Standard Summary Project Fiche

1. Basic Information

1.1 CRIS Number: **BG2003/004-937.05.03**

1.2 Title: **Vocational Qualification**

1.3 Sector: Employment, Social Policy and Education

1.4 Location: Bulgaria

2. Objectives

2.1 Overall Objective(s):

- Improving Labour Force mobility and competitiveness with a view to European labour market integration
- Strengthening the institutional capacity for management and further developing the quality of vocational education and training in Bulgaria

2.2 Project purpose:

Improving conditions for quality training for acquisition of vocational qualification

2.3 Accession Partnership (AP) and NPAA priority

- The project shall contribute to the achievement of the AP objectives
  "**Free Movement of Persons**":
  - “Continue to pursue alignment of mutual recognition of professional qualifications and diplomas and introduce required administrative structures, education and training programs”
  - “**Employment and Social Policy**”:
  - “Continue to support social partners’ capacity-building efforts in particular with a view to their future role in the elaboration and implementation of EU employment and social policy, including the European Social Fund and foster structured involvement of social partners, notably through autonomous bipartite social dialogue”
  - “Prepare a national strategy, including data collection, with a view to future participation in the European strategy on social inclusion”

- National Programme for adoption of the acquis (NPAA)
  The project is in conformity with the NPAA in its part related to:
  - Increasing the employment through enhancing the Labour Force employability
  - Maintaining and improving the human resources quality and their job placement
  - Decreasing and prevention of unemployment and social exclusion
The project shall support the aims stipulated in the Chapter “Education and Science” of the NPAA and in more specific terms it will facilitate the achievement of the following objectives:

- “Ensuring the education quality to enable comparison of the secondary general and vocational education with that of the EU member states, as grounds for achieving free movement of people and services within the framework of the internal market”.
- “Establishing a mobile and adaptive national vocational training system and vocational qualifications system which will take into account the social and economic requirements as well as the market demands, and will ensure access for all citizens and active social partnership”.

2.4 Contribution to National Development Plan (2000-2006)

The project directly addresses the following priorities laid down in the Axis 4 “Improving the quality of life and adapting human resources to the market requirements” of the NDP 2000-2006:

- Improving Employability
- Improving Quality of the Vocational Education and Training

2.5 Contribution to the Government’s Program in the field of Employment, Social Policy and Education (2001 – 2005):

The project is in accordance with the priorities set in the Government program covering the period 2001-2005:
- Development of a system for vocational training and retraining of the personnel related to the changes in the economic environment and employers’ requirements;
- Elaboration and implementation of schemes for continuing vocational training in order to develop and stabilize employment and to ensure economic growth;
- Improvement of the social partnership in order to ensure that the qualification of the Labour Force is adequate to the labour market demands;
- Increasing Labour Force adaptability to the changes in work conditions according to the labour market demands;
- Widening vocational training access right through elimination of the legislative restrictions to bound training with vacancy existing;
- Introducing mechanisms for improvement of the quality of the system for vocational education and training;
- Development of the system for training, retaining and permanent training

3. Description

Development of the national strategies on the labour market and vocational training in the pre-accession period requires taking into account the EU social policy and identified tasks to 2010. Attainment of a balanced labour market, as well achievement of high and adequate quality of the vocational training of youths and adult, and improving employability of the Labour Force, have to be based on the key messages of the EC Memorandum of Lifelong Learning.

It is necessary to ensure their direct relation with the European Employment policy pathways and the recommendations on cooperation in the field of vocational education and training in EU. Thus the Ministry of Education and Science and the Ministry of Labour and Social Policy shall develop new capacity for realistic identifying of the vocational training needs, high quality training through vocational qualification standards in line with developments in Europe, effective vocational training of adults approaches and methods.
3.1 Background and justification

The high quality of the Labour Force is one of the main priorities of the European Employment Strategy and it’s considered a prerequisite for improvement of the employability, labour productivity and business competitiveness.

In the existing imbalance between Labour Force demand and supply and high unemployment level, the employment opportunities of the unemployed with low or without education, with inappropriate or without vocational qualification, are extremely limited. In this sense it is necessary to be undertaken actions, aiming at increasing employability and competitiveness of the Labour Force through high quality vocational training.

In order to respond to this necessity, the VET system should become more flexible and the contents of training should take into account the vocational and social experience of the trainees.

The responsibilities of the institutions related to this subject are as follows:
- Ministry of Education and Science (MES) – responsible for implementation of the state policy in the field of the vocational education and training; elaboration of the framework vocational training programs; etc.
- Ministry of Labour and Social Policy (MLSP) – responsible for development, coordination and implementation of the government policy for employment promotion, vocational training and national labour market protection; involved in pursuing of the state policy in the field of VET by identifying the needs of VET through analyzing the labour market development trends; etc.
- National Agency for Vocational Education and training (NAVET) – responsible for licensing of the activities in the VET system and for coordination of the institutions, involved in career guidance and vocational education and training; elaboration of the vocational qualification standards; etc.
- National Employment Agency (NEA) - responsible for implementation of the government policy for employment promotion, vocational information and counseling, vocational and motivation training; etc.
- Regional Inspectorates of Education (RIE) - responsible for monitoring the performance of vocational schools in Bulgaria

In the project implementation process will be involved different institutions on national, regional and local level, as follow: nationally represented employers’ organizations, nationally represented employees’ organizations, Vocational training centers, relative schools, interested companies, territorial structures of NEA (Regional Employment Service Directorates and Labour Office Directorates), Regional Inspectorates of Education, etc. Thus the necessary accordance and coherence between stakeholders will be prerequisited.

According to the Employment Promotion Act (Article 58) the Ministry of Labour and Social Policy jointly with the Ministry of Education and Science develops and coordinates the policy and strategies for vocational training of adults - unemployed and employed at national level; organize and manage a National System for vocational training of unemployed and employed; study, analyze and forecast the statement, development and needs for vocational training of adults.

With the purpose of coordination of the national policy and strategies for vocational training of unemployed and employed development at the Minister of Labour and Social Policy shall be established a National Advisory Council for Vocational Qualification of Labour Force (Employment Promotion Act, Art 59). It will include representatives of ministries, agencies, commissions, representative organisations of employers and employees at national level and other non-profit legal entities.
According to the Vocational Education and Training Act (Article 18) the institutions within the vocational education and training system are vocational schools, vocational secondary schools, art schools, vocational colleges, vocational training centers, vocational information and vocational guidance centers and train the trainers centers. According to Article 19, paragraph 3 and 4, the vocational schools, vocational secondary schools and colleges could organize vocational training also for persons over 16 years old, and which are not any more in the formal education system.

The fundamental functions of the vocational qualification standards per professions are as follows:
- Determining the vocational competences
- Ensuring a wide profile training
- Ensuring training quality
- Ensuring qualifications transparency
- Regulation of the assessment criteria
- Ensuring compliance with the labor market requirement
- Ensuring equality of the graduation certificates
- Fostering mutual recognition of certificates in an European contextes.

Existing analysis of adults training and defined tendencies as well the experience of the Employment Agency in organizing training of unemployed, show l the necessity of applying an effective system for identifying of training needs. There is also a lack of a methodology(ies) for training of adults, based on the scientific achievements in this field and on the European best practices. There is an obvious necessity to be created such unit dealing with training of trainers, which will implement different functions connected with approbation of new approaches, procedures, standard training, etc. There is such a practice in many European countries.

Presently the vocational training of adults (employed and unemployed) is inadequate to the dynamically changing requirements of the labour market, it is also insufficiently methodologically provided. The appliance of the module approach, especially in the short-term training, the interactive methods of training, distance learning are not widely spread. There is a lack of pedagogic, material and human resources.

In most cases, training carried out by the training providers is not based on the comprehensive analysis of the demands for such training and is not in conformity with the regional economic conditions.

Training of adults is lagging behind from the requirements of the European policies for continuous training and making a European Area of Lifelong Learning a Reality.

The lack of capability to define the exact training demands leads to inconsistency between the real labour market needs and the nature of the training. This improper determination of the training needs reflects over the organization of the training process.

Under Phare 2003 will be established a national database for the labor market and European Social Fund including indicators for monitoring and evaluation of the projects and programs implemented in social sphere, particularly active labor market measures. The project focuses on the development of a modern information database in the National Employment Agency, which will meet the standards of similar information systems in EU member states. Establishment of such database will be an important step towards future integration with EURES. This database will complement the adequate training needs identifying. On the other hand defined training needs will be included in the established database. Links will be investigated.
Decreasing and elimination of the mentioned shortcomings and gaps in the conditions and activities connected with the vocational training, will contribute to the development of the Life Long Learning as an integral part of the employment and vocational training policies. Thus the opportunities for broaden access of employed and unemployed to different forms of continuous training and its quality will be increased.

In this way will be ensured:
- Easier access of the different groups within the Labour Force to appropriate forms of training;
- High quality of the results from the training following a methodology (ies) for training of adults;
- Higher effectiveness of the investments in the training;
- Further development of a basis for delivery and assessment of the training and its results through application of vocational qualification standards.

Elaboration and implementation of the current project is proposed in order to ensure the pointed conditions.

Developed under this project system for studying, identifying and monitoring of the employers’ and employees demands of Labour Force vocational training and methodology(ies) for vocational training of adults will be approved by the National Council for Employment Promotion as a standing body for social partnership in the employment policy development. Upgraded standards will be approved by the Management Board of the National Agency for Vocational Education and Training, which is also a tri-partite body.

3.2 Linked activities:

The current project supplements and develops further activities within the projects in the field of vocational education and training under the PHARE Programme and as a result of bilateral international projects and projects under the Stability Pact.

- Projects financed by the PHARE Programme:
  - Upgrading Vocational Education and Training Project – elaboration of draft standards for 3-rd level of vocational qualification in 18 professions
  - Renovation of Vocational Training Institutions Project – Phare 2000
  - Vocational Training Project – Phare 2000
  - Labour Market Initiative Project – Phare 2001
  - Social Inclusion Project – Phare 2001
  - Life Long Learning and Vocational Education and Training Project - Phare 2002
  - Clearing the Path to Employment for Youths Project – Phare 2002

- Project financed by other external donors:
  - Establishment of Bulgarian-German Centers for vocational training in the cities of Stara Zagora, Pleven and Pazardjik Project (Government of the Republic of Bulgaria and Government of the Federal Republic of Germany) – establishment of the 3 centers for vocational training
  - “Quick Start” Programme for vocational training of workers for certain jobs – The United States Department of Labor, The U.S. Agency for International Development
  - Vocational training Project under Program for co-operation between the Ministry of Labour and Social Policy of the Republic of Bulgaria and the Ministry of employment and solidarity of the Republic of France, 2002
Vocational education and training strategy and policy Project (funded by the International Francophonic Agency - Paris), participants: Canada, CEE countries – Slovenia, Lithuania, Bulgaria, Romania, Moldova, Macedonia, Albania, Morris Islands – South Africa

- Project financed under the Stability Pact

- Setting up a Regional network economic education at school level Project – ECO-NET
- Education and training in Tourism in Southeastern Europe – economic education, national networks and cross-border cooperation Project – TOUR-NET

Implemented activities under above mentioned projects have contributed to the improving of the Bulgarian vocational education and training system.

The current project is logical and consistent related to the specified projects and represents by itself the continuing of the vocational training quality improvement process.

The results from the implemented projects in the field of labour market and vocational training will contribute to the elaboration of the specific tasks related to identification of training needs, improvement of methods for adult learning and training facilities for vocational training of adults.

3.3 Results:

1. Developed and agreed system for studying, identifying and monitoring employers’ and employees for vocational training and trained staff to work with the system

2. Developed and agreed strategy and methodology(ies) for vocational training of adults and trained staff to apply it

3. Upgraded 80 vocational qualification standards following developments in European states and trained staff for elaboration and applying the standards.

3.4 Activities

1. Development of a system for studying, identifying and monitoring of the employers’ and employees needs for vocational training

The educational system as a major provider of vocational training does not succeed to ensure the necessary flexibility and employability. For this situation crucial reason is the lack of reliable system for identifying the vocational training needs (on regional and national level). Non-alignment and weak interest of the employers in the process contribute to their insufficient participation in providing appropriate conditions for practical training.

The main role of the training of adults is to fill the “gaps” from the educational system, but it also does not show good results in the provision of an appropriate professional ability. The main reason is the same - lack of reliable system for identifying the vocational training demands.
The following steps will be undertaken in order to develop the stipulated system:
1.1. Studying of the experience of the EU member states on functioning of the systems for identifying of vocational training needs and demands
1.2. Development of an information database - collection and processing of legislative, methodological, analytical and other information (collections, reference books, manuals, catalogues, etc.)
1.3. Creation of methodological tools for training needs analysis - elaboration of methodology for studying the training demands (model of the system) - system of indexes, study methods, statistical processing of information, etc.
1.4. Testing of the system (realization of a training needs analysis) in the pilot regions identified under the PPF
1.5. Training staff for work with the system
   - Provision of 2 training seminars on national level to total 90 individuals including administrative staff and social partners representatives
   - Provision of 6 training workshops on regional level to total 180 individuals for discussion and promotion of the system model – for receiving feed-back on the capability of the draft of the system

2. Development of a strategy for adult learning, particularly including methodology and content for vocational training of adults

The quality of provided vocational training in the new market conditions cannot respond to the challenges of the restructuring economy and high pace of privatisation. A small part of the numerous training organizations provides training based on the contemporary technologies. Most of them don’t use effective training methodology based on the science and technical achievements of the pedagogy. It is evident the necessity of comprehensive methodological framework for training of adults consisting effective training approaches, methods, training process organization, elaboration and using of training documentation, etc.

Within this activity (and on the basis of component 1) will be implemented the next tasks:
2.1. Studying of the experience of the EU member states in approaches and methods for training of adults
2.2. Provision of legislative, empirical and other basic information
2.3. Elaboration of a strategic and methodological framework for training of adults
   - Training principles, organizational schemes of training process of adults (including continuing training in companies), procedures and standards for elaboration of the syllabi, training plans and content, specific training methods, selection and motivation of the candidates, etc.
   - Documents for assessment and certification of training of adults
   - Methods for control and monitoring of adults training
   - improved procedures for licensing and accreditation by NAVET
2.4. Training staff to apply the methodology for vocational training of adults
   - Provision of 1 seminar on national level to total 60 individuals representatives of the vocational education and training institutions
   - Provision of training to 30 administrative staff of MLSP, MES, NAVET and NEA to apply the new methodology
   - Provision of training to 50 representatives of organizations providing training to adults

3. Upgrading of vocational qualification standards (standards) taking into account best practices in EU member states

The Ministry of Education and Science, NAVET and social partners elaborated List of vocation, which includes 176 different vocations.
The vocational qualification standards describe the labour activities carried out within the framework of a specific occupation as well as the related knowledge, skills and abilities. In this way the standards determine the levels and quality of training for each qualification level and for each vocational field.

Up to now NAVET has developed 12 vocational qualification standards and is currently working on further 35 VET standards. Under a previous PHARE project have been developed 18 vocational qualification standards and the accumulated experience shall support the implementation of this project.

The process of the elaboration of standards and their upgrading is permanent process. The envisaged activities shall be the further progress in the development of adequate vocational training system, corresponding to the labour market needs:

3.1 Studying of the experience of the EU members states for fine-tuning and further developing the methodology applied in Bulgaria and respective standards
3.2. Applying of competences based approach of standards in Bulgaria
3.3. Alignment of the framework on scope and content of a standard developed in Bulgaria
3.4. Upgrading 80 vocational qualification standards taking on board developments in Europe
3.5. Studying and adopting of European standards for certification of vocational qualification training
3.6. Elaboration of 3 000 copies of training materials (on paper and electronic version) with the purpose to promote them among institutions carrying out vocational training. The documents will be used for training purposes under 3.8.
3.7. Development of manuals for drawing up curricula and syllabi in compliance with the standards.. The documents will be used for training purposes under 3.8.

3.8. Training for development and applying of the standards
   - Provision of training to 40 experts of MES, MLSP, NAVET, NEA, RIO and social partners in carrying out external monitoring and control of VET institutions
   - Provision of training to 250 experts of MES, MLSP, NAVET, NEA, RIO and social partners for assessment of acquired vocational qualification
   - Provision of seminars for training to approximately 500 members of the standards upgrading teams
   - Provision of training to 100 experts of MES, NAVET and RIO in up-to-date IT for management of vocational training
   - Provision of 5 courses for training of total 75 individuals in internal monitoring of the vocational training quality in vocational training centers

3.5. Lessons learned:
MLSP and MES have developed this project on the basis of their experience with programming, implementing, monitoring and evaluation of projects under previous National Phare Programmes. A number of generic lessons have been learned in course of the implementation of the above projects. The most outstanding ones can be summarised as follows:
- To make available the necessary staff responsible for project implementation (Implementing Agency and PIU)
- To ensure the quality of the administrative capacity of the implementing structures (training to be provided whenever necessary)
- To ensure staff continuity in the event of staff changes in the implementing bodies
- To ensure good partnership between institutions, especially in cases of common projects under Phare Programme
- To improve the quality of Terms of References and Technical Specifications prepared by consultants
A step forward in the implementation and management of projects under the National Phare Programme is the newly published Procedural Rules (January 2003) by the NAC. Additionally to the PRAG and the Project Cycle Management published annually by the EC, these Rules supplement in detail the duties and responsibilities of all structures involved in the Phare programming and implementation cycle.

The project content is compliant with the existing legislation, which is design on the principles of regionalization and decentralization of the activities. On this base the active participation of the regional structures of MES and MLSP is envisaged and guaranteed in this project.

4. Institutional Framework

Beneficiaries under the project are MLSP and its National Employment Agency (NEA), Ministry of Education and Science (MES) and National Agency for Vocational Education and Training (NAVET). A Memorandum of Understanding (MoU) between all beneficiaries will be signed, prior to commencing the project’s activities, in which MoU the institutional responsibilities of all institutions involved with respect to project’s implementation will be clearly outlined, as well as the establishment and functioning of the PIU.

The Ministry of Labour and Social Policy (MLSP) is the Implementing agency (respectively contracting authority) of the project as it is mandated to be IA under PHARE Program in social and human resources development sector. The MLSP will manage and administrate the project through the Program Authorizing Officer (PAO). The Directorate “Pre-accession Funds, International Programs and Projects” (DPFIPP) will be acting as administration of the IA/PAO.

The day to day management of the project will be entrusted to a PIU. The PIU will be located at the Ministry of Labour and Social Policy. The PIU will include: representatives of the Phare Project Implementation Unit of MES and experts appointed by MLSP and NEA, and NAVET.

The Project Steering Committee (PSC) shall provide strategic guidance in respect of the project implementation and shall take all major decisions thereto; shall provide opinions and recommendations on all ToRs, criteria for final beneficiaries selection.

The PSC shall be convened at least twice a year on request of the PIU which shall act as its secretariat. For the composition of the PSC, the PIU shall forward invitations to the interested parties and shall submit a list of nominated PSC representatives to the PAO for issuing of an order.

The composition of the PSC shall be as follows:

Chairperson

<table>
<thead>
<tr>
<th>Delegation of the EC</th>
<th>Observer</th>
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<tbody>
<tr>
<td>MLSP</td>
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<td>MES</td>
<td>2</td>
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<tr>
<td>NAVET</td>
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<td>NEA</td>
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<td>Employers’ representatives</td>
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<td>Employees’ representatives</td>
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The National Advisory Board for Vocational Education and Training (as envisaged by current legislation) should be included as well after it has been established.

The PAO has ultimate responsibility for ensuring that the programme is implemented fully in line with the Financing Memorandum and PRAG in terms of sound administrative and financial management of the project, including tendering, contracting, disbursement, accounting, payment and reporting procedures and monitoring of the project.

The overall administrative and financial management is the responsibility of the MLSP. The latter include:

- Preparing and submission of documentation based on inputs from the PIU and contracting procedures;
- Negotiations of contracts;
- Accounting, payments, and financial control for the contracts;
- Overall monitoring and evaluation of the project activities;
- Preparation of quarterly and ad hoc reports on project status and fund management.

5. Detailed Budget

<table>
<thead>
<tr>
<th>PHARE SUPPORT</th>
<th>Investment Support (I)</th>
<th>Institutional Building (IB)</th>
<th>Total Phare (=I + IB)</th>
<th>National Cofinancing*</th>
<th>IFI *</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>1. Development of a system for studying, identifying and monitoring of the employers’ demands of Labour Force vocational training and training of staff</td>
<td></td>
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<td>0,890</td>
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<td>2. Development of a strategy and methodology for vocational training of adults and training of staff</td>
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<td><strong>Service contract 1</strong></td>
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<tr>
<td>3. Upgrading of vocational qualification standards in Bulgaria in compliance with the standards of the EU countries and training of staff</td>
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<td><strong>TOTAL</strong></td>
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</table>

*In cases of co-financing only

Note: expenditure for equipment should be put under Investment

6. Implementation Arrangements

6.1 Implementing Agency

The Implementing Agency (IA) for the project is the Ministry of Labor and Social Policy through Pre-accession Funds, International Programs and Projects Directorate. The Implementing Agency shall be responsible for the administrative and financial implementation.
The PAO shall head the IA. The PAO will be:

**Mr. Radoslav Bozadzhiev**
Deputy Minister
Ministry of Labour and Social Policy
2, Triaditza Str., Sofia – 1051, Bulgaria
Phone: ( + 359 2) 933 24 59 and Fax: ( + 359 2) 986 13 18
E-mail: rbozadzhiev@mlsp.govemment.bg

The major responsibilities of the IA under this project shall covered: tender procedures, contracting, financial accounting, monitoring and other activities in compliance of Practical Guide to PHARE, ISPA an SAPARD and the Procedural rules for coordination and preparation of the Phare programme implementation.

The PIU shall be responsible for the day-to-day technical implementation of the project and shall be headed by a Senior Programme Officer (SPO).

The responsibilities of the PIU shall include observance of the procedure of the Practical Guide in the implementation of the project activities, submission of the request for launching tender procedures, preparation of tender documentation and Terms of References, and their submission to the IA for approval by the PAO.

Each institution (MES, MLSP and NEA and NAVET) shall bear the responsibilities for implementation of the specific project activities through its representatives in the PIU.

6.2 Twinning

Not applicable

6.3 Non-standard aspects

PRAG procedures shall be strictly followed

6.4 Contracts

The allocation of the activities per contracts is as follows:

1 Service contract amounting to 1.550 M Euro for development of a system for studying, identifying and monitoring of the employers’ demands of Labour Force vocational training and development of a strategy and methodology for vocational training of adults

1 Service contract amounting 1.650 M Euro for upgrading of vocational qualification standards in Bulgaria in compliance with the standards of the EU countries

7. Implementation Schedule

The formal implementation of the project shall commence after January 2004. The PIU and the PSC shall be established before that date.

7.1 Start of tendering – March 2004
7.2 Start of project activities – September 2003
    (Preparatory activities for commencement of the project under the PPF 2001)
7.3 Project completion – July 2007
8. Equal Opportunity

This project shall provide equal opportunities to men and women in every subproject and at every level of implementation. The project implementation shall be complied with the Bulgarian legislation and the policy of the EU in this respect.

9. Environment:

No impact

10. Rates of return

Rates of return cannot be estimated for the whole project as it refers to quality of vocational training

11. Investment criteria

11.1 Catalytic effect:
The project activities shall contribute to the improvement of the quality of training intended for vocational qualification acquisition and shall strengthen the links between the involved institutions, and shall increase the extent of using the resources for vocational training on national, regional and local levels. In addition the project shall support the activities relating to the development of the Lifelong Learning concept.

11.2 Co-financing:
The project shall be financed by the PHARE Programme

11.3 Additionality:
Investments from private donors are not envisaged.

11.4 Project Readiness and Size:
The project envisages 3,200 M EURO PHARE aid

A framework of requirements determining a uniformed structure and contents of the standards for all professions has been established and approved. Up to now all procedures for 12 professions have been completed and the Management Board of NAVET has approved the standards. The standards for 35 other professions have been awarded for elaboration.

The available VET studies and analyses performed by the MES and NAVET contribute to the applicability of the project. When elaborating a methodology for training needs analysis, TNA methodology used under previous Phare projects should be taken into account.

Analyses of the activities concerning training for vocational qualification acquisition also have been done (Joint Employment Policy Review, National Action Plan for Employment, etc.). The Employment Agency observes, analyzes and reports the activities concerning vocational training of employed and unemployed by quarterly reports and annual review of the labour market.

The Ministry of Labour and Social Policy has developed a draft of concept for vocational qualification of adults. It consists vision and requests for designing of a system for studying, identifying and monitoring of the employers’ demands of Labour Force vocational training.
It is envisaged in 2003 under the PPF to be prepared the main documentation such as: Terms of References, tender documentation, draft of the methodological framework for training of adults, study for identifying proper pilot regions to test the system for studying, identifying and monitoring of the employers’ demands of Labour Force vocational training and study for identifying vocational qualification standards to upgraded. Consultant team experts under the PPF jointly with the PIU staff will ensure coordination and coherence of activities within different project components.

In order to guarantee the start of tendering on the fixed in the project date, ToRs shall be ready by the end of 2003.

11.5 Sustainability:

The activities proposed under the project are part of the active labour market measures, implemented by the MLSP and also of the vocational education and training policy, pursued by MES and NAVET. MLSP, MES, NAVET and NEA will guarantee future sustainability of similar activities.

Applying of the achievements under this project shall cover throughout the country, all regions, districts and communities, and will be permanent.

Developed indicators, methodological approaches and means will support the performance of Bulgarian pre-accession commitments.

11.6 Compliance with state aids provisions

The activities within the project will be implemented in accordance with the Article 92 (3)(a) of the Treaty of Rome with respect to the regional aid in an Objective 1 Member States.

11.7 Contribution to National Development Plan

The contributions of this project towards the NDP are identified in item 2.4. above.

12. Conditionality and sequencing

The project is dependent on good inter-institutional cooperation between MLSP, MES and NAVET for achieving the project objectives.

The Memorandum of Understanding between involved institutions shall be signed up to October 2003. To facilitate commencement of the project the PIU shall be established up to the end of August 2003.

MLSP, MES and NAVET shall provide the appropriate human resources. Office premises, office equipment, communication and other necessary resources of IA and PIU shall be provided in order to facilitate project commencement and implementation.

Key milestones will be:

- Memorandum of Understanding
- Establishment of PSC – prior to the project commencement date
- Final Evaluation Report
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format (compulsory)
2. Detailed implementation chart (compulsory)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)
4. Reference to feasibility/pre-feasibility studies. For all investment projects, the executive summary of the economic and financial appraisals, and the environmental impact assessment should be attached (compulsory)
5. List of relevant Laws and Regulations (optional)
6. Reference to relevant Government Strategic plans and studies (may include Institution Development Plan, Business plans, Sector studies etc) (optional)
7. Institutional capacity
## Annex 1

### Phare logframe

**LOGFRAME PLANNING MATRIX FOR PROJECT**

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Contracting period expires</th>
<th>Disbursement period expires</th>
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<tbody>
<tr>
<td><strong>VOCATIONAL QUALIFICATION</strong></td>
<td>Nov 2005</td>
<td>Nov 2006</td>
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<tr>
<td><strong>Total budget:</strong> 3, 200 M EURO</td>
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<td>Phare budget: 3, 200 M EURO</td>
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</table>

#### Overall objective

- Improving national Labour Force mobility and competitiveness with a view to European labour market integration
- Strengthening the institutional capacity for management and further developing the quality of vocational education and training in Bulgaria

#### Objectively verifiable indicators

- Improvement of the capacity up to 15% of experts, involved in the vocational training process in Bulgaria
- Ensuring commitment and awareness raising of the stakeholders on the regional and local level (at least 10% in vocational training delivering)

#### Sources of Verification

- Bulletins and Editions of MLSP, NEA and NSI
- Co-operation agreements of stakeholders indicating results, timing

#### Project purpose

- Improving conditions of quality training for acquisition of vocational qualification

#### Objectively verifiable indicators

- Approved model of the system after completing of the project
- Agreed methodology for vocational training of adults and next steps
- 80 VQ standards developed and agreed next steps
- 1,435 experts, management staff, teachers, trainers and social partners representatives, knowledgeable in VET

#### Sources of Verification

- Reports of MLSP, MES and NEA;
- Minutes of the Managing Board of NAVET;
- Reports of PIU;
- Reports of the TA consultants;
- Monitoring by EC Delegation

#### Assumptions

- Understanding and support from EU member states by providing relevant information;
- Stable macroeconomic conditions for development of the business;
- Understanding and support from the business environment
<table>
<thead>
<tr>
<th>Results</th>
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</thead>
<tbody>
<tr>
<td>1. Developed system for studying, identifying and monitoring of the</td>
</tr>
<tr>
<td>employers’ and employees demands of Labour Force vocational training</td>
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<tr>
<td>and trained staff for work with the system</td>
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<tr>
<td>2. Developed methodology for vocational training of adults and trained</td>
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<tr>
<td>to apply it</td>
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<tr>
<td>3. Upgraded 80 vocational qualification standards in Bulgaria taking</td>
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<tr>
<td>on board latest development in EU countries and trained staff for</td>
</tr>
<tr>
<td>elaboration and applying of the standards</td>
</tr>
<tr>
<td>- Elaborated model of the system</td>
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<tr>
<td>- Conducted testing of the system in the defined under PPF pilot</td>
</tr>
<tr>
<td>regions</td>
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<tr>
<td>- Number of elaborated guides, samples of training programmes for</td>
</tr>
<tr>
<td>adults and package of didactic materials</td>
</tr>
<tr>
<td>- 80 Number of elaborated VQS developed for approval by MES</td>
</tr>
<tr>
<td>Sources of Verification</td>
</tr>
<tr>
<td>Reports of PIU, model operational</td>
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<tr>
<td>Reports of Consultants, system operational</td>
</tr>
<tr>
<td>Bulletins of NEA and NAVET</td>
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<tr>
<td>Published training materials and disseminated</td>
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<tr>
<td>Plan for implementation of standards</td>
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<tr>
<td>Assumptions</td>
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<tr>
<td>- Willingness of the training providers to adopt EU compliant VQ</td>
</tr>
<tr>
<td>standards</td>
</tr>
<tr>
<td>- Willingness of related institutions to offer support</td>
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<tr>
<td>- Readiness of regional/local structures of MES and MLSP, training</td>
</tr>
<tr>
<td>providers and social partners to participate actively in the project</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Activities</th>
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<tbody>
<tr>
<td>1.1. Studying of the experience of the EU member states on functioning of the</td>
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<tr>
<td>systems for identifying of vocational training demands</td>
</tr>
<tr>
<td>1.2. Development of an information database - collection and processing</td>
</tr>
<tr>
<td>of legislative, methodological, analytical and other information</td>
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<tr>
<td>(collections, reference books, manuals, catalogues, etc.)</td>
</tr>
<tr>
<td>1.3. Creation of methodological tools – elaboration of methodology for</td>
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<tr>
<td>training the demands (model of the system) - system of indexes, study</td>
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<tr>
<td>methods, statistical processing of information, etc.</td>
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<tr>
<td>1.4. Testing of the system in identified under the PPF the pilot regions</td>
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<tr>
<td>1.5. Training staff for work with the system</td>
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<tr>
<td>2.1. Studying of the experience of the EU member states in approaches</td>
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<tr>
<td>and methods for training of adults</td>
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<td>2.2. Provision of legislative, empirical and other basic information</td>
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<tr>
<td>2.3. Elaboration of a strategic and methodological framework for training</td>
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<tr>
<td>of adults</td>
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<tr>
<td>2.4. Training staff to apply the methodology for vocational training of</td>
</tr>
<tr>
<td>adults</td>
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<tr>
<td>Means</td>
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<tr>
<td>- Service contract signed</td>
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<tr>
<td>- Information database developed</td>
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<tr>
<td>- Provision of 2 training seminars on national level</td>
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<tr>
<td>- 90 individuals trained including administrative staff and social</td>
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<tr>
<td>partners representatives</td>
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<tr>
<td>- Provision of 6 training workshops on regional level</td>
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<tr>
<td>- 180 individuals trained for promotion of the system model</td>
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<td>- Provision of 1 seminar on national level to total 60</td>
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<tr>
<td>individuals representatives of the vocational education and training</td>
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<tr>
<td>institutions</td>
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<tr>
<td>- Provision of training to 30 administrative staff of MLSP, MES, NAVET</td>
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<tr>
<td>and NEA to apply the new methodology</td>
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<tr>
<td>Assumptions</td>
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<tr>
<td>- Properly identified training needs</td>
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<tr>
<td>- Positive attitude and interest to the project activities as a condition for vocational training of adults</td>
</tr>
<tr>
<td>- Availability of training providers, trainers and social partners to participate in the project</td>
</tr>
<tr>
<td>- Good experience in previous PHARE projects</td>
</tr>
<tr>
<td>- Good relations between all stakeholders involved in the project</td>
</tr>
</tbody>
</table>
3.1 Studying of the experience of the EU member states for fine-tuning and further developing the methodology applied in Bulgaria and respective standards

3.2. Applying of competences based approach of standards in Bulgaria

3.3. Alignment of the framework on scope and content of a standard developed in Bulgaria

3.4. Upgrading 80 vocational qualification standards taking on board developments in EU countries

3.5. Studying and adopting of European standards for certification of vocational qualification training

3.6. Elaboration of 3 000 copies of training materials (on paper and electronic version) with the purpose to promote them among institutions carrying out vocational training

3.7. Development of manuals for drawing up curricula and syllabi in compliance with the standards

3.8. Training for development and applying of the standards

- Provision of training to 50 representatives of organizations providing training to adults
- Elaborated methodological guide
- Service contract signed
- Trained 40 experts in carrying out external monitoring and control of VET institutions
- Trained 250 experts for assessment of acquired vocational qualification
- Provision of seminars for training to approximately 500 members of the standards upgrading teams
- Trained 100 experts of MES, NAVET and RIO in up-to-date IT for management of vocational training
- Trained 75 individuals in internal monitoring of the vocational training quality in vocational training centers
- Training materials developed and published
- Developed manuals in compliance with the standards
- Consultant Team Reports
- PIU Reports
- Monitoring Committee reports

Preconditions:
- Existing legislation, NEDP, NAPE and Government’s Program
- Successful implementation of previous Phare projects
- Existing IA and PIU for implementation and coordination of the project activities
- Good cooperation between MLSP, MES, NAVET, NEA and other beneficiaries
- Commitment and active participation in the project of experts, teachers, trainers and involved social partners.
Annex 2

| Components                                                                 | 2003 |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| PSC operational contract under the 2001 for analytical activities for    | x    | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      |
| comment: Service Contract 1:                                             | x    | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      |
| Service Contract 2:                                                     | x    | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      |
| Educational Qualification Standards                                    | x    | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      | x      |
| Training and evaluation                                                 | x    |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |

**DETAILED IMPLEMENTATION CHART**
Annex 3

CONTRACTING AND DISBURSEMENTS SCHEDULE – VOCATIONAL QUALIFICATION

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<td>3.200</td>
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</table>

Contracting – to be completed within no more than 24 months as from FM signature
Disbursement – to be completed within no more than 36 months as from FM signature
Annex 4

REFERENCE TO FEASIBILITY/PRE-FEASIBILITY STUDIES

1. Labour Market Study and VET Schools Infrastructure Study on the NW and SC Planning Regions of Bulgaria performed under PHARE 2000
2. Labour Market Study and VET Schools Infrastructure Study under PHARE 2001 (under preparation)
3. Joint Assessment of Employment Priorities in Bulgaria

Annex 5

LIST OF RELEVANT LAWS AND REGULATIONS

3. Regulation on Application of the Employment Promotion Act – SG N 28/19.03.2002, in the end of April an amendment to the Regulation is expected
5. Law on the Level of Schooling, the General Educational Minimum and the Syllabus -1999
7. Rules governing the implementation of the Law on National Education-1999
8. Framework Agreement between the Commission of the European Communities and the Republic of Bulgaria
Annex 6

REFERENCE TO RELEVANT GOVERNMENT STRATEGIC PLANS AND STUDIES

1. Accession Partnership
2. National Program for the Adoption of Acquis (NPAA)
3. National Plan for Economic Development
4. National Plan for Regional Development
7. National Strategy “Education”
8. National Program for the Information Society
10. List of Vocations of NAVET

Annex 7

INSTITUTIONAL CAPACITY

The Ministry of Labor and Social Policy (MLSP) is mandated to act as Phare Human Resources Development Implementing Agency as of January 2003. This is stipulated for the first time in the Council of Regional Development Decision, adopted on 12/11/2000 and most recently confirmed in the Council of Ministers Decision ? 607 adopted on 05/09/2002 concerning a “Conception for Extended Decentralized Implementing System for Phare and ISPA Programs”.

In April 2001, the Council of Ministers amended the MLSP Code of Practice and created formally the Directorate “Pre-accession Funds and International Programs and Projects” (DPFIPP). As determined by the MLSP’s Code of Practice, the DPFIPP main functions include: organization, coordination and management of programs and projects financed by EU pre-accession funds.

The DPFIPP will act as Phare IA based on the capacity built under SMAEP’99 Phare project as well as on the experience of Phare projects from 2000 to 2002. In the period concerned the DPFIPP has grown in experience, knowledge and skills for implementing EU pre-accession funds assistance.

Currently the DPFIPP comprises of 35 people at national level. There are 10 civil servants and 25 people on civil contracts. In this respect the latest amendment of MLSP Code of Practice from 12/11/2002 stipulates that the staff of the DPFIPP increases from 10 civil servants up to 25. Thus the MLSP will take the opportunity to maintain the human capacity from the SMAEP IA and other projects on a sustainable base, as it will appoint the core staff as civil servants within the structure of the DPFIPP. The majority of the staff has around 2-3 years of experience and has attended general and specialized training courses on EU pre-accession and
structural funds management according to specially developed and implemented Human Resources Development Strategy.

Furthermore DPFIPP have other 24 people working in the regional structures of the two projects – SMAEP’99 and Vocational Training’00. The people from these regional structures and the whole regional experience will be used in the management and implementation of the future projects. It is envisioned those people to be offered by the Employment Agency to be attached to the Labor Offices and Regional Employment Services which are the EA’s local structures and will be used in the technical implementation of the project.

On the other hand DPFIPP has developed and applied different kind of manuals and procedures for programming coordination, transparency and publicity, clients and partners’ complaints, procedures for reporting, rules for work with the TA, procedures for financial management, procedures for procurement, for contracting and contract amendments, Steering Committees convening, system for monitoring, job descriptions, strategy for human resources development within the directorate. All these documents are part of an Internal Procedures Manual.

All above-mentioned is a part of a grown institutional capacity and confidence within the MLSP and DPFIPP which was confirmed in the KPMG’s final report for “Verifying Phare IA’s Capacities for Managing Grant Schemes Projects” from September 2002. The reports states that “in view of the IA’s track record of similar programs and its experience in managing grant schemes, the Auditor would recommend to the EC Delegation the undertaking of the necessary steps for ‘accrediting’ the MLSP’s IA and waiving the ‘ex-ante’ control, which should however be postponed until implementation of the actions recommended to comply with the minimum criteria, stipulated in Art 12.2 of the EC Regulation 1266/99”.

As far as MLSP will act as Phare Human Resources Development Implementing Agency as of January 2003, the technical implementation of the project in the sphere of Labor market active measures will be implemented jointly with the National Employment Agency. As it is pointed into the NEA’s Code of Practice “the NEA is “an administration under the Minister of Labor and social policy’s jurisdiction responsible for the implementation of the state policy for employment promotion, labor market protection, vocational information and consulting, vocational and motivation training of unemployed and employed …”

The partner Ministry of Education and Science has established a Unit for implementation of Phare projects in 2000, comprising 5 experts with experience in Phare programming and implementation. To date the PIU is responsible for the implementation of the projects of MES under Programmes PHARE 2000, 2001 and 2002.