

OPERATIONAL PROGRAMS OF THE EUROPEAN UNION IN BULGARIA AND THEIR IMPACTS ON ROMA CIVIL SECTOR

Introduction

In recent years, Roma civil society has been in serious decline and lost its previous position in Bulgaria. Many Roma NGOs have minimized or closed down their activities. Many Roma activists have left the NGO sector, emigrating to Western Europe or moving into other sectors. This has led to a weakening of the voice of Roma from the local level, who had set up community-based NGOs to advocate for solutions to problems in their communities or to raise critical issues in their community regarding social inclusion, human rights, equal opportunities and non-discrimination.

We witness a populist wave throughout Europe; populism and nationalism are permanently established in the daily lives of all European citizens. This trend does not bypass Bulgaria. After the last parliamentary elections in 2017 a coalition government has emerged, with nationalist formations united in a joint political format called the United Patriots. With the permanent establishment of nationalists in power, the idea of control over the civil society sector is pushed onto the agenda, and there are calls to curtail external intervention when referring to foreign donors. Often, these calls are backed by media close to the authorities who see civil society organisations as conductors of foreign interests, associating them only with absorption of funds, corruption and anti-state behavior. At the same time, state authorities try to restrict activities of the NGO sector through laws and regulations. One example is the compulsory registration of every NGO at the State Agency for National Security, a specialized counterintelligence and security body whose main mission is to detect, prevent, suppress and counteract threats to national security.

As part of this process, new NGOs have been created to support and justify the policies of those in power. They seek to "take over" the positions lost by other civil society organisations. An example of synchronized action between politicians, media and newly created NGOs was the campaign against the Parliament ratification of the Istanbul Convention.

Similar actions can currently be observed with respect to the draft National Strategy for the Child 2019 - 2030. Within these campaigns, actions are taken to manipulate public opinion, to generate and reinforce negative attitudes and to resist public opinion against certain policies in order to draw political dividends.

With the accession of Bulgaria to the European Union in 2007 a number of private donors decided to limit funding to the civic sector in Bulgaria, as it was believed that the objectives of an active civil society and democracy were met with the accession. At the same time, EU membership opened the possibility for NGOs to benefit from the European Union's Operational Programs in order to continue their activities. At present, Bulgaria is at the end of the second programming period ending in 2020 and at the beginning of the preparation of the new programming period, which will last until 2027.

Considering these factors in the development of Roma civil society, as well as current funding opportunities, Integro Association conducted this study to identify how Roma and pro-Roma NGOs are influenced by the Operational Programs in Bulgaria. This study provides an opportunity to identify and systematize the barriers faced by Roma civil society and to make recommendations to national and European authorities on adjustments to policies for civil society organizations' funding in the next programming period.

The methods used for the present study are:

- Review of the Operational Programs providing financial opportunities for the NGO sector.
- Analysis of the scheme *"Socio-economic integration of vulnerable groups. Integrated measures for improving the access to education"*, one of the most important measures for Roma and pro-Roma NGOs.
- Semi-structured interviews with representatives of Roma and pro-Roma NGOs.

OPPORTUNITIES FOR FINANCING THROUGH THE OPERATIONAL PROGRAMS IN THE PROGRAMMING PERIOD 2014 – 2020.

Undoubtedly one of the most important programs during the current programming period is the Operational Program “**Science and Education for Intelligent Growth**” (SEIG). The Ministry of Education and Science is the governing body of the program, with a total budget of BGN 1.37 billion (~ EUR 870 million). The Operational Program has two key aims:

- To be among the key instruments for achieving the objectives adopted by Bulgaria within the limits of the “Intelligent, Sustainable and Inclusive Growth Strategy” (Europe 2020 Strategy) and
- to serve as an effective policy implementation tool on convergence according to the agenda at national and community level.

The main objectives of OP SEIG, in the context of the Europe 2020 strategy, are:

- increasing investment in science and research to up to 1.5% of the gross domestic product;
- reducing the rate of early school leavers to below 11%;
- increasing the percentage of higher education graduates to 36% of people between the ages of 30 and 34.

The program was developed with three main priority axes:

The *first axis aimed at investing in research and technological development*. One of the priorities set out here was to increase the quality of research and the development of innovation. The national goal was to achieve sustainable growth in Bulgaria, and it required targeted investment in country-specific research areas, skilled researchers and inventors, and an attractive scientific environment.

The *second main priority axis was "Education and lifelong learning"*. This axis is linked to another guiding objective of the operational program, namely to improve access to higher education and to increase the share of higher education graduates between 30-34 years to 36%. Within this priority axis, actions were envisaged to motivate young people to graduate from higher education (scholarships, student loans), with special attention on students with achievements in science, engineering, innovation and entrepreneurship, the arts, culture and education, sports.

Under the *third priority axis "An educational environment for active social inclusion"*, investment in active inclusion and socio-economic integration was envisaged. This priority axis was aimed at building an educational environment that fosters the development of the potential of each child and student for personal development, as well as successful realization and socialization. Effective integration into the education system of children, students and young people from ethnic minorities and other vulnerable groups was a particular focus, making the measures under this priority axis an important opportunity for financing activities of Roma and pro-Roma NGOs working in the field of educational integration.

One of the most sought out procedures for financing projects in the area of educational integration has been the scheme BG05M20P001-3.002 **„educational integration of the students from ethnic minorities and/or these seeking or receiving international protection”**. This scheme set up, within the framework of a common procedure, the educational integration of minority students and of students from refugee communities in Bulgaria, who according to the Operational Program have common needs. The application process was opened in autumn 2015 with two application deadlines - November 2015 and May 2016. One requirement was the compulsory partnership between at least two of the eligible applicant categories NGOs, municipalities and schools. Eligible activities were

- additional support in Bulgarian
- additional work to catch up with study material for students at risk of dropping out;
- desegregation activities;
- additional activities to preserve cultural identity; involving parents in the life of the school; providing psychological support, etc.

According to public information on the EUMIS 2020 web platform, out of the 73 projects funded under the procedure, only 3 were led by Roma NGOs, and in only 5 projects Roma NGOs were partners. Projects led by municipalities and schools had a clear advantage. This indicates a trend during the current programming period towards implementation of Roma integration projects by local authorities.

The other procedure of importance for Roma NGOs was BG05M20P001-3.001 **„support for pre-school education and preparation of children in less favourable position”**. The announced procedure had objectives and eligible activities similar to the scheme described above, but with a different target group. While the previous scheme targeted students in grades 1 to 12, this scheme targeted children in pre-school age. Again, there was a mandatory

requirement for partnerships between municipalities, kindergartens and NGOs. The call for proposals was announced in September 2015, and the deadline for submission of project proposals was November of the same year. Information received from the EUMIS 2020 platform shows that only one of the 55 projects funded was led by a Roma NGO and less than 5 projects involved Roma NGOs as partners. As in the previous scheme, there is a strong predominance of municipalities as the main beneficiary of the scheme.

Shortly after the announcement of results of the two competitions, it became public that three identical projects worth over 1.5 million levs (about 750,000 Euros) of three NGOs, made up of the same people, were funded under the two schemes. Later it became clear that the organizations in question were registered only about one month prior to the announcement of the procedure at the same address in Varna. These findings led to an ordered review of the scheme and the administrative removal of these NGOs from the procedure, but there was no serious investigation or public disclosure of the results.

This type of problems has led to a serious breach of trust in the governing bodies from the side of the public and most NGOs. It is now a shared belief that the procedures for evaluating project proposals are not sufficiently transparent and funds are allocated according to criteria that are not objective or have been negotiated in advance to finance certain beneficiaries.

Another important Operational Program with a potential for financing activities of Roma and pro-Roma NGOs is the program "**Human resources development 2014 - 2020**" (HRD), with the Ministry of Labor and Social Policy as the governing body and a total budget of BGN 2 billion 136 million (about EUR 1 billion and 95 million). The objective of HRD OP is to contribute to the achievement of the Europe 2020 strategy's objectives of employment and combating poverty and social exclusion. Contributing to these goals is fundamental to the vision and strategy of the operational program.

The operational program is implemented through four major priority axes:

- Improving access to employment and job quality.
- Reducing poverty and promoting social inclusion.
- Modernization of institutions in the field of social inclusion, equal opportunities and non-discrimination and working conditions.
- Transnational cooperation.

Undoubtedly one of the most important schemes aimed at social inclusion of the Roma during the current programming period, and accordingly the scheme with potential for funding

of Roma and pro-Roma NGOs is the scheme BG05M9OP001-2.018 "***Socio-economic integration of vulnerable groups. Integrated measures for improving access to education – Component 1 and Component 2***".

Under Component 2, eligible applicants are cities and regional centers, and activities include the construction of social housing for vulnerable communities in their Integrated Urban Recovery and Development Plans. Under Component 1 eligible candidates are all other municipalities that have current municipal strategies for the integration of Roma/vulnerable communities.

The **Social and Economic Integration Scheme** was announced in November 2016. The scheme was an integrated measure funded by two operational programs - Human Resources Development and Science and Education for Intelligent Growth. The specific beneficiaries of this procedure were municipalities, but applying in a tripartite partnership with an NGO, kindergarten or school was a prerequisite. Component 1 was announced with a total budget of BGN 80 million (approximately EUR 41 million), and Component 2 with a total budget of BGN 33 million (approximately EUR 17 million). The application for Component 1 was done in 2 stages. In the first phase, municipalities had to submit their concepts for the project proposal and, if approved, were invited to develop full project proposals. Of the 78 concepts submitted, 52 received approval. Subsequently, 49 municipalities developed full project proposals, and 47 contracts were made for funding. The contracted funds under the scheme do not exceed BGN 26 million (about EUR 13 million). There is an intention to announce a second acceptance of concepts next year in order to use the unspent funds.

Despite the great delay in contracting, all municipalities started implementing their projects in March 2019. The average project duration will be 21 months.

In its essence, the procedure for socio-economic integration builds on the model and results achieved through the procedure BG051PO001-1 / 4/5 / 6.0.01 INTEGRA piloted in 4 municipalities through OP HRD in the previous programming period.

The socio-economic integration scheme consists of four main strands, and projects must include activities of all four strands.

Under heading I. "*Improving access to employment*" activities include: Activating economically inactive people; psychological support; organization of training courses for qualifications or competences; hiring of mediators; inclusion in subsidized employment, etc.

Within heading II. "*Improving access to education*" activities include: prevention of dropping out of school; stimulating early childhood development; educational integration

activities in kindergartens and schools; additional hours to catch up; hiring educational mediators; activities to stimulate the completion of secondary education, etc.

Within heading III. "*Improving access to social and health services*" projects could include activities to: improve access to quality social and health services; providing individual advice and support; raising awareness among the community about social and health rights; promotion of health culture, etc.

Within heading IV. "*Local community development and overcoming negative stereotypes*" projects could include activities to: Overcome negative community practices; stimulating civic participation; preservation of traditions and culture; monitoring and participation in local policy design and more.

The three funding schemes described above aimed at social inclusion and integration of the Roma community were by far not the only opportunities for the civil sector to benefit from EU Operational Programs, but they were largely responsive to the missions of Roma and pro-Roma NGOs. Therefore, it was expected that many applications would be received from Roma civil society.; however the results of the competitive procedures show that participation of Roma and pro-Roma NGOs remained far below expectations. In order to identify the reasons for the poor activity of the organizations both in the application process and in the process of implementation, we conducted four semi-structured interviews with NGO representatives - three Roma and one pro-Roma. One of the Roma NGOs has implemented a project as leading organization and participates in several projects in partnership with municipalities; the second organization has a winning project as a lead partner but is late in starting it; and the third organization has never applied neither as a lead organization nor in partnership. The pro-Roma organization included in the survey has two projects in which it has participated as a partner - a kindergarten and a municipality.

THE VIEW POINT OF ROMA AND PRO-ROMA NGOs

A Roma organization from southeast Bulgaria that has never implemented a project under operational programs:

„Despite our years of experience, our organization has never applied for and we have never implemented a project under the Operational Programs. At present, we are mainly dealing with a national program related to the prevention and control of tuberculosis in the Roma community, but we also have some very small projects to stimulate early childhood development, education and self-employment. We very much hoped to be included as a partner of the municipality in the procedure for Socio-economic Integration, but the municipality we closely work with has chosen a Roma NGO from a neighboring municipality as partner. They gave us no explanation for their choice. Now they have recruited a few people from our team to work on this project as mediators, but this is in personal quality, not as an organization. We have never tried to apply on our own, as we do not have the necessary administrative and human capacity to do this. The funding of projects under the operational programs for NGOs is different from municipal funding, which we are more used to, and an organization must have a lot of resources to be able to execute a project. We very much hoped to be able to execute a Local Action Group (LAG) strategy project under the Community-Led Local Development (CLLD) approach because we are members of the LAG and participated in the development of the strategy. However, as far as I understood, we will not be able to submit a project to the LAG, as they have already unofficially decided on the allocation of resources and we are not in their plans. Recently, we have been thinking of minimizing the organization's activities and focusing on other types of career development for our staff, for example as teachers. Lately, teachers are well paid and there is scope for development. There are very few Roma NGOs and no prospect for their development. If in the next programming period the administration for implementation of projects under the Operational programs is not becoming easier and there is no greater transparency in the evaluation and ranking, almost no Roma organizations in Bulgaria they will remain.“

A Roma organization from north-central Bulgaria that has been awarded a grant but is yet to implement the project funded by operational programs:

„So far, our organization has never implemented a big project either under Operational Programs or funded by other donors. We have an annual subsidy from the Ministry of Culture, which is around 2500 Euros and is only for overhead and running costs. During the past programming period we also implemented a small project funded by the LAG. The project was worth EUR 7,500 and aimed to reinforce the cultural identity of Roma youth in our village. We implemented the project with many difficulties because there were no upfront payments; we took loans from the municipality and other places to complete the project at 100% and then waited one and a half years for verification of our costs and repayment so that we could repay the loans accordingly. This has almost stopped us from applying for this type of projects, but we now have a project funded by the LAG with 100,000 Euro. Our organization is a member of the LAG and during this programming period we have been very active in developing their strategy. The strategy has a special priority for Roma integration and they set aside € 300,000 for such projects. With the help of ROMACT consultants, we developed a project application that was approved. But again, we have implementation issues: The municipality was also awarded a grant under this priority, but different from NGOs they are entitled to an advance payment of 20%. At present, the municipality is not able to lend us money, and we cannot start the project even though the grant was approved. We are looking for options, but I do not know if we will succeed. We will try to maximize the duration of the project and complete the first activities without funds, but we have employed people and need to pay them. The rules need to be changed for the future, as NGOs should be entitled to the same advance payments as municipalities. Municipalities have budgets and could execute projects without advance, but NGOs that rely solely on project funding and do not have their own resources to implement activities, do not receive such advance payment.

Pro Roma organization from Sofia, which has some experience in implementing projects under operational programs:

„Until now our organization has participated in two Operational Program projects as a partner. Our first project was in partnership with a kindergarten and was related to the educational integration of children; our second project is currently being implemented under the Socio-economic Integration Scheme. We were partners in the first project, but the rules of the scheme did not allow us to have expenses for the project. Our involvement was restricted

to providing an expert to support the activities of the educational mediator employed by the project. We spent money on the socio-economic integration project, but implementation is very difficult. One of the reasons is that the municipality refused to share its grant for indirect (overhead) costs with us. This is extremely unfair because we have project staff assigned to the project who has to be paid, we pay monthly bank transfer fees, and we do not have the funds to pay an accountant. We have to handle it alone even though we do not understand accounting enough. In general the projects are very good, but when municipalities are the leading beneficiaries, they always plan activities to be implemented and reported in the easiest possible way, and such activities almost never have the desired effect on the target groups. The reasons I mentioned will probably prevent us from participating in projects under the Operational programs in the future.“

Roma organization from north-eastern Bulgaria with experience in implementing projects under operational programs:

„I can say that our organization has considerable experience in implementing projects under Operational Programs. In the last programming period, we had a partner project with another NGO and running a project on our own. During the current period we have completed a project on our own and have partnership projects under several schemes. The project we implemented on our own was part of the Transnational and Danube Partnership Scheme with a partner from Germany. The implementation of the project was not difficult for us, but there were some obstacles that could be fatal to the outcome of the project: The most significant obstacle is the lack of upfront payments for projects granted to NGOs, unlike for municipalities for example. There is a down payment option, but it requires establishing a bank guarantee, which makes little sense. If we had the funds for a bank guarantee, it would be better to execute the project with them than to establish a guarantee and receive the same funds from the managing authority later on, with the associated bank fees at our expense. We were lucky that we had our own resources; many NGOs in Bulgaria do not have this financial comfort. In the end, all our expenses were verified and reimbursed. Surprisingly, the final payment was made within 2 months, which is a very short period, unlike the previous programming period, when the delay was at least 6 months.

On the other hand, the implementation of this project has limited us as to the De minimis rule. According to the minimum state aid rules, an organization cannot use more than 200,000 Euro in EU funding for 3 years. When you execute a project on your own, you use

a significant portion of this sum, which prevents you from participating in future schemes. Our project had a budget of 100,000 Euro. Under the Science and Education for Intelligent Growth Program, the Deminimis rules are not applicable, but under the Human Resources Development Program they are. When they announced the Socio-economic Integration Scheme, we became partners with 6 municipalities in 6 projects, and we had to assess in advance our financial contribution so as not to exceed the amount of Deminimis and jeopardize the implementation of the projects. We are currently implementing projects under the Socio-economic Integration Scheme in 4 municipalities. We had to give up two projects due to the fact that after signing the financing contracts, the municipalities refused to cover some of our indirect costs. The absurdity of the situation was that in practice we were implementing a significant part of the project, and we did not have the money for management, accounting, bank fees, office maintenance and more. With some of the municipalities, we reached an agreement to transfer a large portion of our budget to theirs and remain with a small part for us, while others refused even that. At present, the experts involved in the implementation of the projects also have to manage the administrative work without additional funds, which is a significant burden.

In general, in all projects under the Operational programs, the administrative burden is so great that at some point it is more important for a project contractor to manage the reporting than to work to achieve better results for the target groups, because the verification of costs depends on the reporting.

It is also extremely disturbing that the Socio-economic Integration Scheme is financed by two Operational programs, so in practice the municipalities made two separate contracts for one joint project. At the same time however, the requirements of the two programs in terms of implementation and reporting are very different and sometimes even contradictory. Although the scheme should be integrated, in practice two separate projects are currently being implemented."

CONCLUSIONS AND RECOMMENDATIONS

Generally, the desk research and the interviews conducted lead to several general conclusions:

- Overall, in recent years, the funds available under the operational programs did not have a positive effect on Roma NGOs in Bulgaria. There are no more than 10 organizations that implemented projects alone or in partnership, and those who completed such projects very often lose the motivation to reapply due to the financial and administrative burden. In the next programming period, it is necessary to ease the technical and financial reporting obligations of projects, such as:
 - Review the rules for granting advance payments to project beneficiaries and respect the principle of equal treatment between the various stakeholders in this regard. The problem of advance payment can also be solved by setting up a specialized fund to lend non-interest-bearing loans to serve as an advance on NGO projects.
 - Review the rules for minimum state aid (Deminimis).
- Mandatory local partnerships between NGOs, municipalities, schools, etc. often lead to stakeholder conflicts or to municipalities taking over the process. In the next programming period, it is necessary to introduce decentralization and limit the role of municipalities in the implementation of projects related to social inclusion and integration. In addition, it is necessary to introduce ex ante regulation on partnerships, which will ensure compliance with the principles of successful partnership.
- Overall, the Roma NGO sector lacks the administrative capacity to plan and manage EU-funded projects. There is a need for targeted action to build capacity for planning and scheduling projects under Operational programs.
- In general, there is a serious distrust in the evaluation process of project proposals under Operational programs in Bulgaria. It is generally agreed that project funding is agreed on in advance. The state is investing significantly in the transparency of procedures through the creation and refinement of EUMIS 2020, however further efforts are needed. At present, the system provides transparency on already concluded financing contracts, but additional options need to be introduced to ensure transparency of the project proposal evaluation process.
- Integrated schemes are important for achieving overall impact on target groups and for solving complex problems, but it is necessary in the future to establish common managing authorities for such schemes, which will greatly facilitate project implementation.

List of Roma NGOs that have implemented projects funded by the European Funds as leading organizations or partners.

Source: <https://eumis2020.government.bg>

| No | Oranization | Projects as leading organization | Projects as partner organization | Location |
|-----|---|----------------------------------|----------------------------------|----------------|
| 1. | Center AMALIPE | 1 | 35 | Veliko Tarnovo |
| 2. | Integro Association | 1 | 12 | Razgrad |
| 3. | "Indi Roma – 97" foundation | 3 | 1 | Kuklen |
| 4. | Association "Roma Center For Youth Activities Romano Ternipe-Sofia" | 2 | 0 | Sofia |
| 5. | Diversity and Equal Association | 2 | 0 | Sofia |
| 6. | Roma Community Center Vazovo | 1 | 0 | Isperih |
| 7. | LARGO | 0 | 1 | Kustendil |
| 8. | New Road | 0 | 7 | Hayredin |
| 9. | Roma Academy of Culture and Education | 0 | 4 | Sliven |
| 10. | RF ISKRA | 0 | 4 | Shumen |
| 11. | Health of Roma foundation | 0 | 4 | Sliven |
| 12. | Regional Roma Union Foundation | 0 | 1 | Burgas |
| 13. | Roma – Lom Foundation | 0 | 2 | Lom |
| 14. | World Without Border Association | 0 | 1 | Stara Zagora |