, TB Euro Report*
* Prevalence (cumulative number of cases by year-end)

[43] See "WHO's contribution to the achievement of the development goals of the U.N. Millennium Declaration", WHO, Executive Board, 11th Session, Geneva, 20-28 January 2002

cases, the disease has been sexually transmitted, in 8% of the cases transmission has taken place through blood transfusions, and in 1% of the cases there has been a vertical (mother-to-child) transmission. The figures from recent years show a rapid growth of the number of newly detected cases. While in 1990 only four cases of HIV/AIDS were registered, in 1996 this number increased to 34 cases. In 2000, a twelvefold growth of the number of cases, as compared to 1990, was registered. In 1996, 35% of the newly registered cases were from the 14-25 age group.

Syphilis prevalence may be a signal for a future growth in the spread of HIV/AIDS. Syphilis incidence has grown almost eight times in nine years (from 4.4 per 100,000 in 1990 to 19.4 per 100,000 in 2000), after which the prevalence stabilised at about 20 cases per 100,000. These worrying incidence levels are about twelve times higher than those in the EU member states (1.6/100,000).

Tuberculosis

Until 1990, Bulgaria, like some other countries in the Balkans, registered a long-term decrease in tuberculosis. At that time, the average incidence was 25.1 per 100,000. In 1998, however, tuberculosis incidence grew to 50 per 100,000, while in 2000 it stood at 48 per 100,000. By comparison, tuberculosis incidence in the EU is about four times lower (11.5 per 100,000 in 2000). In some regions of Bulgaria, tuberculosis incidence fluctuates from 60 to 80 per 100,000.

Figure 12: Newly detected tuberculosis cases per 100,000
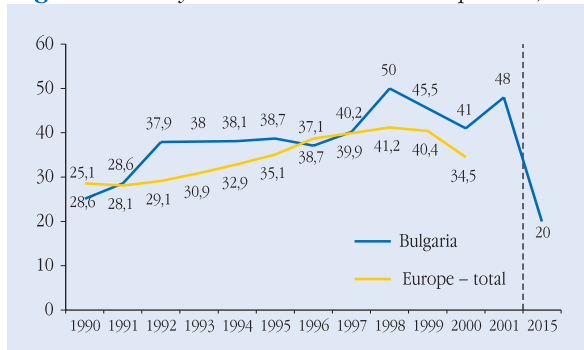
Source: *Institute for Health Information, TB Euro Report*

2.2. Specific issues

HIV/AIDS and syphilis

Risky sexual behavior, a high prevalence of sexually transmitted diseases and risky intravenous use of narcotic drugs were the main reasons[44] for the rapid spread of HIV/AIDS until the year 2000. Poverty, prostitution, alcohol abuse, poor general and health education, high mobility and an insufficient effectiveness of HIV/AIDS-related institutions and policies have all indirectly affected the spread of HIV/AIDS. The most vulnerable groups with respect to HIV/AIDS infection and sexually transmitted diseases are: 1) adolescents and young people; 2) the Roma community; 3) intravenous drug addicts; 4) sex workers 5) men who have sex with men. The vulnerable groups with respect to syphilis are similar. The incidence of syphilis in urban areas is higher by nearly 4 points compared to rural areas (16.2 against 19.8 per 100,000 people in 2001).

Tuberculosis

Bulgaria has no available data on tuberculosis risk groups. A decision of the Tuberculosis Council under the Ministry of Health, however, identifies the Roma minority and persons detained in prisons as the primary risk groups. During the last few years, the prevalence of tuberculosis in rural and urban areas has been evenly spread. HIV-infected persons in Bulgaria are 30 times more likely than the rest of the population to contract tuberculosis. 24 AIDS patients (23.76% of HIV-infected) have been diagnosed with tuberculosis and 10 of them have died as a result.

Multidrug-resistant tuberculosis[45] is a serious problem for Bulgaria both from the epidemiological and the financial points of view. Its treatment is much more difficult and about 1,000 times more expensive than the treatment of other patients. Until 1999 the incidence of multidrug-resistant tuberculosis grew to 10.7% due to interrupted and incorrect

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[44] See "Situational analysis for the development of a national HIV/AIDS strategy" within the framework of project BUL/98/005 — "National HIV/AIDS strategy of UNDP/MoH"
[45] A variant of tuberculosis caused by resistant to a minimum of two tuberculostatics (Hydroniazud and Rifampicin)

treatment[46]. The diagnosis of multidrug-resistant tuberculosis takes at least 70 days. The introduction of express diagnostic methods is urgently needed.

3. GOAL ACHIEVEMENT POLICIES

3.1 HIV/AIDS and syphilis

The target of preventing an HIV/AIDS epidemic in Bulgaria (under 1% prevalence rate in the group at risk) is quite ambitious, considering the recent and rapid spread of HIV/AIDS throughout countries in the region. The target of preventing an epidemic situation can only be achieved by implementing significant HIV/AIDS prevention measures.

The target of cutting syphilis incidence down to 5 cases per 100,000 is no less ambitious. Even if this objective is met by 2015, Bulgaria will still have a syphilis incidence about 3 times higher than most EU countries had in 2000 (1.6/100,000).

By Decision No. 58 of 9 February 2001, the Council of Ministers adopted the National Strategy and the National Programme for the Prevention and Control of AIDS and Sexually Transmitted Diseases for 2001-2007. The strategy and the programme contain the following priorities:

1. Youth and vulnerable groups-oriented health promotion;
2. Introduction of health and sex education in school curricula;
3. Epidemiological surveillance and testing policy;
4. Healthcare and social services for persons with

HIV/AIDS and sexually transmitted diseases;
5. Treatment of HIV/AIDS and sexually transmitted diseases.

3.2 Tuberculosis

In order to reverse the spread of tuberculosis, there must be significant improvements in early diagnosis and treatment of patients.

Specific tasks for the improvement of the tuberculosis management in Bulgaria include:

1. Improvement of the quality control in bacteriological laboratories;
2. Improvement of the flow of information from the periphery to the center;
3. Reduction of the proportion of relapses and interrupted treatment in order to reverse the prevalence of the disease;
4. Prevention of multidrug-resistant tuberculosis by means of providing the correct type of treatment for all patients and monitoring the progress of all patients up to the end of the treatment.

Table 7: *Activities and monitoring indicators with respect to tuberculosis policies*

Activities	Indicators	2002	2015
Tuberculosis control	Incidence (per 100,000)	48	20
Introduction of quality control in bacteriological laboratories	Number of laboratories reporting to the National Reference Laboratory	0	28
Increased number of successfully treated patients according to the DOTS strategy*	Average percentage of successfully treated and healed newly detected patients and relapses	70	83

* The Direct Observation Treatment – short course (DOTS) represents an intensive treatment under direct control. This strategy was introduced in Bulgaria in 1998 in four pilot districts with the assistance of the Swiss-Bulgarian Association under the guidance of the National Program for the Prevention, Early Diagnosis and Treatment of Tuberculosis. Until the end of 2002, 8,049,438 persons were covered (90%) with the exception of children. The results of the treatment of newly detected patients with resistant TB bacilli have been successful in over 80 % of the cases.

46 One of the reasons is the widespread use of Rifamplicin for the treatment of non-tuberculosis conditions, particularly in children. Some decrease in incidence has been recorded since 1999, mainly due to the inclusion of Rifabutin and Protheonamid in the treatment of such patients in accordance with the National Tuberculosis Programme.

Goal

7

Ensure Environmental Sustainability

	Between 2001 and 2015	**In comparison with the EU**
Target 1	Integrate the principles of sustainable development into country policies and programmes; reverse the loss of environmental resources	Similar levels of development
Target 2	Reduce the proportion of people without access to drinking water and proper sewerage infrastructure	Similar levels of development

1. DESCRIPTION

Goal № 7 addresses the need "to ensure environmental sustainability". To achieve this Goal by 2015, Bulgaria will need to reverse the loss of environmental resources, and to improve the lives of people living in slums and villages.

The selected indicators allow for long-term monitoring of achievement under the agreed targets. They have taken into consideration EU criteria for a favourable environment and correspond with the commitments already undertaken by Bulgaria with regard to some of these issues. Thus, the target indicators for reduction of carbon dioxide emissions are based on the commitments of the country under the Kyoto Protocol. The targets for improvement of water supply and sewerage systems are based on EU accession requirements.

2. STATUS AND TRENDS

Most of the environmental indicators have improved in recent years or have maintained

favourable levels. As indicated in Table 8, in 2001 the total area covered by forests remained at about 35%, and protected territories increased by 2% compared to 1990. Carbon dioxide emissions have been significantly reduced. In 2001 the proportion of the population with access to a central sewerage system was about 3% higher than in 1991, and the proportion of the population connected to a central water supply remained at a high level (98.7%).

2.1. Specific Issues

Bulgaria is among the European countries with the richest **biological diversity**. Protected territories are about 5% of the total area of the country, but their management is not at a desired level of effectiveness.[47] Fires have been a serious threat to biological diversity in the recent years. **Forests** make up about 35% of the territory. There is, however, a substitution of the diverse local and natural forests by homogeneous forests of species featuring a high economic profit[48]. The proportion of the "old" forests (only 10%) is being reduced.

Table 8: Targets and Indicators for Goal № 7

ENSURE ENVIRONMENTAL STABILITY				
	1990	2001 (2000)	2015	EU
Target 1: Integrate the principles of sustainable development into national policies and programmes; reverse the loss of environmental resources				
Indicators				
1. Proportion of the territory covered by forests	34,9 %	35,9 %	35,9 %	36.4%*
2. Proportion of protected territories	2,6 %	4,8 %	12,0 %	
3. Reduce carbon dioxide emissions against 1988 base line (fulfilment of the obligations under Kyoto Protocol)	(-) 12,3%	(-) 50,0% (2000)	(-) 8%	(-) 8%**
4. Total greenhouse CO2 emissions gigagrams equivalent	137,7	77,7 (2000)	144,0	
5. Industrial emissions CO2 (metric tons per capita)		5.74 (1998)		8.03 (1998)
6. Proportion of the population covered by an organised waste collection and disposal system		80.2%	95,00%	
Target 2: Reduce the proportion of people without access to drinking water and proper sewerage infrastructure				
Indicators				
7. Towns with population more than 2,000 (equivalent***), served by waste water treatment plants		40,0%	100%	
8. Proportion of the population connected to central water supply	98,7 %	98,7 %	100%	
9. Proportion of the population connected to sewerage networks	66,3 % (1991)	67,9 %		

Source: *National Statistical Institute, Ministry of Environment and Waters*
* European Monetary Union, in accordance with World Bank data, 2000
** EU obligations for reduction of 6 types emissions in 2008 – 2012 from 1990 levels, in accordance with the data of greenhouse gas emission Europe, EEA, Copenhagen, 2002
*** Equivalent population (every second adult in a household is indexed by 0.5, and every child is indexed by 0.3)

[47] National Environmental Strategy, p. 92
[48] E.g. hybrid poplars in the water-logged forests on the Danube River islands and along other big rivers

Almost all emissions of substances contributing to **air pollution** have been reduced in recent years. Methane and cadmium are an exception as they have shown some increase[49]. Carbon dioxide emissions result mostly from domestic firing processes, road transport, and industrial combustion processes. Positive changes are due to a shrinking of the industrial sector, and to measures taken for pollution reduction.

In many towns, however, there are unresolved air pollution problems. Such "hot spots" are Kremikovtsi and Pernik (engaged in ferrous metallurgy); Kardjali, Zlatitsa-Pirdop, Plovdiv-Assenovgrad (non-ferrous metallurgy); Devnia Vratsa, Dimitrovgrad (chemical industry); Pleven, Bourgas (petrochemical industry), Zlatna Panega, Dimitrovgrad (cement industry); Razlog (pulp and paper industry; Maritsa-Iztok; Galabovo-Radnevo (power generation industry); Rousse, Silistra, Nikopol (areas of cross-border pollution).[50]

The proportion of the population covered by an organised **waste collection and disposal system** in Bulgaria is 80.2% (2001). Despite a decline in production, the area used for waste collection continues to increase. In Bulgaria there are 663 landfills, with a total area of 7,249 decares. Only a few have been built in accordance with EU requirements.

Bulgaria has a well-developed **water supply system**, serving more than 98% of the population in 84,6% of the human settlements. This proportion, however, is different for towns and villages. Unlike cities and towns, which have a 100% coverage of with drinking water, only 81% of the villages have a drinking water supply. Villages without, or with only a partial water supply are located mostly in the mountainous areas.

Drinking water losses are about 53% on average for the country. More than 88% of the water pipeline network was made of asbestos cement and steel pipes in the period 1960-1980. These are now ob-

solete and lead to a loss of drinking water. Losses are also caused by inaccurate metering of the water volume, inefficient operation of water supply systems and water theft. Depending on climate and water source conditions, 10%-25% of the country's population is on a water rationing system in summer.

Sewerage systems and waste water treatment systems are considerably less developed than the water supply systems. The share of population covered by public sewerage systems has increased from 66.3% in 1991 to 67.9% in 2001.The share of towns provided with sewerage systems is 70.2%, while for the villages this share is only 2.1%. Primarily, district centres and some of the larger municipal centres are provided with sewerage. 277 settlements have a fully or partially developed sewerage system, of which 167 are towns. The greater part of the sewerage systems was built in the period 1960-1970. More than 20% need repair or reconstruction.

The status of waste water treatment plants is similar. There are 61 plants constructed and operating. They service 63 settlements where 35.7% of the population live. In the remaining settlements septic tanks and soaking pits are usually used, leading to pollution of underground waters.

3. GOAL ACHIEVEMENT POLICIES

The targets are aimed at conservation of the relatively favourable environmental protection indicators and at a considerable improvement of living conditions in poor neighbourhoods and villages. Improving environmental conditions will depend to a great extent on compliance with EU environmental standards.

Achieving targets in carbon dioxide emissions reduction (the Kyoto Protocol) will require: rehabilitation of polluting power generation facilities, priority construction of co-generation plants, improv-

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[49] National Environmental Strategy, p. 80
[50] Ibid

**STRATEGIC OBJECTIVES OF THE NATIONAL ENVIRONMENTAL
STRATEGY AND ACTION PLAN FOR 2000 - 2006**

1. Compliance with atmospheric air quality standards in 'hot spot' settlements
1.1 Reduction of the concentration of harmful substances in air in the regions known as 'hot spots'.
1.2 Elimination of cross-border pollution in the cities on the Danube River.
2. Maintaining and enlarging good environment quality territories
2.1 Implementing tools to prevent pollution and impairment of the environment, including loss of land and soil (Environmental Impact Assessment, Authorisation Regimes, ISO 14000, etc.)
2.2 Development and implementation of regional policies on gradual expansion of territories in good environmental condition.
3. Protection and conservation of the rich biological diversity
3.1 Conservation, protection and recovery of key ecosystems, natural habitats, species and their genetic resources.
3.2 Providing conditions for sustainable use of biological resources.
3.3 Improving forest conditions.
4. Improving waste management
4.1 Establishing an integrated system of waste treatment facilities.
4.2 Creating mechanisms for the operation of a system of separate collection, recycling, and recycled use of wastes.
4.3 Improving considerably the cleanliness of the Bulgarian towns and villages.
5. Broader public participation in resolving environmental issues
5.1. Improving public culture and awareness of environmental issues.
5.2. Involving the general public in the decision-making process.

Source: *Environmental Strategy[51]*

ing energy efficiency in all sectors of the economy and in energy end-use, increasing the share of renewable energy sources, industrial and household gasification of towns and villages, and improving public transport.

Achieving sewerage system targets entails priority construction of sewerage networks and urban wastewater treatment plants in settlements with over 2000 equivalent[52] inhabitants until 2015. As regards the water supply system, EU accession targets will require further completion of the water pipeline network and the replacement of asbestos cement pipes with cast-iron and PVC ones.

Achieving all targets will require a constructive and effective dialogue between government agencies, environmental NGOs, scientific circles, and business interests, which are expected to comply with environmental norms.

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[51] Environmental Strategy, Goals and Specific Objectives, p. 31 (abridged).

[52] Equivalent population (every second adult in a household is indexed by 0.5, and every child is indexed by 0.3)

Goal

8

Develop
a Partnership for Development

	Between 2001 and 2015
Target 1	Create an environment conducive to foreign direct investment in Bulgaria.
Target 2	Maintain sustainable levels of foreign debt service.

1. DESCRIPTION

Goal №8 strives to create a global partnership for development. This goal calls upon the rich countries in the world to cooperate and commit to helping poor countries achieve the other seven MDGs. Bulgaria, however, is not among the poorest or the most indebted countries in the world; those which may qualify for humanitarian assistance or debt reduction. Therefore, the Bulgarian adaptation of this goal is oriented towards creating sustainable partnerships with developed countries in the form of attracting foreign direct investment and expansion of trade.

The arguments for adapting Goal № 8 to foreign direct investment (FDI) and foreign debt service include:

1. Strengthening investment activities in Bulgaria, including those of foreign investors, is an essential instrument for the acceleration of economic development;
2. Bulgaria is an EU accession country with an approved roadmap and a possible accession date in 2007. This presumes the use of financial assistance from EU pre-accession funds and, upon accession, from the EU structural funds after 2007;
3. As a future EU member state, Bulgaria is expected to maintain a certain financial discipline, including a sustainable maintenance of the ratio of foreign debt to gross domestic product (GDP).

The targets and indicators for Bulgaria (Table 9) will monitor the ratios of foreign direct investment and foreign debt to GDP. In addition, two non-target indicators are suggested that may help the sustainable servicing of foreign debt and increase foreign direct investment. These non-target indicators include: (a)

the ability of Bulgarian exports to service foreign debt as a proportion of debt service costs to revenues from exports of goods and services; (b) the absorption capacity of the EU pre-accession funds and, later on, of the EU structural funds.

2. STATUS AND TRENDS

2.1. General trends

It is expected that FDI will play a major role in the renewal and modernization of the Bulgarian economy. Until now, the volume and structure of such investments have not been in line with these expectations. According to data from the Foreign Investment Agency (FIA), the cumulative amount of foreign direct investment until December 2002 was US$5,114.1 million, considerably less than the volume achieved by most countries in transition (Figure 13).

Figure 13: Foreign direct investment per capita *(in U.S. $)*
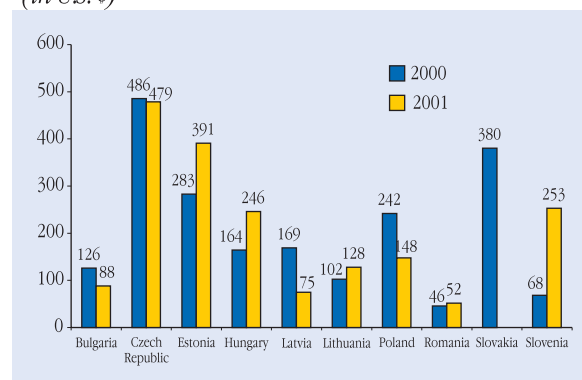
Source: International Financial Statistics, IMF

On the other hand, the investments made could facilitate the expansion of Bulgarian exports. From 1998–2001, more than one third of FDI was in the sectors of commerce and finance, compared to as

Table 9: Targets and indicators for Goal № 8

DEVELOP A PARTNERSHIP FOR DEVELOPMENT			
	1990	2001	2015
Target 1: Create an environment conductive to foreign direct investment in Bulgaria			
Indicator			
Ratio of foreign direct investment to GDP		5,1%	15%
Target 2: Maintain sustainable levels of official foreign debt service			
Indicator			
Ratio of foreign debt to GDP	160,4%	63,9%	55%

Source: *Ministry of Finance, Bulgarian National Bank, National Statistical Institute*

little as 0.4% in agriculture and 3.4% in tourism, among the priority sectors for the Bulgarian economy. In general, FDI has grown significantly during the last five years (Figure 14). Also, an encouraging trend is seen with respect to the growth of non-privatization investment. The main investors in Bulgaria are predominantly from the EU, including Germany, Greece, Italy, Belgium and Austria. A substantial portion of the investments come from the United States and Russia.

Figure 14: *Foreign direct investment in Bulgaria (in US$ mln.)*
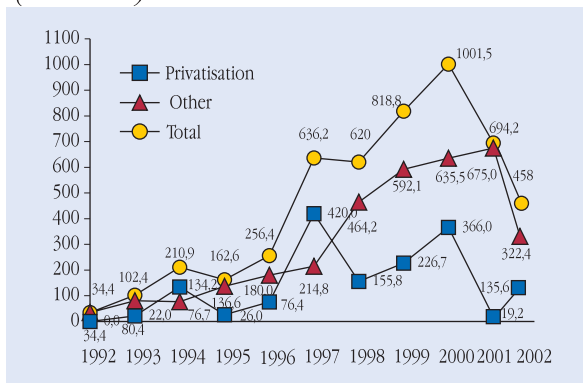
Source: Foreign Investment Agency, 2002

In its recent economic history, Bulgaria has twice been confronted with a crisis situation with regard to its official foreign debt. The first crisis occurred during the final period of the centralized planned economy era, when the government unilaterally declared a moratorium on foreign debt payments. The second time Bulgaria was confronted with a similar danger was during the 1996-1997 crisis, before the introduction of the Currency Board. The ratio between foreign debt and gross domestic product has been falling steadily ever since, reaching approximately 64% in 2001.

Bulgaria is anxious to use the European Union pre-accession and structural funds. However, the funds are not being absorbed with the same enthusiasm. For instance, Bulgaria was the first country among the EU accession countries to establish a dedicated agency for the SAPARD programme. Yet the total number of investment projects submitted to the Agency as of the beginning of 2002 was only 109, though approximately 500 projects per year were expected. In 2002, the proportion of approved

projects increased significantly (79%), but by mid-2002 only 5% of the funds earmarked for the 2000 annual subsidy had been absorbed.

2.2. Specific issues

In the coming few years, the privatization process is expected to finish. Afterwards, the only method available to attract FDI will be through new business projects. Bulgaria will have to compete for the funding of these projects with the other, more experienced, Central European countries that will be in a better position to exercise pressure as newly accepted members of the EU.

So far, FDI in Bulgaria has been extremely unevenly distributed. According to data from the National Statistical Institute (2001), the entire amount of FDI in the non-financial sector in the districts of Montana, Yambol, Kardjali, Kyustendil, Silistra, Targovishte, Vidin, Pazardjik and Pernik account for only 2.5% (US$49,359,500) of the total for the country. In comparison, the share of Sofia City District in the total volume of FDI is about 50% (US$1,944,326,800). Therefore, in addition to external competition, Bulgaria will be subjected to the internal pressures for a balanced regional distribution of scarce foreign investment. All this, of course, may only happen if the global international business and investment climate is favourable.

Currently, Bulgaria has enough funds to service its foreign debt. According to the schedule (at 2002), the most difficult period of payments is expected at the end of the present decade. Certainly, an eventual slowdown of economic growth will lead to difficulties in foreign debt service. Unexpected difficulties in debt servicing may arise if the efforts for its active management prove inefficient.

The difficulties in absorbing EU pre-accession funds are related to limited administrative capacity and to the capacity of Bulgarian businesses to propose high-quality projects. From a budgetary point of view, difficulties may arise in securing the required local (Bulgarian) contribution for financing

of projects under the EU pre-accession funds. State and municipal budgets will need to earmark funds for co-financing projects, for example at 25% of the total budget of the project, while at the same time maintaining budget financing for social assistance, healthcare, and education. In this sense, efficient absorption of EU pre-accession funds will also depend on the speed of reforms in budget expenditures.

3. GOAL ACHIEVEMENT POLICIES

The traditional policies aimed at attracting FDI involve an improvement of the business climate through reducing business costs and improving the technical infrastructure. However, investment promotion in the less developed regions of the country requires the use of nontraditional mechanisms. A step in this direction is the introduction of tax preferences for investments that create jobs especially in municipalities with high unemployment.

The efficiency of these policies remains to be analysed and proven.

Bulgaria must seek ways to evenly distribute funds received from foreign investors in its economy, no matter the limited interest of foreign investors to its economy. Goal № 8 expresses the resolve of the developed world to diminish the economic differences between poor and rich countries. Similarly, Bulgaria should find a way to diminish the economic differences between its poor and rich regions.

CONCLUSION

The Millennium Development Goals represent the framework of development challenges agreed upon by 191 countries, Bulgaria included. By signing on to the MDGs and by adapting them to its national development context, Bulgaria assumes a commitment to the global community, and more importantly to its own citizens.

This report is the first step in a plan of action that will continue until 2015, when the MDGs are expected to be met. Similar progress reports will be published regularly to monitor the status and success of every goal and target.

The goals and targets set for Bulgaria are by no means inflexible. The MDGs are intended to act as a roadmap for Bulgaria in the coming 10 to 15 years. This means that as the country addresses upcoming challenges, the targets may be fine-tuned according to national needs. Current and future strategies will need to address the significance of the MDGs in the short, medium and long-term.

It is immensely encouraging to have the strong political commitment of the Bulgarian Government not only in the preparation of the report itself, but more vitally, in the follow-up and reporting process.

The MDG report is similar to a report card where everyone can participate in monitoring progress. The report is intended to be short and easy to read; useful not only for policy makers and development workers, but also for media, NGOs and the general public.

We hope that the report will incorporate the MDGs into the national agenda so that they are not simply a tool for government to measure development efforts, but a method by which citizens may become involved in national policy. If the MDGs are to influence the national agenda, greater public knowledge, understanding and commitment are essential. Success lies in active citizen participation in monitoring progress towards the achievement of the MDGs. This participation may include providing public education and increasing media education through discussions, forums, surveys and many other tools connecting decision-makers with the public.

Effective MDG implementation means MDG-specific follow-up and reporting. Such a process of tracking future progress, must, similar to the development of the report itself, include all relevant stakeholders within Bulgarian society. This inclusive and participatory approach gives legitimacy to the entire process and helps to focus the national debate on the specific development priorities facing Bulgaria.

The year 2015 is an important milestone for Bulgaria – by then it is hoped that Bulgaria will be a member of the EU. In this sense, the eight adapted goals and targets represent a framework for achieving this objective. Monitoring MDG achievement based on specific and measurable indicators will help create a more realistic vision for the development of Bulgaria in the next twelve years. This report is the first step in this process.

THE BULGARIAN MILLENNIUM DEVELOPMENT GOALS

GOAL № 1: HALVE EXTREME POVERTY AND MALNUTRITION		
	2001	2015
Target 1: Reduction of Poverty		
1. Average[1] monthly income	EURO 91	EURO 280
2. Proportion of the poor (with incomes under 60% of the average monthly income)	15%	15%
3. Poverty threshold (60 % of the average monthly income)	EURO 54,6	EURO 170
Target 2: Reduction of Unemployment		
4. Youth unemployment (15-24 years of age)	35,34%	25%
5. Share of long-term unemployed in the workforce	9,59%	7%
GOAL № 2: IMPROVE PRIMARY AND SECONDARY EDUCATION		
	2002	2015
Target 1: Improvement of the initial stage of primary education		
6. Net enrollment rate in the initial stage of primary education (6/7 – 9/10 years of age; 1 – 4 grade)	96,40%	100%
7. Net completion rate in the initial stage of primary education (6/7 – 9/10 years of age; 1 – 4 grade)	93,30%	100%
Target 2: Improvement of the junior high stage of primary education		
8. Net enrollment rate in the junior high stage of primary education (9/10 –13/14 years of age; 5 – 8 grade)	84,20%	97,00%
9. Net completion rate in the junior high stage of primary education (9/10 –13/14 years of age; 5 – 8 grade)	84,40%	95,00%
10. Net dropout rate in junior high primary education (9/10 –13/14 years of age; 5 – 8 grade)	2,90%	2,00%
Target 3: Improvement of secondary education		
11. Net enrollment rate in secondary education (15-19 years of age; 9-12 grade)	68,30%	86,00%
12. Net completion rate in secondary education (15-19 years of age; 9-12 grade)	85,10%	90,00%
13. Net dropout rate in secondary education (15-19 years of age; 9-12 grade)	2,60%	1,00%
GOAL № 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN		
	2001/2002	2015
Target 1: Eliminate the disproportion between the incomes of men and women		
14. Percentage of the pay of women compared to the pay of men	72%	80%
Target 2: Ensure the participation of women in governance		
15. Women's share in the number of parliamentarians in the National Assembly and in Municipal Councils	26% (2001)[2]	40%
GOAL № 4: REDUCE CHILD MORTALITY		
	2001	2015
Target 1: Considerable reduction of child mortality		
16. Child mortality for the 0 - 5 age group per 1000 live births	17.0	9.5
17. Infant mortality (children deceased before one-year of age) per 1000 live births	14.4	7.0
18. Perinatal death rate (still-born + dead before the 6th day) per 1000 births	12.3	8.0
19. Proportion of underweight live births (under 2500 g.) per 1000 live births	9.1%	6%
Target 2: Immunization of all children up to the age of 1 year		
20. Proportion of children immunized with BCG[3], DPT[4], OPV[5] and Hepatitis B vaccine	93.6%	99%
GOAL № 5: IMPROVE MATERNAL HEALTH		
	2001	2015
Target 1: Considerable reduction of maternal mortality		
21. Maternal mortality (deceased pregnant women and women in child birth per 100,000 live births)	19.1	12
Target 2: Considerable improvement of healthcare services for pregnant women		
22. Abortions (per 1000 live births)	750	550
23. Pregnant women under medical monitoring (until the third month of pregnancy)	81.8% (2000)	90%
24. Proportion of births assisted by qualified medical personnel	98.9	99.8%

[1] All income values presented in Table 1 are calculated on the basis of equivalised total median incomes per capita.

[2] Parliamentary elections 2001

[3] Anti-tuberculosis vaccine

[4] Vaccine against diphtheria, pertusis and tetanus

[5] OPV – oral poliomyelitis vaccine

GOAL № 6: LIMIT THE SPREAD OF HIV/AIDS, SYPHILIS AND TUBERCULOSIS		
	2000	2015
Target 1: Prevent the epidemic spread of HIV/AIDS		
25. HIV/AIDS prevalence[6] among people aged between 15 and 24	< 0.01 %	<1 %
Target 2: Reduce twofold tuberculosis cases		
	2000	2015
26. Tuberculosis incidence (new cases per 100,000 persons)	41,0	20,0
27. Full coverage of the country with the DOTS strategy and increased proportion of healed cases	70,0	83,0
Target 3: Reduce fourfold syphilis cases		
28. Syphilis incidence (per 100,000)	19,4	5
GOAL № 7: ENSURE ENVIRONMENTAL STABILITY		
	2001 (2000)	2015
Target 1: Integrate the principles of sustainable development into national policies and programmes; reverse the loss of environmental resources		
29. Proportion of the territory covered by forests	35,9 %	35,9 %
30. Proportion of protected territories	4,8 %	12,0 %
31. Reduce carbon dioxide emissions against 1988 base line (fulfilment of the obligations under Kyoto Protocol)	(-)50,00% (2000)	(-)8%
32. Total greenhouse CO2 emissions gigagrams equivalent	77,7 (2000)	144,0
33. Proportion of the population covered by an organised waste collection and disposal system	80.2%	95,00%
Target 2: Reduce the proportion of people without access to drinking water and proper sewerage infrastructure		
34. Towns with population more than 10,000 (equivalent[7]), served by waste water treatment plants	40,0%	100%
35. Proportion of the population connected to central water supply	98,7 %	100%
GOAL № 8: DEVELOP A PARTNERSHIP FOR DEVELOPMENT		
	2001	2015
Target 1: Create an environment conductive to foreign direct investment in Bulgaria		
36. Ratio of foreign direct investment to GDP	5.1%	15%
Target 2: Maintain sustainable levels of foreign debt service		
37. Ratio of foreign debt to GDP	63.9%	55%

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[6] Prevalence (cumulative number of cases by year-end)

[7] Equivalent population (every second adult in a household is indexed by 0.5, and each child by index 0.3)

ANNEX 2:

THE GLOBAL MILLENNIUM DEVELOPMENT GOALS

Millennium Development Goals (MDGs)	
Goals and Targets	**Indicators**
Goal 1: **Eradicate extreme poverty and hunger**	
Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	**1.** Proportion of population below $1 per day (PPP-values) **2.** Poverty gap ratio [incidence x depth of poverty] **3.** Share of poorest quintile in national consumption
Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger	**4.** Prevalence of underweight children (under-five years of age) **5.** Proportion of population below minimum level of dietary energy consumption
Goal 2: **Achieve universal primary education**	
Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	**6.** Net enrolment ratio in primary education **7.** Proportion of pupils starting grade 1 who reach grade 5 **8.** Literacy rate of 15-24 year olds
Goal 3: **Promote gender equality and empower women**	
Target 4: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015	**9.** Ratio of girls to boys in primary, secondary and tertiary education **10.** Ratio of literate females to males of 15-24 year olds **11.** Share of women in wage employment in the non-agricultural sector **12.** Proportion of seats held by women in national parliament
Goal 4: **Reduce child mortality**	
Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate	**13.** Under-five mortality rate **14.** Infant mortality rate **15.** Proportion of 1 year old children immunised against measles
Goal 5: **Improve maternal health**	
Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio	**16.** Maternal mortality ratio **17.** Proportion of births attended by skilled health personnel
Goal 6: **Combat HIV/AIDS, malaria and other diseases**	
Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS	**18.** HIV prevalence among 15-24 year old pregnant women **19.** Contraceptive prevalence rate **20.** Number of children orphaned by HIV/AIDS
Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases	**21.** Prevalence and death rates associated with malaria **22.** Proportion of population in malaria risk areas using effective malaria prevention and treatment measures **23.** Prevalence and death rates associated with tuberculosis **24.** Proportion of TB cases detected and cured under DOTS (Directly Observed Treatment Short Course)
Goal 7: **Ensure environmental sustainability**	
Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	**25.** Proportion of land area covered by forest **26.** Land area protected to maintain biological diversity **27.** GDP per unit of energy use (as proxy for energy efficiency) **28.** Carbon dioxide emissions (per capita) [Plus two figures of global atmospheric pollution: ozone depletion and the accumulation of global warming gases]
Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water	**29.** Proportion of population with sustainable access to an improved water source
Target 11: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	**30.** Proportion of people with access to improved sanitation **31.** Proportion of people with access to secure tenure [Urban/rural disaggregation of several of the above indicators may be relevant for monitoring improvement in the lives of slum dwellers]

Goal 8:	Develop a Global Partnership for Development*	
Target 12:	Develop further an open, rule-based, predictable, non-discriminatory trading and financial system Includes a commitment to good governance, development, and poverty reduction – both nationally and internationally	*Some of the indicators listed below will be monitored separately for the Least Developed Countries (LDCs), Africa, landlocked countries and small island developing states.* *Official Development Assistance* **32.** Net ODA as percentage of DAC donors' GNI [targets of 0.7% in total and 0.15% for LDCs]
Target 13:	Address the Special Needs of the Least Developed Countries Includes: tariff and quota free access for LDC exports; enhanced programme of debt relief for HIPC and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction	**33.** Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation) **34.** Proportion of ODA that is untied **35.** Proportion of ODA for environment in small island developing states **36.** Proportion of ODA for transport sector in land-locked countries *Market Access* **37.** Proportion of exports (by value and excluding arms) admitted free of duties and quotas
Target 14:	Address the Special Needs of landlocked countries and small island developing states (through Barbados Programme and 22nd General Assembly provisions)	**38.** Average tariffs and quotas on agricultural products and textiles and clothing **39.** Domestic and export agricultural subsidies in OECD countries **40.** Proportion of ODA provided to help build trade capacity *Debt Sustainability*
Target 15:	Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	**41.** Proportion of official bilateral HIPC debt cancelled **42.** Debt service as a percentage of exports of goods and services **43.** Proportion of ODA provided as debt relief **44.** Number of countries reaching HIPC decision and completion points
Target 16:	In co-operation with developing countries, develop and implement strategies for decent and productive work for youth	**45.** Unemployment rate of 15-24 year olds
Target 17:	In co-operation with pharmaceutical companies, provide access to affordable, essential drugs in developing countries	**46.** Proportion of population with access to affordable essential drugs on a sustainable basis
Target 18:	In co-operation with the private sector, make available the benefits of new technologies, especially information and communications	**47.** Telephone lines per 1000 people **48.** Personal computers per 1000 people **Other Indicators TBD**