Since the 1996-1997 political and economic crises, when 36 percent of Bulgarians lived in poverty, the country has made substantial progress towards political and macroeconomic stability. But there has been little improvement in human development indicators. Large disparities exist between different geographical areas, between urban and rural areas, and between different ethnic groups. Bulgaria continues to face significant challenges including: government reform and decentralization, a shortage of capacities in administration and the need to overhaul its judiciary system.

UNDP has contributed mainly to three programmatic areas: governance, stressing decentralization and municipal management; poverty, with an emphasis on job creation; and the environment. The Independent Evaluation Office of UNDP conducted an independent country programme evaluation that covered UNDP work from 1997 to 2003, while also taking into account the intended results of the Country Cooperation Framework (2002-2005).

Bulgaria's goal of accession to the European Union (EU) was the backdrop to UNDP programming, which aimed to address the dual processes of transition from communist rule and accession from the perspective of human development. UNDP sought to ensure that ongoing legislative and institutional reforms did not overlook the needs of the poor or vulnerable. It brought a unique legitimacy and credibility to work on job creation and municipal management because programmes were not associated with any commercial or political interests.

Through the poverty programme area, with its emphasis on job creation, the Beautiful Bulgaria Programme, the Regional Initiatives Fund and the Job Opportunities through Business Support (JOBS) Programme fed directly into a Social Policy Strategy and active labour market policies. This signaled a turn towards attempting to influence the causes, not merely the effects, of poverty and unemployment—specifically, through the move from cash handouts towards job opportunities. The JOBS network has become part of the National Employment Promotion Plan for business development and employment generation, while active labour market policies currently provide community jobs to 100,000 long-term unemployed people.

The increased priority of social sectors in government policy, a result associated with UNDP’s work, was demonstrated by an increase in the share of social sector expenditures in the national budget from 46.5 percent 1998 to 51 percent in 2001. Over the 1996 to 2002 period, relative to GDP, the share of such expenditures increased from 15.3 percent to 22.7 percent. In terms of institutional achievements, UNDP partnered with the Government and the World Bank in establishing and developing the capacity of the National Social Security Institute, an autonomous body responsible for the administration of pensions and short-term cash benefits.

In its governance programmes, UNDP had a lead role in promoting decentralization and good governance at the local level, likely conducting activities with a wider range of municipalities than any other external donor. Many local officials became acquainted with external development partners, a capacity that may be helpful to the management of EU funding.

UNDP support also fueled national policy debate through the Municipal Human Development Index and provided Bulgarian decision-makers with important operational instruments for municipal level service delivery. A National Plan for Regional Development 2000-2006 was elaborated on the efficient use of local and regional resources for sustainable human develop-
ment. UNDP was also a key player in promoting civil society participation at both the central and local level.

Support in the area of environmental protection was focused on the adoption of national policies and programmes aligned with global environmental protocols and agreements. Legislative changes included the Law on Biodiversity, the Law on Protected Territories and the Energy Efficiency Act.

A high degree of synergy existed across thematic priorities through the focus on identifying areas of vulnerability and disparity in human development, demonstrating local solutions to such challenges, and upscaling and mainstreaming solutions to the national level of public management and practice. A general approach to piloting new initiatives consisted of developing local schemes with seed funding from UNDP, followed by a phase of multi-location replication based on the mobilization of resources from other donors, and finally a nationwide application funded by government resources.

Advocacy took place through a number of different instruments and forums, including National Human Development Reports and Social Impact Assessments. Many of the policy and institutional results that UNDP contributed did not emanate from individual projects. It was the interplay of analytical work in addition to other ‘soft’ advocacy, combined with concrete demonstration schemes that led to change. Some individual projects have influenced several different policy and institutional outcomes. The Beautiful Bulgaria programme, for instance, helped provide the modus operandi for social protection systems and labour market policy. It also gave legitimacy to national policies and institutional arrangements for decentralization and municipal management.

UNDP displayed a high degree of effectiveness in partnership-building. The fact that 63 percent of total resources came from Bulgarian authorities indicated congruence with national priorities and concerns. At the same time, UNDP identified an operational niche that resonated with Bulgaria’s other external development partners. The organization’s most critical advantage has been in partnerships structured around local operational solutions that build a bridge between macro- and microdimensions of national development.

Moving forward, UNDP support could become much more interwoven with Bulgaria’s accession efforts and post-accession practical adaptation to EU institutional and capacity requirements. One priority might be for UNDP to build on its political impartiality to support a national post-accession vision. If it does not achieve this level of engagement, it may find itself becoming redundant.

RECOMMENDATIONS

• UNDP needs to continuously maintain a focus on transferring or ‘mainstreaming’ operational management to the national institutions that have long-term responsibilities.
• Building on UNDP’s political impartiality and its involvement in national vision exercises around the world, there might be a role for UNDP to help the Government develop a vision for what capacities it will need in order to benefit from EU membership.
• Since Bulgaria now has a specific date for EU membership, there are implications for UNDP. Where the acquis present concrete legislative and institutional goals and targets, UNDP needs to align its projects and programmes. It could also support the Government in the implementation and management of EU funds.
• Decentralization efforts are entering a crucial phase representing a possible strategic opportunity for UNDP. UNDP may be in a unique position to help ‘pull the strings together’. This will require partnership with the Government, extraction of lessons learned from ongoing decentralization efforts, and refinement of country office competencies and organization.
• Improved targeting of the poor through a refined focus on minorities could be an area in where UNDP could prepare for a substantial and fairly rapid upscaling of its activities, given it is perceived as an ‘expert’ organization, with no territorial interest or ethnic baggage to protect.
• After EU accession, local demand for UNDP services may remain, since capacity development and public management reforms are unlikely to be completed. The office is largely self-financing, but whether it continues to operate depends more on political issues, something that the organization will need help resolving.

ABOUT THE ICPEs

Independent country programme evaluations (ICPEs) are the backbone of the work of the Independent Evaluation Office. They capture evidence of UNDP’s contributions to development results and the effectiveness of strategies supporting national development. They enable continued improvement in UNDP programmes, contribute to strengthened national ownership and evaluation capacity, and underpin accountability to national stakeholders and UNDP’s Executive Board. To date, over 100 ICPEs have been conducted worldwide.

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